FINDING OPPORTUNITY IN ADVERSITY

Westlife Development Limited | Integrated Annual Report FY2020-21

Forward looking statement

This document contains statements about expected future events and financial and operating results of Westlife Development Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Westlife Development Limited annual report FY2020-21.

Contents

Highlights of 2020-21

Total revenue

9860.31 (Rs. mn)

Cash Profit

23.82 (Rs. mn)

EBITDA

39.10 (Rs. mn)

Restaurant Operating margin

7.73 (%)

FINDING OPPORTUNITY IN ADVERSITY

The year 2020-21 was unprecedented on account of uncertainty, disruption and business impairment.

At Westlife Development Limited, we perceived this as an opportunity to reimagine our business and outperform.

This spirit – to emerge stronger even as it became more difficult – made the difference.

We ended the year with a more competitive business model that is poised to capitalise more extensively on the sectoral improvement in the future.

We transformed adversity into opportunity.

WESTLIFE DEVELOPMENT LIMITED.

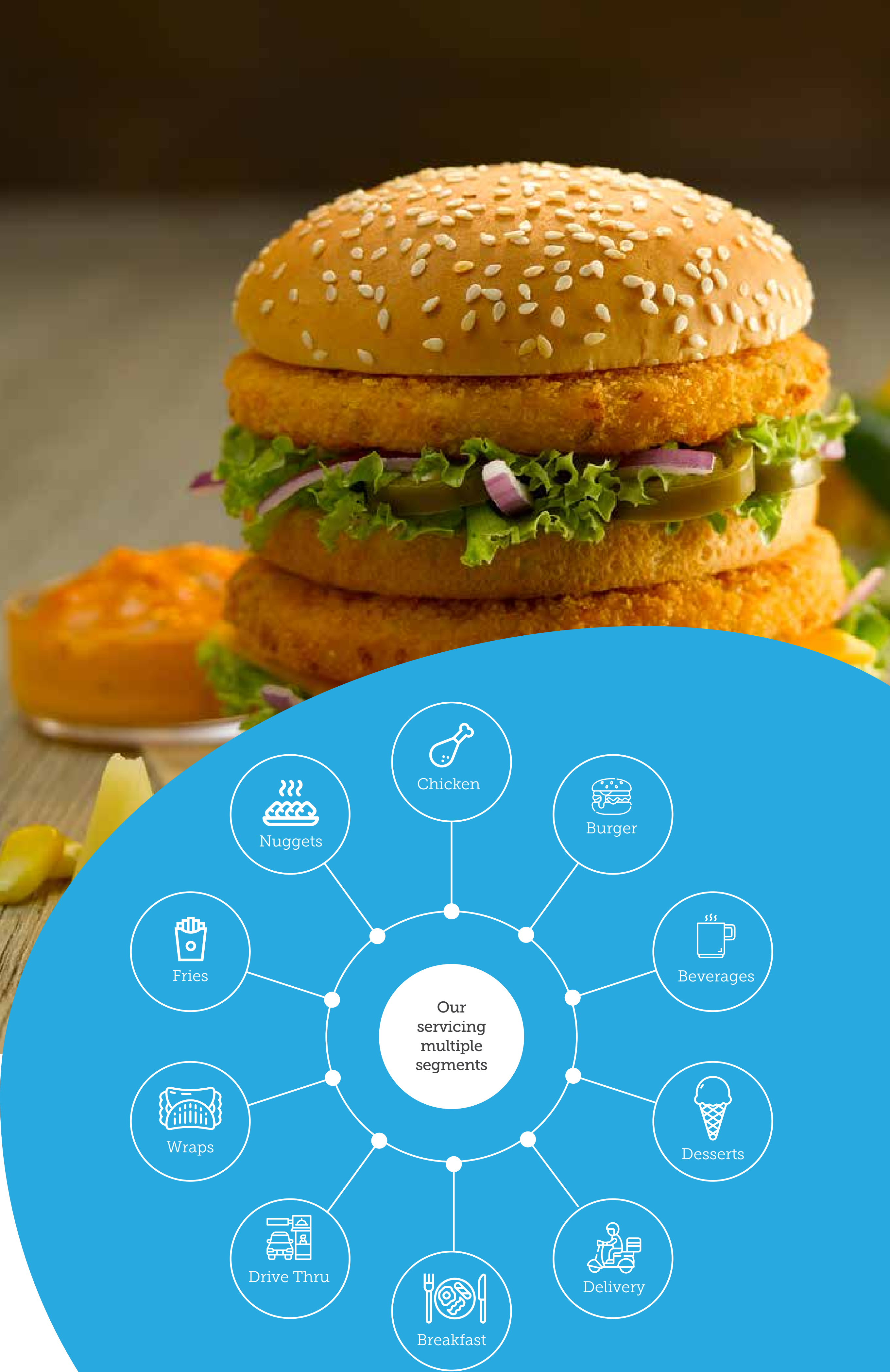
ONE OF THE MOST ATTRACTIVE PROXIES OF INDIA'S QUICK SERVICE RESTAURANT INDUSTRY.

MARKED BY ACCESSIBILITY, AFFORDABILITY AND DEPENDABILITY.

Background
Westlife Development Limited ('Westlife'), through its 100% Indian subsidiary, Hardcastle Restaurants Pvt. Ltd, owns and operates a chain of McDonald's restaurants in West and South India, being a master franchisee of McDonald's Corporation, USA, through the Indian subsidiary.

Footprint
Westlife, through its subsidiary, serves over 200 mn customers each year at 305 company-operated. McDonald's restaurants and 225 company-operated McCafes located in the states of Andhra Pradesh, Telangana, Gujarat, Karnataka, Maharashtra, Goa, Tamil Nadu, Kerala and Madhya Pradesh – South and West India. The Company's ~10,000 strong workforce ensures world-class customer service, giving consumers a number of reasons to visit McDonald's time and again.

Offerings
McDonald's provides various formats and brand extensions that include standalone restaurants, Drive-thru's, 24x7 restaurants, McDelivery (online order placement through website and app) and On the Go.


Chicken
Nuggets
Burger
Fries
Beverages
Our servicing multiple segments
Wraps
Desserts
Drive Thru
Delivery
Breakfast

Our brand

- We stand for trust and permissibility
- We make customers comfortable with our menu nutrition and hygiene
- We enhance consumer convenience

Our pillars

Our people

- We are a happy company because we have happy employees
- We retain people effectively through sensitive policies
- We foster a high-performance culture

Our restaurants

- We provide a modern restaurant ambience (EOTF)
- We enhance customer access and throughput through locational proximity
- We protect store profitability through long-term rent agreements

THE PASSION WITH WHICH WE MANAGE OUR BUSINESS RESULTED IN SURVIVAL AND REVIVAL IN FY20-21

OPERATIONAL

Store count

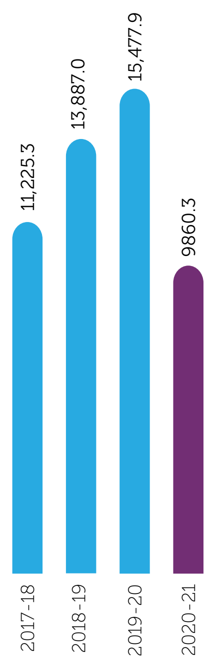
- Selective net expansion of our store base in areas with rich potential
- Focus on expanding in key West and South Indian cities for enhanced returns

Employee base

- Focused on protecting our crew across locations
- Deepened training in standard operating protocols, safety cum hygiene standards, customer service, customer expectations management, food delivery and kitchen economics. Vaccinated employees in due accordance with the Government policies and mandates

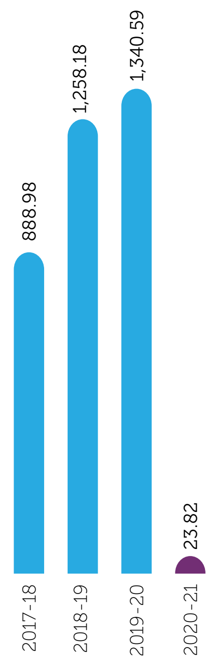
FINANCIAL

Gross revenues – ₹ in mn



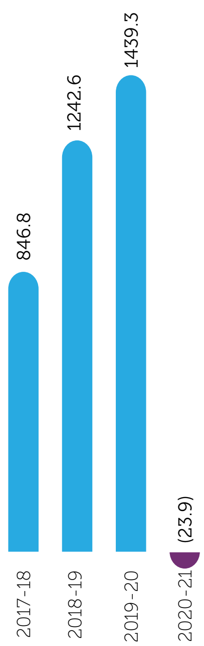
- Survived and revived in a challenging QSR environment marked by weak consumer sentiment
- Built back revenues through the interplay of enhanced assurance, access and convenience

Cash Profit – ₹ in mn



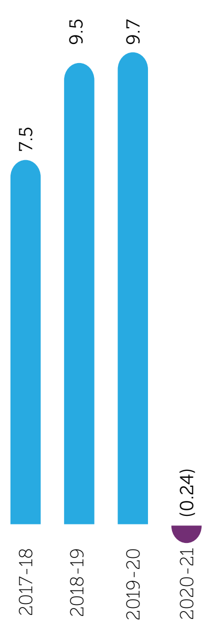
- A high cash profit generated in the second half of the year helped offset the loss incurred in the first half
- The Company generated a positive cash profit in FY20-21 despite the company's outlets being closed or operationally restricted for a large part of the year, a validation of the business model

Operating EBITDA – ₹ in mn



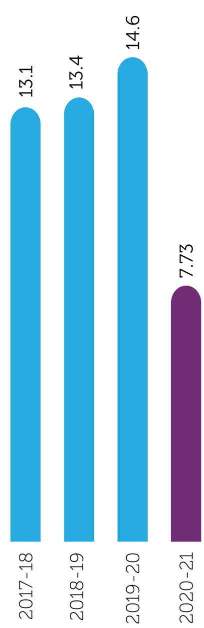
- Moderated our cost structure, enhancing our any-market competitiveness
- Stronger fixed cost coverage moderated our break-even point and reverted us to profitability with speed

Operating EBITDA – %



- Lower cost structure helped enhance margins in the later quarters of FY20-21
- The margins from Q3 FY20-21 were higher in FY19-20 (on lower revenues)

Restaurant operating margin – %



- Focus on effective store level cost management
- Moderated costs across operations; reduced our break-even point

Net profit – ₹ in mn

- The bottomline was a validation of the company's competitiveness (low costs, strong brand, enhancing same store revenue growth)

HIGHLIGHTS OF OUR PERFORMANCE, FY20-21

Reported a total revenue of ₹ 9860.3 mn

Restaurant operating margin touched a five-year high of 16.37% growing by 528 bps in Q4

Cash profit was an attractive ₹ 667 mn in the second half of the year compared to a loss of ₹ 644 mn in the first half

Restaurant operating margin strengthened by nearly 600 bps from the first half of the year to the second half

Operating EBITDA margins turned around from (22.4%) in the first half of the year to 9.6% in the second half

Net debt reduced from ₹ 238 mn as in March 2020 to ₹ 58.7 mn as in March 2021

A flagship McDonald's outlet was launched at the departure terminal of T2 International Airport in Mumbai

All numbers exclude the impact of IND AS 116


ORDER

THE PANDEMIC IN FY20-21 WAS THE BIGGEST CHALLENGE ENCOUNTERED BY INDIA'S QUICK SERVICE RESTAURANT SECTOR




We fostered a collective conviction that could demonstrate resilience in this challenging phase

We focused relentlessly on business continuity

We helped catalyse a consumer sentiment revival by evoking the trust that our outlets would be completely safe

WESTLIFE BROUGHT TO THIS UNPRECEDENTED REALITY A COMPLEMENT OF PLUCK, PASSION AND PERSEVERANCE




We broad-based our customer engagement through a widening range of formats

We invested in technology tools to widen customer access

We invested deeper in SOPs and training that enhanced the safety of our 6815-member crew

WESTLIFE: SURVIVAL TO REVIVAL WITH SPEED, SAFETY AND SENSITIVITY IN A CHALLENGING FY20-21

Survival phase (March to July 2020)

Addressing the customer's environment trust deficit

Priority: Ensuring safety for all customers across all locations

Our responsiveness: First to launch contactless delivery, digitally enabling food take-out and On-the-Go

Outcome: Enhanced consumer trust and confidence in consuming food purchased from outside but consumed at home

Assuring employees about their job security

Priority: Assuring them of their security

Our responsiveness: Clear announcement of no lay-offs; introduced work from home for frontline employees; trained them in safety SoPs

Outcome: Kept employees motivated and gainfully engaged

Assuring investors of the relative safety of their investments

Priority: Engaging with investors through quarterly result conference calls

Our responsiveness: Ensured business continuity; rationalised costs

Outcome: Enhanced investor confidence

Providing safe and hygienic food to most affected communities

Priority: Supported to those most impacted by the pandemic (daily wage earners and slum dwellers)

Our responsiveness: Launched our Meals for Good programme

Outcome: Distributed 65,000+ meals

Revival phase (August to December)

Addressing the wariness of customers engaging in people contact

Priority: We focused on contactless delivery that would encourage customers to buy from us

Our responsiveness: Introduced contactless dine-in and Golden Guarantee (42-point safety check-list)

Outcome: Brand Trust Scores strengthened; dine-in revenues and convenience

Addressing the sustained need to keep employees safe

Priority: There was a need to continuously assure employees of their safety

Our responsiveness: Introduced a comprehensive safety SoP; conducted vaccination drives

Outcome: Protected employees; enhanced their confidence in servicing customers

Need to enhance investor sentiment

Priority: Need to communicate the company's turnaround story

Our responsiveness: Articulated strategy around Assurance, Convenience and Access; created a new cost benchmark; leveraged the diversified real estate portfolio

Outcome: Steadily built revenues; achieved high margins

The challenges we encountered in FY20-21

- Decline in revenues affecting our Balance Sheet
- General gloom, fear and uncertainty
- Fear of stepping out
- Fear of making contact with employees or customers
- Restrictions on movement
- Restrictions on business operations by the Government
- Hesitation in consumer spending following income uncertainty

- Decline in revenues and profits during the first two quarters
- No existing playbook to tap into
- Fear that consumer sentiment would take months to revive (if at all)
- Muted investor outlook

How we countered the prevailing challenges in FY20-21

Commitment to employee and business well-being

Launched innovative solutions around stakeholder well-being and cost management

One of the first QSR brands to offer contactless delivery, enhancing safety and hygiene practices

Implemented Golden Guarantee – a 42-point checklist to enhance employee and customer safety

Leveraged convenience levers and digital channels (take-out, delivery, drive-through)

Consumer movement away from unorganised (roadside) vendors to QSRs

Food safety and hygiene played a critical role in attracting customers

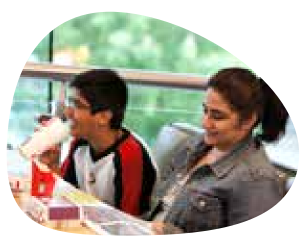
McDonald's attractively placed on account of technology-driven consumer engagement

McDonald's capitalising on convenience-driven consumer options

THE WORLD MAY HAVE TRANSFORMED IN FY20-21 BUT SOME THINGS REMAINED THE SAME

How McDonald's continued to deliver and delight

Home-maker Shanthi was apprehensive about ordering from McDonald's based on fears of viral contamination through from food delivery until she heard about the company's Golden Guarantee assurance



Naseem was worried about the health and hygiene involved in cooking restaurant food until she saw every McDonald's crew team in gloves, masks and face shields

Gurinder agreed to let her children visit McDonald's after she was told that entire engagement – buying and receiving – would be contactless

Ravi loved driving through the empty streets of Bengaluru roads at night, sliding into a McDonald's drive-thru, and collecting food, without even stepping out of the car

Nita was pleasantly surprised when she found a McDonald's crew member waiting at the street corner with her order in a paper bag; she didn't need to step out of her car!

WESTLIFE FINISHED FY20-21 MORE NIMBLE, MORE OPTIMISTIC AND MORE COMPETITIVE

This validated that the Company's business model was agile and responsive

Revenue growth

Westlife revenues increased every successive quarter from the first quarter onwards

Westlife's convenience channel revenues of FY20-21 emerged higher than pre-COVID-19 levels

Westlife's convenience channel revenues did not cannibalise in-dining but proved complementary

Overall revenues, FY20-21 (₹ mn)

Quarter one	Quarter two	Quarter three	Quarter four
938.91	2,094.92	3,250.57	3,575.91

Cost management

Westlife moderated fixed costs, strengthening competitiveness

Profitability

Westlife turned cash-positive by Q3, FY20-21

Westlife EBITDA margins from Q3 onwards were higher than the margins achieved in FY19-20

Westlife reported better Q3 and Q4 FY20-21 EBITDA margins on revenues lower than in FY19-20

Cash earnings* (₹ mn)

Quarter one	Quarter two	Quarter three	Quarter four
(550.40)	(93.11)	345.80	321.54

**Depreciation + PAT*

Overview

When we went into business about 25 years ago, excited about the power of an organised global QSR brand in an under-penetrated India, we recognised that while the future would be robustly attractive, there would be years when our patience would be tested.

So, we aimed to build a business that would be agile enough to address the widening opportunities of a relatively virgin marketplace on the one hand and resilient enough to withstand unforeseen sectoral setbacks on the other.

The year under review was precisely the kind for which we had prepared the company across the last couple of decades – a year when we would encounter the unforeseen, rebound with speed, reinforce our growth and strengthen our competitive advantage.

Our company concluded the year with close to 65% recovery in revenues despite all regulatory headwinds and the lockdown imposed by the government to protect citizens from the pandemic. Interestingly, our EBITDA margin in FY20-21 compared favourably towards the second half of the year, which should tell you that even as a number of things were outside our control, we did our best with the various factors within our influence and delivered a qualitatively superior business.

The pandemic

It would be fair to state that the pandemic (and subsequent lockdown across India) was the most challenging single event encountered by our company in the last 25 years.

During the last couple of decades, whenever we were challenged by sluggishness in the consumer environment, we didn't just respond by playing the game better: we responded by changing the game itself.

As personal safety was threatened and people were asked to stay indoors, one of the first casualties was the eating-out industry. There was a complete closure of restaurants across India, eliminating the prospect of revenues while overheads needed to be continuously incurred. This posed an unprecedented challenge for our industry.

The pandemic put a premium on our corporate response. The company possessed no play book of a similar event in the past, the data available was limited and the fear of the unknown was possibly (and understandably at that point) larger than the reality itself.

I would not say that we possessed all the answers during that challenging period. All I will say is that we trusted a few convictions: whenever the lockdown was lifted, people would need to engage with organised brands they trusted. Soon a more vital realisation began to dawn upon us: that in the inactivity and uncertainty of the marketplace resided an unprecedented opportunity.

The core of that opportunity could be encapsulated in one sentence: 'If consumers cannot come to McDonald's, why don't we take McDonald's to our consumers.'

The game-changing 'C' word

During the last couple of decades, whenever we were challenged by sluggishness in the consumer environment, we didn't just respond by playing the game better: we responded by changing the game itself. The result has been an unmistakable sequence of business unforeseens that were addressed with typical boldness at our company.

How Westlife responded during this challenge was no different. Rather than be cornered into inactivity, we resolved to innovate our way through the slowdown; we resolved to restructure our business model to enhance nimbleness.

This is how: we recognised that the apprehension to step out would persist. However, we also recognised that a number of consumers (locked into their premises for more than a couple of months) would be waiting to drive into the open, eat hygienic non-home cuisine and seek a change from the routine. At Westlife, we focused on making our engagement with that community of consumers safe, swift and simple. We brought a new word into our every-day use: **convenience**.

This perspective accelerated the company's omni-channel strategy that enabled access to our food - whenever, wherever and however the customer liked, transforming our brand perception from that of a fixed brick and mortar fixture into a virtual corporate service provider that could be accessed with the flick of a finger. We designed a contactless experience that would be safe, secure, swift and seamless.

We did not just focus on enhancing convenience for our consumers; we pioneered an entire workflow around it; we invested to make the transaction life-cycle – from contactless food ordering to contactless food delivery – sanitised, contactless and assuring,. Our employees responded to the new normal through their willingness to be re-trained around a new way of working. The result was a new dimension in India's QSR sector in sync with the prevailing environment.

At McDonald's, we believe that the concept of On-the-Go virtually transforms the way we exist: the recall of our company will gradually evolve from asset-heavy to asset-light; from product (as in food) to service. We believe that this re-approach will shift the paradigm from 'I need to go and sit inside McDonald's to be served' to 'McDonald's is making it easier for me to consume its food wherever I like'. This will accelerate our ability to serve and enhance profitability.

The 'T' word

The one thing that made this ubiquitous access a reality was our proactive investment in **technology**.

A number of observers who tracked us through the last financial year are aware that we had been increasing our investments to evolve from just a food company into a food technology brand. This evolution warranted changes in customer-facing engagement and back-end architecture, making the role of technology seamless and transformative. So, when the pandemic broke, we were caught unaware but not unprepared; we possessed a technological solution that could be adapted to our immediate needs.

Our technology backbone provided us with a chassis on which to build apps and digital interventions. It was possible for the consumer to not just order food through a technology intervention; it also became possible to match the food provider and recipient at a specific location and time (On-the-go); it was possible to collect food from McDonald's without entering our premises or engaging with anyone from our staff at all. Suddenly a completely contactless transaction was a reality – possibly the first time in India's QSR sector – that was safe and scalable. The combination of contactless takeout, on-the-go, contactless payments and digital receipts strengthened our recall as a brand that did not just provide good food, but a brand that cared.

Enhancing Trust

At Westlife, we recognised that we needed to complement contactless engagement with the provision of safety assurance in the event that the government permitted restaurants to re-open. This led to the launch of our Golden Guarantee Promise (centred around complete safety) which played a confidence-enhancing role in bringing consumers to outlets or making it convenient for them to take food home. We created a check list of more than 40 parameters that maximised safety in our operations – between employees on one hand and between employees and consumers at the other. The result is that following resumption, there was a growing relief that McDonald's was one of the few publicly accessible eating-out places where people could come, sit, have a meal, unwind and return home - without the fear of contracting an infection.

Moderating our break-even point

At a time when we were reporting virtually no revenues, the only way we could remain in business was by moderating our break-even point, enhancing our competitiveness across similar market cycles.

We engaged in a number of initiatives in this regard.

- **We entered** into negotiations with landlords to secure rent relief and deferrals, together with revised contractual terms.
- **We rationalised** supply chain costs through zero-based budgeting.
- **We reduced** wastages and optimised distribution costs. We reduced store operating costs.
- **We renegotiated** our office rentals, reduced discretionary expenses like travel and shifted some services from annuity to need-based.
- **We secured** an increase in the revolving credit facility to enhance liquidity.
- **We moderated** our working capital outlay following renegotiated contracts with key suppliers.

The result of this austerity emphasis was optimised Restaurant Operating Margins, enhancing liquidity on the one hand and moderating net debt on the other. We moderated our break-even point, making it possible to remain resilient during challenging market cycles and post a quick rebound during market recovery.



Outcomes

The result of these initiatives is that when revenues more than doubled in the second half of the year compared with the first, our margins corresponding recovered as well and we posted a presentable surplus that helped us overcome the loss of the first half.

Our convenience platform returned to its pre-COVID-19 revenue levels as early as August 2020; within just three months of commencing our On the Go service that made it possible for food to be delivered right to our customers' vehicle outside our restaurant, revenues from this channel tripled, graduating from a stop-gap arrangement into a competitive advantage.

Various initiatives we embarked on began to deliver positive outcomes by the third quarter and attractive numbers during the fourth quarter.

The company reported a positive same-store sales at a 10.5% growth in the last quarter.

There was close to 90% recovery in the dine-in segment; our convenience channels reported a 42% growth in the last quarter, on a YoY basis.

McDelivery reported it's highest ever sales in March 2021.

The Drive-thru channel reported 81% growth in the fourth quarter, YoY; On-the-Go emerged as a key competitive advantage

The success of these 'Out-of-restaurant' channels provide us the confidence that the convenience cum assurance platforms are the way to our future.

Outlook

There is a lovely saying that I find myself using more frequently: never waste a good crisis.

It would have been simplistic to complain about what befell our sector and company; on the contrary, we recognised a number of realities to be opportunities in disguise and responded accordingly to emerge stronger.

For the foreseeable future, we will remain flexible, keep observing the market for gaps, listen carefully to what consumers are telling us (in addition to what they are not), protecting the integrity of our Balance Sheet and remaining tactically nimble while never losing sight of why we are in business – to enhance consumer delight.

We see four pillars around which to build our business in a sustainable way.

One, there is a strong love for our brand that we will continue to leverage; we are democratising global gastronomic preferences in India; we are recognised as a modern and progressive food and food-tech company.

Two, we are committed to drive world-class safety standards and carve away demand from the unorganised food service segment

Three, we now possess a truly omni-channel consumer access that complements the brick-and-mortar with the digital, providing convenience with a 360-degree relevance.

Four, we possess a broad based, dynamic and hygienic menu platform that appeals to those who relish taste and wholesome food around attractive value.

Five, we moderated our new store break-even point; as revenues rise for these upfront-expensed stores, margins could strengthen.

Six, we provide a wide complement of value across 305 outlets in West and South India, 225 McCafés, 265 McDelivery outlets and 197 McBreakfast outlets, translating into more occasions to visit our outlets.

Seven, we possess a robust shock absorber in our robust Balance Sheet that remained unimpaired through the pandemic.

We are at the right place at the right time with the right consumer value proposition to grow attractively and sustainably. In FY20-21, the conviction of our Westlife family helped turn adversity into an inflection point. We are now optimistic of emerging bigger, better and stronger from the pandemic.

In line with this long-term optimism, we will continue to open new outlets in strategic locations, invest in cutting-edge technology solutions, deepen our omni-channel experience and strengthen our brand. To ensure the safety of employees and customers, we are facilitating the vaccination of our crew.

We expect to drive revenues and profitability through accessibility assurance, convenience and digital acceleration, menu innovation, network expansion, as well as cost leadership and margins expansion.

We are optimistic that the complement of the three D's – Drive thru, Delivery and Digital – will continue to strengthen our brand, competitiveness and financials.

These realities ensure that we will not only live to fight another day but live to win the next battle, whenever it transpires

The best is yet to be.

Amit Jatia, *Vice Chairman*

OUR BRAND REPORT, FY20-21

When people think of eating out, one of the first names they think of should be McDonald's

ACCESS

Different geographic markets

Different geographic markets

305

Restaurants and 225 McCafé outlets in West and South India

On The Go

250+

restaurants

Highest number of Drive Thrus

Different vendor eco-systems

65

No. of supply chain vendors

RELEVANCE

Different locations

Easily accessible and popular locations of outlet presence

Different consumers

Addressing the needs of children, teenagers, young, middle-aged and elderly

Different needs being serviced

Friends' hang-out; me-time; family get-together; casual meetings / breakfast; children's birthday parties; transit; coffee date

CHOICE
Different menu choices

Fusion, international, vegetarian and non-vegetarian

Different time-parts

Outlets open from 7 am to 11 pm, addressing breakfast, lunch, dinner, coffee, snacking or dessert needs

CONVENIENCE
Different service experiences

Dine-in; Drive-through; Store pick-up; Home delivery; On-the-Go

Different ordering convenience

Order electronically, in-store kiosk or across the counter

Different payment formats

Pay by cash, debit/credit cards or electronic wallets

EXPERIENCE
Different ambient environments

Increased graduation of restaurants to more modern and contemporary Experience of The Future (EoTF) format.

Different menu platforms

Balanced offering along across formats (burgers, wraps, fries, nuggets, beverages, international vegetarian and non-vegetarian cuisine) and menu options for each format

HOW WE HAVE ENHANCED VALUE FOR ALL OUR STAKEHOLDERS

Overview

The Integrated Value-Creation Report is being increasingly recognised for its ability to showcase how organisations enhance value holistically manner for their stakeholders - employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers. This reporting format is being increasingly based around the conviction that merely addressing the needs of one or two stakeholders achieves little in a sustainable way; companies need to address the requirements of every single stakeholder for their success to be classified as fulfilling and sustainable.

How are we enhancing value for each stakeholder segment

- **We** provide diverse sets of consumers with a number of reasons to visit McDonald's
- **We** enhance shareholder value through consistent growth
- **We** provide vendors with gainful and growing engagement
- **We** play the role of a responsible corporate citizen
- **We** are invested in our employees' learning and growth
- **We** have created a robust market-wide supplier base

The ingredients of our value-creation process

- Coverage of West and South India, progressive Indian regions
- Leveraging the value of the iconic McDonald's brand
- Presence across the breakfast, coffee, dine-in and delivery formats
- Low debt on the books; large net worth
- Widened consumer engagement convenience
- Moderated cost structure; low break-even point
- Reinvestment of profits into the business

Our intangible strengths

Brand: Westlife stands for dependability and popularity across customers – the best standardised quality delivered around the best consumer value

Commitment: Westlife proactively expanded its restaurant rollout during the sectoral slowdown of 2013-14 (for instance) without stretching its Balance Sheet or diluting its equity capital

Systems-driven: Westlife represents a combination of promoter-directed and professionally-managed capabilities in a systems-driven environment, an effective combination.

Outperformance: Westlife is driven by a commitment to reinforce its QSR leadership and outperform across market cycles.

Knowledge: Westlife leveraged its proprietary knowledge to grow its business, resulting in the launch of a number of pioneering features, initiatives and products.

Agility: Westlife has demonstrated a high degree of adaptability and flexibility in the face of evolving customer needs.

Responsible: Westlife practices the highest standards of governance benchmarked with the statutory requirements of the day

The resources that go into value-creation

Natural capital: Serves as the basis and glue for the entire economic and social system. It provides resources that often cannot be replaced and are essential for the functioning of the economy as a whole. Resources include water or fossil fuels, renewable natural resources such as solar energy or agricultural crops, and the capacity of the world's carbon sinks — i.e., the air, forests and oceans — to neutralise or sequester the waste generated economic activity.

Social and relationship capital: The stock of resources created by the relationships between an organisation and all its stakeholders. These relationships include ties to the community, government relations, customers and supply chain partners. Operating licenses, dependence on the public sector or an unusual supply chain may also be factors

Intellectual capital: Encompasses the intangibles associated with brand and reputation that are critical to the organisation. It also includes resources such as patents, copyrights, intellectual property and organisational systems, procedures and protocols.

Human capital: Refers to the skills and know-how of an organisation's professionals as well as their commitment and motivation and their ability to lead, cooperate or innovate.

Financial capital: The traditional yardstick of an organisation's performance. It includes funds obtained through financing or generated by means of the organisation's productivity. It's the pool of funds available to the organisation for use in the production of goods or the provision of services, including debt and equity. Financial capital interacts extensively with the other capitals.

Manufactured capital: Mainly comprises physical infrastructure such as buildings or technology equipment and tools. Manufactured capital may be owned by the organisation or by third parties, e.g., roads and other public infrastructure. They contribute to an organisation's productive activity.

The beneficiaries of Westlife's value creation

At Westlife, we believe that the interplay of value for our various stakeholders has translated into our business profitability and sustainability.

Our employees represent the aggregate knowledge of how to grow the business across a range of functions (procurement, manufacturing, marketing technology, finance etc.). Our focus is to provide an exciting workplace, generate stable employment and enhance productivity

Our shareholders- Our focus is to generate growing RoCE and, in doing so, enhance value of their holdings

Our vendors provide credible and a continuous supply of food materials and consumables. Our focus is to maximise quality procurement at declining average costs with the objective to widen our markets strengthening sustainability

Our customers keep us in business through consistent purchase of products, generating the financial resources to sustain our operations.

Our communities provide the social capital (education, culture etc.). Our focus is to support and grow communities through consistent engagement

Our governments in the areas of our presence provide us with a stable structural framework that ensures law, order, policies etc. Our focus is to play the role of a responsible citizen, serving as a role model

Enhanced value delivered by Westlife for all stakeholders

How we engage with our stakeholders

We recognise the importance of fostering and maintaining strong relationships with key stakeholders through transparent, sincere and effective engagements.

We believe that a responsible engagement strengthens our environment-social-governance (ESG) fabric, the basis of our business sustainability. This ESG-centric approach is multi-stakeholder in its coverage and influence, strengthening the business across every organisational dimension.

Stakeholder group	Westlife's considerations	Stakeholder interests	How we engage	Capitals impacted
Customers	Our products are consumed by people of all ages and economic backgrounds, making it imperative for us to provide a quality and contemporary menu.	• Quality, availability, accessibility and affordability • Consistent, reliable and convenient product supply • Impact of product on health	• Engage with our customers through a dialogue when they visit our outlets	• Intellectual • Manufactured
Government, competent authorities	Our ability to produce, market and distribute products is dependent on regulatory approvals from governments authorities	• Legal and regulatory compliance • Social and environmental impact of operations • Tax revenues and investments	• Audits of manufacturing sites by regulatory authorities to ensure Good Manufacturing Practice (GMP) and regulatory compliance • Participation in industry bodies • Reports and interactions aimed at confirming legislative and regulatory compliance policies and processes • Involvement in government programmes aimed at creating jobs	• Manufactured • Social & Relationship

Stakeholder group	Westlife's considerations	Stakeholder interests	How we engage	Capitals impacted
Employees	Employees play a critical role in ensuring we achieve our strategic objectives. We seek to continuously understand the needs, challenges and aspirations of this stakeholder group	• Job security • Equitable remuneration and performance incentives • Diversity and inclusivity • Performance management, skills development and career planning • Reputation as an ethical employer • Employee health, safety and wellness	• Direct engagements by supervisors and business management • Induction and internal training • Employee wellness campaigns	• Human
Suppliers	These stakeholders play an important role in enabling us to meet our commitments to customers	• Fair engagement terms and timely settlement • Ongoing communication on our expectations and service levels provided • Fair and timely payment	• Conducting various training programs • Providing farmers with the latest technologies • Sustainable sourcing	• Social & Relationship • Financial • Natural
Investors and funders	As providers of capital, these stakeholders require to be kept informed of material developments impacting the Group and its future prospects	• Growth in revenue, EBITDA and returns on investment • Appropriate management of capital expenditure, working capital and expenses • Gearing, solvency and liquidity • Security over assets, ethical stewardship of investments and good corporate governance • Fair executive remuneration	• Dedicated investor and analyst presentations • Stock exchange announcements, media releases and published results • Annual General Meetings • Investor relations section of the company's website	• Financial
Communities	Communities provide the company with a number of intangible supports comprising social structure, employees etc.	• Increased community confidence • Enhanced happiness among addressed stakeholders	• Leveraged Ronald McDonald Home Charities to reach out to the marginalised and less fortunate	• Social & Relationship

Our strategy

Strategic focus	Key enablers
Innovate and excel	Westlife created and nurtured a culture of people, process and product excellence; this has reflected in the launch of new menu platforms
Cost leadership	Westlife leverages the power of the McDonald's brand, economies of scale and cutting-edge technologies to enhance procurement and operational efficiencies
Supplier of choice	Westlife remains a supplier of choice through a superior price-value menu proposition, nutritious ingredients, food freshness and affordable cost, creating a compelling footfall proposition
Robust people practices	Westlife remains an employer of more than 7500 people; the Company trained, rewarded, delegated and empowered people Westlife introduced Work From Home for frontlinr staff during the pandemic. It made a commitment of zero lay-offs as a direct impact of the pandemic
Responsible corporate citizenship	Westlife is a responsible corporate citizen engaged in focused ESG initiatives (clean and green processes) Utilisation of the Ronald McDonald's House Charities platform
Value-creation	Westlife ensures that the aggregation of its various initiatives converges around a central value for the benefit of all stakeholders

Material issues /addressed	Capitals impacted
Superior use of cutting-edge technology leading to product differentiation	Manufactured, Intellectual, Financial
Creating the basis of long-term viability through market competitiveness	Financial, Intellectual, Natural, Social And Relationship
Enhancing ingredient visibility through multi-year vendor agreements;	Intellectual, Manufactured, Social and Relationship
Creating a professional culture marked by processes and systems leading to predictable people-based outcomes	Intellectual, Human
Invested to enhance community value and engagement, reinforcing its position as a responsible citizen	Social and Relationship and Natural
Addressing customer needs for convenient and customised quality products	Intellectual, Manufactured, Social and Relationship

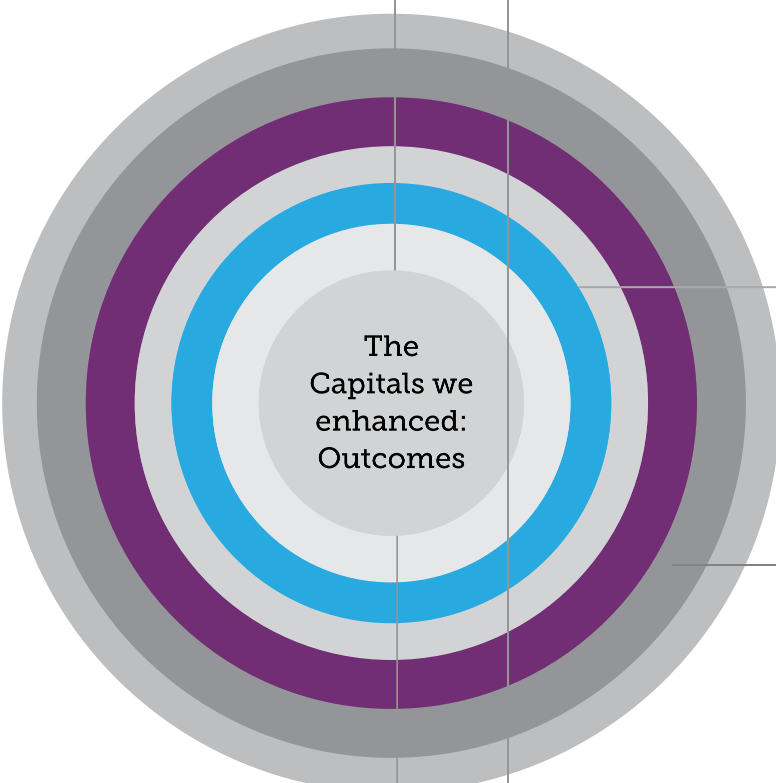
Westlife's performance

Scale of business: Westlife finished the year under review with 305 outlets , strengthening its position as a preferred and accessible QSR brand. The result is that footfalls and footprint increased simultaneously, strengthening overall performance.

Financial leverage: Westlife had ₹ 4812.3 mn in net worth as on March 31, 2021

Conviction: Westlife re-invested accruals generated during a challenging 2020-21, enhancing its market presence and competitiveness.

Value created, 2020-21



Financial Capital, FY20-21

Manufacturing Capital, FY20-21

Human Capital, FY20-21

Intellectual Capital, FY20-21

Natural capital, FY20-21

Social and Relationship Capital, FY20-21

Use of cutting-edge technology: Westlife used advanced technologies to enhance customer convenience and automated processes to locate and moderate wastage; it converted cooking oil into 100% bio-diesel and saved 7263 tonnes of carbon emission during the year under review.

Market capitalisation: Westlife's market capitalisation was ₹ 71.62 bn as on March 31, 2021

Human resources: Westlife employed 7883 talents in 2020-21. The training hours during the year under review were 179,616 in 2020-21. The result is that Westlife is respected as one of the most knowledgeable-driven and employee-friendly companies

Turnover:
9860.3
Rs, mn

Cash profit:
23.8
Rs, mn

Number of restaurants:
305

Number of supply chain vendors
65

Best-in-class supply chain management

Direct and indirect employees:
7883

Total remuneration, 2020-21
1781.90
(₹ mn)

Number of training hours:
22.7
Per employee per year

Diverse and inclusive working environment, free of discrimination and harassment

Direct and indirect employees:
7883
(within the organisation)

Growing iceberg lettuce: First in India (pioneer)

Growing a special variety of potato to be used for our French fries

Quantum of bio-diesel produced in FY20-21:
5700
litres

Customer-facing single-use plastic packaging:
Eliminated

Carbon emissions reduction:
7263
tonnes

Quantity of water saved:
1,72,20,000
tonnes

Electrical units saved:
87,36,000

Number of customers:
200
mn

Number of real estate owners engaged with: more than
300

Agencies we shared value with, in FY20-21

Investors: The Company enriched investors through capital appreciation

Suppliers: The Company sourced ₹ 3482.8 mn of ingredients and materials from suppliers

Employees: The Company provided remuneration worth ₹ 1781.9 mn and stable employment

Customers: The Company provided meal options across platforms, generating ₹ 9860.3 mn in revenues and serving more than 200 mn happy customers

Government and regulations: The employment catalysed the local community through downstream economic benefits.

Distributors and suppliers: The Company enhanced value for distributors and retailers through sustained resource off take.

Society: Through the Company's charity arm Ronald McDonald House Charities (RMHC), more than 35,000 lives were positively impacted through valuable resources and support. Besides, McDonald's meals were distributed to the under-privileged and those impacted by COVID-19 led lockdowns along with the co-operation of NGOs' and other corporates.


i'm lovin' it
Aaron

HOW WE REINFORCED OUR BUSINESS FOUNDATION IN FY20-21: ENHANCING OUR ALL-ROUND COMPETITIVENESS

Overview

At Westlife, we didn't just seek to protect our business when it was under stress on account of a weak consumer sentiment and declining revenues following COVID-19-led restrictions. We sought to strengthen it.

1 Our supply chain

At Westlife, we have invested in creating one of the most competitive supply chain networks – farm to fork - in India's quick service western style restaurants sector. We are one of few QSR players to have developed a backward integrated closed loop supply chain that ensured strong business continuity through the COVID-19 crisis.

2 Our real estate portfolio

One of the important decisions that we took right at the start of our business was to de-risk our real estate portfolio without an excessive dependence on any one property type.

Our portfolio diversification towards high street, retail and drive-thrus shielded us during the crisis. Drive-thrus – 20% of our portfolio – proved successful, reinforced by designated take-away windows enabling low-contact or contactless formats, which enhanced a sense of safety. In a number of instances, our mall stores were adapted to become store-fronts where consumers could buy without entering. We optimised our restaurant network to maximise RoI. Our revenue-linked real estate deals helped mitigate the impact of a revenue decline.

During a challenging period, we closed some restaurants, a decision prompted by mall closures or footfall drivers in some malls becoming unviable (affecting our prospects). Even as we were shrinking selectively, we continued to seek opportunities to expand our footprint in alternative trade areas.

3 Our cost structure

During the pandemic when revenues declined, the company was faced with a stark reality: moderate costs or suffer a loss.

The company prioritised cost moderation during the challenging year across a number of fronts.

The company optimised rentals by negotiating rebates and deferments with landlords. It addressed maintenance and repairs through in-house resources by training technicians. It engaged closely with its supply chain partners to help them reduce costs.

The company deferred capital expenditure by putting a number of new store openings on hold, reducing discretionary spends and optimising working capital outlay.

The result is that the company reduced costs even as revenues improved, strengthening liquidity and accelerating its transition from EBITDA-positive to cash-positive to net profit-positive during the last three quarters of FY20-21.

During the last quarters of the year, the company achieved an operating EBITDA of 9%, which was similar on a YOY basis despite 36% lower sales.

How we strengthened our competitiveness

1 Our supply chain:
Enhanced menu flexibility
> Lower long-term costs
> Wider room to absorb cost increases

2 Our real estate portfolio:
Wider property exposure
> Wider negotiating room
> Better de-risking

3 Our fixed cost structure:
Reduced fixed costs
> Lower break-even point
> Better margins at lower revenues

HOW WE BUILT A SUPERIOR CONSUMER PROPOSITION IN FY20-21: ASSURANCE, CONVENIENCE AND ACCESS

Overview

During a challenging pandemic year, the priority that Westlife faced was increasing footfalls.

This warranted an extensive understanding of pandemic-led lockdown realities and designing innovative responses to circumvent challenges and capitalise on opportunities.

The company based its strategy around the pillars of Assurance, Convenience and Access.

1 Assurance

The first objective of the company was to impress upon consumers that McDonald's would deliver a safe experience for all its consumers in a challenging pandemic environment when confidence was at a premium.

This assurance covered the entire Westlife eco-system: supply chain partners on how they should engage with their employees and resource providers; our crew members across 42 locations who followed 42 points on our safety check list. We fool-proofed the contactless engagement approach through cutting-edge smartphone-based technology across our eco-system.

2 Convenience

The company leveraged its robust digital backbone to widen the ways in which customers could engage with the McDonald's brand. As a part of its omni-channel approach, during the pandemic, the company made it possible to provide meals whenever, wherever and however the customer wanted – through delivery, take-out, drive-thru or On-the-Go.

Our unique 'On-the-Go' service empowered customers to order food on their smartphone app, collect from a spot close to the store without leaving the safety of their vehicles. The result is that the company converted all restaurants into effective drive-thru interfaces at no additional business cost. The impact of this innovation was that the company didn't just service an existing market; it created new customers, widening the market.

3 Access

The company operated all restaurants permitted by the government; by the end of June 2020, 82% of McDonald's outlets were operational in one form or the other and 47% were open for dine-in; these numbers increased every subsequent quarter, strengthening revenues, accelerating the company's break-even point and contributing to profits.

How we strengthened our competitiveness

The three ways we enhanced footfalls

Assurance	Deepened safety measures	Enhanced employee and vendor safety	Assured customer safety
Convenience	Minimised ordering/waiting/ collection time	Focused on contactless engagement	Widened the market
Access	Widened the ways customers could buy	Adapted dine-in outlets	Deepened the 'go to customer' approach

Inclusive McDonald's

In FY20-21, we strengthened our inclusiveness through the launch of a special pack called EatQual that addressed customers with limited upper limb mobility.

WESTLIFE. A RESPONSIBLE CORPORATE CITIZEN COMMITTED TO ENHANCING ITS ESG PROFILE

Overview

At Westlife, we believe that environment-social-governance (ESG) represents the essence of who we are, translating into the creation of attractive value for all our stakeholders and strengthening our business continuity.

Westlife embraced the principles of ESG well before it became a mandate and investors began to use this in their appraisal of companies. The company's commitment to ESG was reflected in an approach that enhanced value for all stakeholders in a sustainable way, the basis of the company's sustainability.

The environment component addresses the need to consume environmentally-sensitive resources in a responsible manner - an optimal quantum, recycle waste and build a growing resistance to climate change, reflected in a declining carbon footprint.

The social component addresses the need to invest in people resources, vendor stability, customer relationships and community engagements, resulting in an eco-system that is competitive and predictable.

The governance component enunciates how the company will conduct is business. This evoke confidence across stakeholders of the operational framework of the business.

Our responsibility complements our wellness commitment. What we provide in terms of food and experience is not only good for the customer but also good for the neighbourhood, society and world. This combination – environment, social and governance – represents a platform leading to secure, stable, scalable and sustainable long-term growth.

Our Environment commitment

At Westlife, we recognise that we are engaged in a business that must serve the earth, ecology and environment..

Our focus is to moderate our carbon footprint, moderating our load on the earth's finite resources. Over the years, we leveraged the 3R's approach to do so: REDUCE, REUSE and RECYCLE.

Our responsible resource management

Electricity	Energy Management System covered: 305 restaurants	LED energy management system moderated consumption		
Packaging	Prioritised paper / biodegradable material (corn starch)	Eliminated single-use customer facing plastic	Procured FSC certified paper	Replaced plastic cutlery with wooden / PLA / paper equivalents
Resources	Incorporated good agricultural practices recommended by McDonald's	Sourced responsible and habitat non-destroying palmolein oil	Certified the forest-to-customer sourcing as responsible (RSPO and Mass Balance Certification)	
	Explored futuristic technologies (hydroponics) to enhance long-term sustainability	Encouraged drip irrigation among farm vendors to minimise water consumption	Encouraged crop rotation, enhancing soil freshness	
Poultry & fish	Implemented a stronger animal welfare policy	Audited farms stringently for animal treatment	Utilised vegetarian feed only	
	Administered no hormones to animals	Strengthened bio-security around international best practices	Sustainably sourced only sea water fish (not from farms)	
Bio-diesel	Reused cooking oil as per guidelines	Pioneered the use of converted bio-diesel as transportation fuel	Bio-diesel use in our trucks the largest in India and an FSSAI best practice	

Our Social commitment

At Westlife, our social commitment addresses the needs of employees, vendors, customers and community.

Employees: At Westlife, we have invested in an overarching culture, marked by prudent recruitment, retention and training leading to outperformance. The company invested in a distinctive culture, workplace safety, training and protocols to build an enthusiastic workplace, reflected in a combination of youthfulness, and experience

During the pandemic, we introduced a Work from Home module for our frontline employees to keep them gainfully engaged while training them in new safety protocols.

Vendors: The supply chain is the largest investment made by the company, an insurance against poor food hygiene, evolving consumer preferences, food inflation and climactic vagaries. More than 97% of the produce used in our food, locally and directly, is derived from this seed-to -spoon model.

Customers: The company emphasised the 'Good Food Story' to analyse the nutritional impact of its menu. It reengineered it menu to make it more nutritious and wholesome, launched whole-wheat wraps, removed artificial preservatives and colours, increased dietary fibre content in menu items, eliminated trans-fats, introduced calorie counts on the menu, reduced the sodium in fries, nuggets, sauces and patties and oil in mayonnaise to moderate burger calories.

Community: Westlife engaged in food distribution as a part of its 'Meals for Good programme', extending relief and happiness across the community

Our Governance commitment

At Westlife, our governance platform comprises a clarity on the way we intend to do business. Over the years, the distinctive manner of our business has been reflected in the 8 C's comprising Commissioning, Convenience, Contemporarisation, Complement, Carbon minimisation, Choice diversity, Cost management and Controls.

Brand: Westlife strengthened its brand around the iconic McDonald's recall: that the company provided world-class menu around convenience, quality and affordability.

Long-term: At Westlife, we have selected to build the business around long-term patience, influencing our investments in assets, technologies, brands, people, locations, products and partners. The company has been a consistent investor in its business across all market cycles, driven by its conviction in the market potential.

Controlled growth: At Westlife, we believe that business sustainability is best derived from controlled growth as opposed to one-off profitability spikes, influencing the allocation of accruals into incremental investments without at any time stretching the Balance Sheet.

De-risking: The company entered into value-enhancing 20-25 year tenancy agreements, strengthened rental portfolio, created format complements that made it possible to increase services from the same store space, strengthened the supply chain to negotiate volume-based discounts and invested in technology to enhance agility and cost competitiveness.

Value-chain: The company invested in possibly the widest value chain in India's QSR sector – from seed to spoon.

Balanced approach: At Westlife, we have selected to balance caution and aggression (strategic aggression and tactical conservatism), resulting in a relatively de-risked approach.

Board of Directors: At Westlife, we have placed a premium on our Board composition, which comprises professionals and industrialists of standing, enriching our values, experience, multi-sectoral business understanding and strategic quality.

Data-driven: At Westlife, we are an analytics-driven organisation that generates data-driven ground realities resulting in informed decision-making.

Technology: Westlife has progressively deepened its investment in technologies to enhance customer safety and convenience, to maximise operational efficiencies and to foster sustainability. The company leveraged technology to explore new channels of engagement with consumers beyond the physical; even within the physical, the company explored contactless and convenience-enhancing options driven by technology, reinforcing the company's respect as a situation-specific and reality-responsive company.

Extensions: Westlife extended from dine-in to the breakfast and café format (McCafé, providing hand-crafted coffee) and home delivery (McDelivery) to enhance relevance and convenience; the company extended from the conventional walk-in consumer engagement to delivery, take-out and the On-the-Go option, widening interfacing opportunities.

Key ESG initiatives by Westlife Development

Environment

Parameter	Details of initiatives	Impact in FY20-21	How it adds up
Cutting down our carbon Footprint	• Energy Conservation: EMS in 300+ restaurants, HVAC, Use of economiser, Use of LED bulbs, Use of OATS, Evaporative coolers	• Electricity - 85,66,000 units saved • Diesel - 1,32,000 units saved • Gas - 2600 cylinders saved	Saving 7500 metric tonnes is equivalnent to planting 3.5L trees. So, if an average forest consists of 1 lakh trees, we have erected close to 3 average sized forests in one year.
	• Stores with solar roof top panel	• Electricity - 1,70,000 units saved • Close to 7500 tonnes of CO2 saved	87.4 lakh units saved is enough to power 13 average sized villages for a year
Water conservation	EMS in 100+ restaurants/ Waterless urinals, low flow Aerators, RO rejected water re-use, High water recovery RO system	• 1,72,20,000 liters of water saved	The amount of water saved is enough for a household of 4 members to use for at least 30 years
Waste management and Travel and Transportation	Using Used Cooking Oil to produce 100% Bio-diesel program	• 5,700 liters of bio-diesel produced	Saved over six billion liters of water from pollution due to waste cooking oil

• Eliminated all single use customer facing plastic from our restaurants, thereby saving close to 250 tonnes of plastic pollution

• Sourced only Forest Stewardship Council (FSC) certified paper for packaging

Social

Parameter	Details of initiatives	Impact in FY20-21
Relationship with local communities	Store level CSR activities	75,000 meals distributed to communities most impacted by the COVID –led lockdown
Employee welfare	Skills of For Life training, Equal opportunity employment, COSMOS Survey	10,000 employees touched
Charitable giving	RMHC	35,000 lives touched
Employee health and safety	Vaccination drive	Commitment to vaccinate 10,000 employees
Socially concious investments	RMHC	35,000 lives touched
Inclusion	Launch of EATQUAL Packaging, Gender diversity, opportunities for differently abled	Improved Brand Trust Scores

OUR PEOPLE

Validation: Westlife reinforced its Great Place to Work (GPTW) positioning

Youthfulness: Average age was 24.7 (65.4% of the crew aged between 18 and 24 years old and 69.5%-plus restaurant managers between 22 and 30) as on March 31, 2021

Training: The Company invested 179,616 person hours in training during the year under review.

Productivity: The Company reported a stronger throughput per employees: ₹ 7,808.01 mn revenue in 2014-15 climbed to ₹ 15,477.85 mn in 2019-20 and was ₹ 9,860.31 mn in 2020-21.

Ethical: Westlife reinforced its position as an equal opportunity and meritocratic employer. The number of women employed by the Company increased from 22% in 2014-15 to 30.3% in 2020-21

Work from Home: Westlife protected the safety of its frontline team by encouraging them to work from home during the lockdown period of the pandemic

HOW WE ENRICH THE COMMUNITY

At Westlife, our 'One for all' commitment enhances value for all stakeholders. We engage with the larger community, strengthening long-term engagement.

Overview

Westlife believes in giving back to society, demonstrated in its engagement through the non-profit entity Ronald McDonald House Charities Foundation India (RMHC India).

RMHC India

With a vision of a world where all children have access to medical care, and their families are supported and actively involved in their children's care, Westlife started the RMHC India chapter in 2016. RMHC India-Family Room is in the pediatric oncology department of Bai Jerbai Wadia Hospital in Mumbai. It provides families of children undergoing cancer treatment in the hospital, a place to rest and refresh. It also provides a place for these families to come together and find support and empathy, which makes it easier for them to deal with difficult times.

The activities carried out in last four years include music sessions on OPD days, art and craft sessions, celebrating Cancer Survivor Day, Nutrition Week, Doctor's Day followed by all national holidays, birthday celebrations and mental healing programmes for parents. The programme has touched over 35,000 lives since inception.

OUR BOARD OF DIRECTORS

B.L. Jatia
Director

Mr. B. L. Jatia has over 50 years of experience in paper, textiles, chemicals, food processing, mining, hospitality, healthcare, investments and finance and retail sectors. Mr. B. L. Jatia is currently the Managing Director of Hardcastle & Waud Mfg. Co. Ltd. The Company is engaged in trading of chemical products. Mr. B. L. Jatia holds B.Com and LLB degrees from the University of Mumbai.

Amit Jatia
Vice-Chairman

Amit Jatia is an Indian entrepreneur who is often pegged as the pioneer of Western Fast Food in the country. He is the man who introduced India to McDonald's Golden Arches and built McDonald's as one of the most loved food brands in the nation.

Amit's tryst with entrepreneurship started early when he joined his family's manufacturing business and led many critical projects successfully. He has also been responsible for providing guidance and leadership to several other family businesses including getting one of them listed on the London Stock Exchange.

In 1996, Amit got the opportunity of setting up the world's largest QSR brand in India, a market where the WFF category was practically non-existent. What ensued thereafter was an exemplary growth story of the brand and the business going from strength to strength and finally emerging as one of the largest QSR chains in the country. Under his leadership, McDonald's expanded its footprint to over 300 restaurants, launched its in-house coffee chain McCafé and changed the game for the QSR industry in India by launching the digitally enabled Experience of the Future stores.

Amit's achievements have been widely recognised. In 2003, he was given the 'Young Achievers Award', by the Indo-American Society. Business World, a leading business magazine named McDonald's the 'Most Respected Company in the Food Sector for three consecutive years.

Smita Jatia
Director

Smita Jatia is the Managing Director of Hardcastle Restaurants Pvt. Ltd. (HRPL), the master franchise of McDonald's in West and South India. Smita is a business stalwart with over two decades of experience in the QSR industry. She has been at the forefront of leading McDonald's aggressive growth in the market and building it as one of the most loved brands in the country.

Smita joined HRPL as the marketing lead in 1998 and spearheaded some of the most impactful campaigns for the brand. She eventually worked across functions including strategy, operations and HR, before she was given reins of the Company as the Managing Director.

A commerce graduate from Sydenham College, Mumbai, Smita has completed an 18-week executive management program from Harvard Business School, Boston. She has also undergone a rigorous Marketing and Restaurant Leadership program at the Hamburger University, USA. In 2019, Smita was named among Asia's 25 most powerful businesswomen.

Achal Jatia
Director (until July 29, 2021)

Mr. Achal Jatia is Executive Chairman of the Board of Directors of Hardcastle Petrofer Pvt. Ltd, a leading manufacturer of specialty oils and chemicals for the metal working industry. He has obtained a Bachelor of Science degree in Business Administration from the University of Southern California, Los Angeles.

Additionally, he has attended the Owner / President Manager Executive Education program at Harvard Business School, Boston. He is a Life Member of the Golden Key Honor Society, USA, and a Member of the Entrepreneurs Organisation (EO) and the Young Presidents' Association (YPO).

P.R. Barpande
Independent Director

Mr P.R. Barpande was an audit partner with Deloitte Haskins & Sells, Chartered Accountants, Mumbai and has an experience of more than 30 years in the areas of accounts and audit. He had a wide experience of serving in domestic and international clients as an audit partner. He was actively involved in reformatting accounts to US GAAP / IFRS for major domestic and multinational companies and some Indian banks.

He is a Fellow Member of the Institute of Chartered Accountants of India. He is also an Independent Director in some of the listed and private companies.

Tarun Kataria
Independent Director

Mr. Tarun Kataria is an Independent Non-Executive Director of Westlife Development Ltd. And also a member of the Audit Committee and Chairman of the Risk Management Committee.

Mr Kataria is also a Non-Executive Director of Sterlite Investment Managers Ltd (the manager for India Grid Trust) where he is also Chairman of the Audit and Investment Committees. In Singapore, Mr. Kataria is Lead Independent Director of Mapletree Logistics Trust Management Pte. Ltd., the manager of Mapletree Logistics Trust and Chairman of the Nomination and Remuneration Committee. He is also an Independent Director of Jubilant Pharma Ltd.

Between 2010 and 2013, Mr Kataria was the Chief Executive Officer, India of Religare Capital Markets Ltd. Prior to joining Religare Capital Markets, Mr. Kataria held various senior positions within HSBC Group which included the roles of Chief Executive, Global Banking and Markets, HSBC India, Vice-Chairman of HSBC Securities and Capital Markets India Pvt. Limited, Non-Executive Director of HSBC InvestDirect Limited and Managing Director, Asia Head of Institutional Sales, HSBC Global Markets based in Hong Kong.

Mr Kataria holds a Master of Business Administration (Finance) from The Wharton School, University of Pennsylvania. He is a Chartered Accountant of Institute of Chartered Accountants of India. His charitable giving is directed at environmental protection and the health and education of girl children.

Manish Chokhani
Independent Director

A Chartered Accountant and MBA from the London Business School, Manish is one of India's most respected financial experts and investors.

From 2006 to 2011, he was CEO of Enam Securities, India's leading investment bank. He led its US$ 400 mn merger in 2011 with Axis Bank to create Axis Capital Ltd., which he led as MD & CEO until the end of 2013. Under his leadership, Enam/ Axis mobilised ~25% of all equity funds raised in India and were the house banker to several leading Indian business groups.

From 2014 to 2016, he served as Chairman of TPG Growth in India and from 2017 to 2019 as Senior Advisor to TPG Group, one of the world's largest PE firms.

He currently serves as independent director on boards that include Zee Entertainment, Westlife Development Limited (McDonalds), Shoppers Stop, Auxilo Finserve Pvt Ltd among others. He also serves on the Governing Board of Flame University.

He is a Board Member of Livinguard AG, a healthcare technology company based in Switzerland.

Mr Chokhani is a member of the Young Presidents' Organisation. He has served as a member of SEBI's Alternative Investment Promotion Advisory Committee and also as Co-Chairman of the Capital Markets Committee at the IMC. He has been a visiting faculty member at IIM-Kozhikode and has served on the International Alumni Board and scholarship panels of the London Business School.

He practices Vipassana meditation, is a trained singer and enjoys travel, reading, cricket and tennis. He is married and has one son.

Amisha Jain
Independent Director

Amisha Jain, CEO of Zivame, is extremely passionate about building innovation-led consumer-centric brands. She is now leading the fastest growing women's organisation for intimate wear and is all set to catapult the business to greater heights. She is a firm believer in "One Team, One Voice". And this has been her foundation to build teams that are all individually strong and collectively effective at delivering business results.

An alumna of INSEAD and Mckinsey, she has over 18+ years of experience in technology, consumer and retail sectors. Prior to joining Zivame, Amisha was heading the Arvind Sports Lifestyle business and the Digital Centre of Excellence for the Arvind Group. Through the course of her career, she has been leading the growth and transformation initiatives for multinational consumer goods, and apparel brands. During her stint as the Head of Sales at Nike, she was also chosen for the prestigious '40 under 40: India's Hottest Business Leaders 2015' and 'India Inc's rising women business leaders 2015' award by the Economic Times & Spencer Stuart, respectively.

In her spare time, she enjoys reading and camping with her husband and her five-year-old son.

Akshay Jatia
Director
(w.e.f August 13th, 2021)

Akshay Jatia, Akshay Jatia is the Chief Strategy Officer at McDonald's India (West and South), leading Business Strategy, Consumer Technology and Innovation. He leads the business strategy to build McDonald's as the eating destination of choice across platforms in West and South India.

Akshay joined McDonald's India in 2015 and has worked cross-functionally to absorb the nuances of strategy, operations, marketing and IT. He leveraged these to grow the brand and successfully led a number of business- critical projects. A digital native himself, Akshay ushered a technology revolution at HRPL including the launch of the digital delivery business for McDonald's and forging strategic alliances with third party delivery aggregators to expand McDonald's delivery footprint.

During the pandemic, Akshay led the launch of an innovative new channel – On-The-Go - that enabled customers to order food on the McDelivery app and collect from a pre-designated spot close to the restaurant. This new format became a growth driver during the lockdown and grew three-fold in three quarters, attracting new customers to the brand.

Akshay's vision is to transform McDonald's into a brand that is equal parts food and technology. He holds a Bachelor of Science degree with majors in Finance and International Business from Leonard N. Stern School of Business, New York University

MANAGEMENT DISCUSSION AND ANALYSIS

Global economic overview

The global economy reported a de-growth of 3.3% in 2020 compared to a growth of 2.9% in 2019, the sharpest contraction since World War II. This steep decline in global economic growth was largely due to the outbreak of the novel coronavirus and the consequent suspension of economic activities across the world. This led to global supply chain disruptions, resulting in a de-growth in some of the largest global economies.

Consequently, global FDI reported a significant decline from US$1.5 trillion in 2019 to US$859 bn in 2020, the lowest since the 1990s and more than 30% below the investment trough that followed the 2008-09 global financial meltdown.

In 2020, global economic activity was affected by the pandemic, resulting in a contraction of (-) 3.3% after a slow growth 2.9% in 2019. G20 countries experienced an aggregate slowdown of (-) 3.3%, with the Euro area contracting by (-) 6.6%, UK by (-) 9.8%, Japan by (-) 4.6% and the US by (-) 3.5%. Among major economies, India contracted by (-) 8% while China was the only major economy to record a growth of 2.3% in 2020. *(Source: Europa.eu, govs.uk, CNBC, Nippon.com, OECD.org)*

Regional growth %	2020	2019
World output	(3.3)	2.9
Advanced economies	(4.7)	1.7
Emerging and developing economies	(2.2)	3.7

(Source: IMF)

Indian economic review

The Indian economy passed through one of the most volatile periods in living memory in 2020-21.

At the start of 2020, India was among the six largest global economies by nominal GDP; its economic growth rate was the fastest among major economies (save China); its market size at 1.38 bn the second largest in the world; its rural population of the under-consumed is the largest in the world. (Source: Indexmundi)

The Indian government announced a complete lockdown on public movement and economic activity from the third week of March 2020. As economic activity came to a grinding halt, the lockdown had a devastating impact on an already-slowing economy as 1.39 bn Indians were required to stay indoors - one of the most stringent lockdowns enforced in the world.

The Indian economy de-grew 23.9% in the first quarter of FY20-21, the sharpest de-growth experienced by the country ever since the index was recorded. The Indian and state governments selectively lifted controls on movement, public gatherings and events from June onwards, each stage of lockdown relaxation linked to corresponding economic recovery. Interestingly, the recovery was not merely linear and across-the-board. As controls relaxed what the country observed was a new normal: where individuals were encouraged to work from home, re inter-city business travel was replaced by virtual engagement, greater premium was placed on the ownership of personal mobility modes (cars and two-wheelers); there was a sharp increase in home purchase following the need to accommodate an additional room for home working. (Source: Economic Times)

The result is that India's GDP contracted an estimated 8% during 2020-21, largely on account of the sharp depreciation of the first quarter. This sharp recovery – one of the most decisive among major economies – validated India's robust long-term consumption potential. (Source: Business Standard)

Despite the gloomy economic scenario, foreign direct investments (FDI) in India increased 13% to reach a value of US$57 bn in 2020, the digital sector being the biggest catalyst. The gap between government expenditure and revenue was estimated at ~₹ 12 trillion due to increased borrowing by the government in May 2020 to deal with the COVID-19 outbreak. (Source: Times of India, Business Standard)

India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking and is the only country in the emerging market basket that received positive FPIs of US$23.6 bn in 2020, ranking eighth among the world's top stock markets with an m-cap of US$2.5 trillion in 2020. (Source: Livemint)

Y-o-Y growth of the Indian economy

	FY17-18	FY18-19	FY19-20	FY20-21
Real GDP growth (%)	7	6.1	4.2	(7.3)

(Source: IMF)

Growth of the Indian economy, FY20-21

	Q1, FY21	Q2, FY21	Q3 FY21	Q4,FY21
Real GDP growth (%)	(23.9)	(7.5)	0.4	1.6

(Source: Economic Times, IMF, EIU, Business Standard, McKinsey)

Economic reforms

The government sustained a number of economic reforms to revive national sentiment. The government initiated structural reforms in agriculture, labour laws and medium-small enterprise segments. The labour reforms were intended to benefit MSMEs increase employment, enhance labour productivity and wages.

The government approved amendments to the Essential Commodities Act and brought an ordinance to allow farmers to sell their crop to anyone; the changes to the Essential Commodities Act, 1955, were intended to 'deregulate' agricultural commodities (cereals, pulses, oilseeds, edible oils, onions and potatoes from stock limits). The government approved the Farming Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020, to ensure barrier-free trade in agriculture produce.

Outlook

The outlook for the country appears to be guarded following the second surge of the pandemic starting March 2021. As India ramps its vaccine rollout, there is an expectation that a large part of the population could be vaccinated by the end of 2021. Most credit rating agencies downgraded India's GDP growth expectation from around 12% to around 8%, indicating that the dent on the economy would be larger than in 2020-21.

India's food services sector

India is one of the most attractive food services markets in the world for reasons of scale, resource diversity, cuisine breadth and a growing movement away from the consumption of staples towards discretionary spending. Besides, this growing spending has been catalysed by urbanisation, higher disposable incomes and higher spending power in the millennial age group (15-34 years).

This encouraging reality was reflected in the Indian food services sector, which was valued at ₹ 4,096 bn in 2019 and estimated to grow at a CAGR 10.5% between 2019 and 2024 to reach an estimated ₹ 6,753 bn by 2024. (Source: TechnopakBoK, NRAI India Food Services Report 2016).

The encouraging reality of India's food service sector is reflected in a decline in the market share of the unorganised food services segment from 69% in FY13-14 to around 62% market share in FY18-19 even as the market by itself had grown. (Source: Technopak BoK, NRAI India Food Services Report 2016)

The principal sectoral trends leading to the future comprise a focus on food, health and environment resulting in the selection of food that is organic, low-carbon, free of artificial fertilisers or genetically modified organisms. Cloud kitchen is the new emerging vertical, marked by an increase in delivery orders, restaurants shifting from the regular dine-in to the cloud kitchen model. Consumers prefer healthy and sustainable products, which makes consumers pay attention to labels (go green) and technology. Across the foreseeable future, the prospects appear guarded in view of the second surge of the pandemic, which locked down a number of non-essential services in the country including restaurants.

Food service sector catalysts

The Indian food services sector represents an attractive long-term proxy of national lifestyle growth for some enduring reasons.

Under-penetration: The number of Indians eating out has been estimated at US$ 134 when compared to USA at US$ 2211 and China at US$ 949. (Source: KSA Technopak).

Habit: Eating out tops the list priorities as soon as individuals begins earning in India, topping even items like smartphone and vehicle acquisition.

Indian realities: India is the second most populous country, adding about 13 mn people a year – possibly the largest annual population addition anywhere. India is the fastest urbanising country, adding around 10 mn to its urban clusters a year. India is possibly the youngest country in the world with an average age of 29 and more than 46% of its population below the age of 25 – a vast productive population segment (Source: Financial Express, Livemint)

Evolving consumer preferences: Consumers (essentially those in the 15-24 year age bracket) eat out more frequently than before because eating out has been democratised – from the special occasion to the social, a platform for leisure, interaction and utility. Based on studies, it was evident that even as the average spend per outing was lower among the millennials, their frequency of eating out in a month (2.3 times as against 1.5 of the largest age group) was the highest (Source: Technopak Research & Analysis).

Competitive pricing: There has been a substantial growth in the affordable segment of the country's food service sector in line with the price-sensitive nature of the market and the need for a superior price-value proposition. Food service outlets offer value meals and combination offers at discounts ranging from 20-40%.

Growth of restaurant chains: The organised Indian restaurant chain market is growing at a CAGR of 20% from 2019 to 2024 on account of a deepening presence of domestic and international brands in Tier II and Tier III cities, better supply chains, cuisine choice and lifestyle changes. (Source: Technopak Analysis)

Safety: There is a growing premium on food hygiene especially following the pandemic, which the QSR segment is more equipped to address over the unorganised format.

Diverse segments: QSRs are widening the service bandwidth through takeaways, home delivery and drive-thrus, which have risen well beyond their pre-COVID-19, making the format less dependent on the conventional dine-in format.

Retailisation: The creation of organised retail infrastructure (malls) has enhanced the popularity of food courts.

Menu localisation: There has been an ongoing transformation in QSR menus in line with evolving preferences, exploring a wider range of Indian flavours, vegetarian options and even globalisation.

Digital engagement: India's restaurants and QSR segment are being increasingly driven by online ordering and home delivery, transforming the sector's dynamics. As a result, this niche is expected to grow even faster than the broad market average (CAGR of 25-30% from 2020 to 2022). *(Economic Times)*

Wayside revolution: The growth of the national highway network has created a wider opportunity for the highway food service segment.

(Source: Business Today, Technopak Research & Analysis)

Indian QSR sector

The Quick Service Restaurant (QSR) segment is an attractive component of India's food service sector, reconciling the need for service speed at a time when people are living busier lives. The QSR segment accounted for 46% market share of the chain food services segment in 2019 and, based on the relevance of its appeal, is positioned to increase to 50% in 2024. Interestingly, this segment has become fundamentally more relevant in a post-COVID-19 world marked by enhanced need for quality, hygiene, affordability and accessibility. There is a growing emphasis on providing a value-for-money proposition coupled with a brand trust that promises physical safety in accessing food, making them an increasingly preferred option. (Source: TechnopakBoK, NRAI India Food Services Report 2016). The popularity of QSRs in India has been largely driven by international food chains, which specialise in localised India-centric menus around a superior price-value proposition. Interestingly, the burger and sandwich segment was the fastest growing product niche within the QSR segment.

Besides, the QSR segment has grown due to changes in social dynamics where the act of eating out has evolved from a special occasion to the usual and recreational. Even as this shift is essentially long-term in nature and irreversible for various reasons described in this section, the QSR sector was temporarily affected by the 2020 pandemic. In the first quarter of the year under review, the QSR segment de-grew 90.8% and initially recovered through contactless engagements (food takeaway, drive-thru and home delivery) before the confidence to dine out emerged.

The QSR segment accounted for the highest average monthly spend per household and one of the highest annual growth rates across segments (compared with CDR and cafes). The QSR segment accounted for 21% market share of the chain food services in 2019. This market share is expected to get larger due to the market penetration of QSR food outlets in Tier II and Tier III cities and growing preference for eating out.

There is optimism that the Indian QSR segment is positioned at the low end of a long J-curve in demand for good reasons. The Indian population continues to grow; the proportion of millennials in India's population is the largest in the world; a large agricultural base makes it possible for India to deliver food at one of the lowest comparable costs among major economies. This optimism was validated during the pandemic when India's dine-in spending declined 2% compared to the global average decline of 30-70%. In view of this, the medium-term outlook of the QSR segment remains protected: the segment is estimated to grow from ₹ 307 bn in 2019 to ₹ 742 bn in 2024 at a CAGR of 19% *(Source: TechnopakBoK, NRAI India Food Services Report 2016)*.

Countries	Per Capita Spend on Food Services by Urban Populations (US$)		
	CY 2014	CY 2018	CAGR
USA	1,735	2,211	5.0%
UAE**	1,330	1,470	2.0%
China	659	949	7.6%
Saudi Arabia	665	719	1.6%
Brazil	634	690	1.7%
South Africa	170	280	10.5%
Indonesia	219	245	2.2%
Turkey	124	176	7.3%
India*	94	134	7.4%

(Source: Technopak Research & Analysis)

** India data is for Fiscal 2019*

*** Expenditure on food services driven by 15.8 mn tourists in 2019*

The Company's overview

Westlife Development Limited (WDL), belonging to the B.L. Jatia Group, is one of the fastest growing companies in India's QSR sector. The Company's business is operated through Hardcastle Restaurants Private Limited (HRPL), a wholly-owned subsidiary. The objective of WDL is to establish the Company's chain of QSR restaurants as the preferred eating out destination in the geographies of its presence. WDL is listed on the Bombay Stock Exchange (BSE: 505533) and reported a market capitalisation of ₹ 71.62 bn as on March 31, 2021.

Business overview

HRPL operates in the QSR sub-segment of India's informal eating out industry. The company addresses a growing urban need for branded food chains around a superior price-value proposition.

As a master franchisee, HRPL operates the McDonald's restaurants in western and southern India. McDonald's is the world's most iconic QSR brand, marked by close to 38,000 over 40 countries and identified with affordability, accessibility, availability and quality consistency.

In 2020, McDonald's was declared as the ninth best global brand in the world. The brand is recalled by the tagline of 'I'm lovin' it'. McDonald's stands at 10th position among the world's most valuable brand and is the only QSR brand in the top 10. (Forbes 2020). (Source: Ranking the brands)

The company strengthened its value proposition through the following strategies:

Brand positioning: The Company leveraged the power of the McDonald's brand assurance of visibility, accessibility, affordability, quality and dependability.

Day-parts: The Company widened from a conventional dine-in option to a breakfast offering through the McCafé format, resulting in a better utilisation of restaurant day parts and cross-over into revenues across different day-parts and formats.

Digitisation: The Company increased McDelivery revenues derived from orders delivered home or on-the-go (introduced in 2020), complementing asset-driven restaurant revenues.

Menu extension: The McDonald's menu addresses segments like burgers, finger foods, wraps, hot and cold beverages and desserts. The Company introduced Chicken Kebab (burger and wrap), Chatpata Naan (vegetarian and chicken) and limited-time offers like Salsa Bean Burger, Rice Bowls and McChicken. The Company continued productised McAlooTikki® Burger, Veg Pizza McPuff™ and Maharaja Mac™ (vegetarian and non-vegetarian).

Technology: The Company invested in cutting-edge technologies comprising web-based menu ordering platforms, which made it easier for customers to engage remotely, digital payment methods and contactless delivery – an entire convenience proposition.

Sustainability: The Company moderated its carbon footprint through the 3Rs approach (Reduce, Reuse and Recycle) that converted used cooking oil into bio-diesel (used in transportation vehicles), made urinals waterless, enhanced use of LED lights and solar energy generation (in select restaurants), implemented biodegradable cutlery and eliminated single-use customer-facing plastic.

The complement of these realities translated into rising revenues, margins and surplus from a medium-term pre-pandemic perspective. During the pandemic the company relooked at its business model and practices, moderating costs and strengthening its competitiveness across market cycles.

Our corporate strengths

Brand: The Company deepened its recall around trust. This was achieved through menu nutrition, kitchen hygiene, affordability and smiling service, strengthening our position as one of India's most loved QSR brands.

People: The Company is respected for being among the country's best first job employers (recruiting freshers, training intensively, empowering extensively and providing a growth-oriented workplace). The Company was recognised as a 'Great Place to Work' for four consecutive years.

Value-for-money proposition: McDonald's is globally respected for food affordability, quality, and innovative menu range and menu customisation. This value proposition was driven by a robust supply chain that assured offtake for farmers in exchange for affordable procurement

Footprint: The Company launched its first Indian restaurant in 1996; it had 305 restaurants system-wide across West and South India by the close of FY20-21.

Because of the pandemic, sales declined from ₹ 15,477.9 mn in FY19-20 to ₹ 9860.3 mn in FY20-21. Operating EBITDA (before interest, depreciation and tax) declined from 9.39% to (0.24)% and profit / (loss) after tax was at ₹ (746.56) mn. Correspondingly, net cash flows from operating activities stood at ₹ 23.82 mn as on March 31, 2021. However, the company performed better than the sectoral average and reported improved sales quicker.

During FY20-21, the Company's gross margins improved 2659 bps to 15.92% H2 FY20-21 as compared to -10.67% in H1 FY20-21. EBITDA margin improved by 2954 bps to 9.48% in H2 FY20-21 which was comparable to last year's number but achieved on much lower revenue base. This improvement was the result of focused cost moderation and increased revenues from relatively asset-light formats (McDelivery).

Consolidated financial performance (₹ mn)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
REVENUES		
Sales by company-operated restaurants	9752.52	15383.43
Other operating income	103.48	89.47
Restaurant operating revenue	9856.00	15472.90
Net gain on fair value change in the value of investments	4.31	4.95
Total revenue	9860.31	15477.85
Operating Costs and Expenses		
Restaurant Operating Cost and Expenses		
Food & paper	3482.82	5382.41
Payroll and Employee Benefits	1226.15	1676.60
Royalty	447.61	706.00
Occupancy and Other Operating Expenses	3941.08	5436.82
Total Operating Costs And Expenses	9097.66	13201.82
Restaurant Operating Margin	762.65	2276.03

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
General & Administrative Expenses	786.55	823.33
Total Operating Cost and Expense	9884.21	14025.16
Operating EBITDA	(23.90)	1452.69
Other (Income)/Expenses, (net)	(212.35)	(126.95)
Extra-ordinary Expenses[1]	149.34	58.54
EBITDA	39.10	1521.10
Financial Expense (Interest & bank charges)	169.52	148.54
Depreciation	867.80	865.66
Profit / (Loss) before tax and Exceptional items	(998.22)	506.9
Exceptional items	(41.86)	166.31
Profit / (Loss) before tax	(956.36)	340.59
Taxes	209.79	89.15
Profit / (Loss) after tax	(746.56)	251.45
Cash Profit	23.82	1340.59

[1] *One-time expense on account of assets written-off pertaining to restaurants relocation/closure*

Consolidated operating results

Total revenues: The Company's revenues comprised sales by Company-operated restaurants. In FY20-21, the Company recorded revenue decline of 36% to ₹9,860.31 mn compared to ₹ 15,477.85 mn in FY19-20. The decline in revenues was primarily on account of the pandemic impact which necessitated a complete closure for close to two months and softening of customer sentiment.

Gross margins: During the review period, food, paper and distribution costs (FPD) declined to ₹ 3,482.82 mn, compared to ₹ 5,382.41 mn in FY19-20. The quantum decline in costs was primarily driven by lower restaurant sales and cost rationalisation driven by the company across its operations. The Company delivered gross margin of 7.73 %, a result of lower fixed costs.

Restaurant Operating Margin (RoM): Restaurant operating margin represents total revenues from Company-operated restaurants less the operating cost of these restaurants (including royalty etc.) before depreciation and corporate overheads. In FY20-21, the Company reported a Restaurant Operating Margin of ₹ 762.65 mn compared to ₹ 2276.03 mn in the previous year. RoM was 7.73 % compared to 14.71 % in FY19-20.

General & Administration (G&A) expenses: In FY20-21, General & Administrative expenses declined to ₹ 786.55 mn compared to ₹ 823.33 mn in FY19-20 following a deeper focus on cost austerity. General and administrative expenses as a percentage of total revenues were 7.98 % in FY20-21 compared to 5.32% in FY19-20.

Operating EBITDA: Operating EBITDA by the Company was ₹ (23.9) mn in FY20-21 compared to ₹ 1452.69 mn in FY19-20. Operating EBITDA margin (operating EBITDA as a% of total revenues) was (0.24)% in FY20-21 compared to 9.39% in FY19-20.

Financial position and capital resources

The Company generated cash from operations to fund operating spending (capital expenditure), taxes and general purposes. In addition to cash and equivalents on hand and cash generated by operations, the Company addressed capital requirements through attractive trade terms. As of March 31, 2021, at a consolidated level, the Company had cash and cash equivalents of ₹ 2094.46 mn, comprising cash and balances with banks in India and investments in liquid funds/ Fixed Maturity Plans (FMPs).

Restaurant Development and Capital Expenditure

In FY20-21, the Company invested ₹ 365.48 mn in capital expenditure through accruals and reserves.

SCOT analysis

Strengths

- Globally renowned brand
- Market-leader in the QSR sector
- Variety of customisable menus
- 'Glocal' food offerings (Global cuisine with local tastes)
- Customer and employee-centric approach
- Robust supply chain management
- Extensive third party cold chain and logistics
- Futuristic restaurant ambience (Experience of the Future)
- Superior address of all day parts
- Resilient in the face of crisis
- Resourceful crisis management
- Technological expertise for revenue generation
- Strong omni-channel presence

Challenges

- Leasing economically an accessible real estate property
- Perception of 'junk food' associated with QSR
- Need to maintain a high security standard

Opportunities

- Increased consumer faith following the pandemic
- Growing menu preference for the innovative and global influence
- Increased disposable incomes (especially among the working young)
- Increased preference for periodically eating out
- Growing traction for fusion food
- Eating out extending from metro to Tier-II and III locations
- Improved smartphone penetration, strengthening home delivery
- Emergence of organised retail space, a suitable QSR location
- Fast growth in food tech companies enabling higher delivery
- Increasing awareness around Food Safety and Hygiene
- Increasing preference of QSR over unorganised food sector
- Under-penetrated digital market

Threats

Change in the socio-economic and political environment

Weather and climate related issues

Sudden lockdown in areas with high COVID-19 infection

Lapse in security could put both customer and employees health at risk

Risks and concerns

Economic risk
Economic uncertainties could affect consumer spending, resulting in a sales decline.

Health risk
Resurgence of COVID-19 or another disease could affect the health and safety of employees and customers.

Technical risk
A technical glitch can result affect the brand's digital services.

Inflation risk
Higher inflation could affect pricing and lower margins.

Logistics risk
Supply chain disruptions could affect the quality and freshness of products.

Competition risk
New international chain entrants in the QSR industry and backed by foreign investment could increase competition

Market risk
Venturing into new markets may not always deliver desired results.

Regulatory risk
Operations can be affected due to government regulations or change in government regulations.

Internal control systems and their effectiveness

The Company's strong and detailed internal control systems ensure that there is optimum utilisation of the Company's resources while they are protected and are in proper compliance with policies, procedures and statutory requirements are maintained. Our guidelines are well-documented guidelines explaining the procedures for authorisation and approvals which include processes such as audits. Integral to the overall governance, we have a well-established internal audit framework which extensively covers all aspects of financial and operational controls, covering all units, functions and departments. The Company also has an efficient financial reporting system in place. Our internal audit team consists of senior members across various functional departments some of whom are also key managerial personnel of WDL. They actively engage in the evaluation and improvement of various functions and activities of the Company including restaurant operations and other support functions and departments. The Company also has an Internal Audit cell which supports the Audit Committee besides the independent review of internal controls, operating systems and procedures by external auditors.

Internal control systems and their adequacy

The Company's robust and intricate internal control systems ensure there is efficient use and protection of resources and compliance with policies, procedures and statutory requirements. We have developed well-documented guidelines, procedures for authorisation and approvals, which include processes such as audits. Integral to the overall governance, we have a well-established internal audit framework that extensively covers all aspects of financial and operational controls, covering all units, functions and departments. The Company also has an efficient financial reporting system in place. Our internal audit team consists of senior members across various functional departments some of whom are also key managerial personnel of WDL. They actively engage in the evaluation and improvement of various functions and activities of the Company including restaurant operations and other support functions and departments. The Company also has an Internal Audit cell, which supports the Audit Committee besides the independent review of internal controls, operating systems and procedures by external auditors.

Human resources

The Company employed 7883 employees as on March 31, 2021. Increase in the value of human capital through the development of individual and collective competencies helped the company stay ahead of the pandemic environment. The Company implemented programmes and projects related to skill development and upgradation of employee competence during the lockdown period. Programmes of knowledge sharing were conducted; employees were sent to external training programs to widen their perspective.

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable Securities Laws and Regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual results could differ materially from those expressed in the statements or implied due to the influence of external factors that are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

REPORT OF THE
BOARD OF DIRECTORS

To the members

Your Directors are pleased to present their Thirty-Eighth Annual Report and Audited Statement of Accounts for the year ended March 31, 2021.

I FINANCIAL DETAILS

Consolidated Financial Highlights

(₹ in millions)

Particulars	2020-2021	2019-2020
Total Income	10,303.33	15,607.86
Total Expenses including Depreciation, amortisation and Finance Costs.	11,632.53	15,529.29
EBITDA	912.50	2,270.40
(Loss) / Profit before exceptional items	(1,329.20)	78.57
Less : Exceptional Items	(41.86)	166.31
(Loss) before tax	(1,287.34)	(87.74)
Less : Tax Expenses	(293.11)	(14.26)
(Loss) for the year	(994.23)	(73.48)
Other comprehensive income for the year	2.07	(10.00)
Total comprehensive income for the year	(992.16)	(83.48)

Standalone Financial Highlights

(₹ in millions)

Particulars	2020-2021	2019-2020
EBITDA	(3.97)	(3.05)
Less : Depreciation	0.02	0.02
Profit/ (Loss) before Tax	(3.99)	(3.07)
Less : Tax Expenses	-	-
Profit/ (Loss) for the year	(3.99)	(3.07)
Add : Balance brought forward- Retained Earnings	(54.51)	(51.44)
Balance Carried forward- Retained Earnings	(58.51)	(54.51)

II PERFORMANCE

Standalone Operating Performance

During the financial year —2020-21, the Company has reported a loss after tax of ₹3.99 million as against a loss of Rs 3.07 million for the previous year.

The Company focuses on putting up and operating Quick Service Restaurants (QSR) in India through its wholly owned subsidiary, which is a Development Licensee / Master Franchisee of McDonald's and operates QSRs under the brand name McDonald's.

Consolidated financial statements of the Company and its subsidiary prepared in accordance with applicable accounting standards and duly audited by the Company's statutory auditors are annexed.

Subsidiary's Operating Performance

The highlights of the Subsidiary's performance for FY 2020-21 and its contribution to the overall performance of the Company is provided below:

(₹ in millions)

Particulars	2020-2021	2019-2020
Particulars	2020-2021	2019-2020
Total Income	10,299.03	15,602.91
Total Expenses including Depreciation , amortisation expense and Finance costs	11,624.22	15,521.18
EBITDA	916.47	2,273.44
(Loss)/ Profit before exceptional items	(1,325.19)	81.63
Exceptional items	(41.86)	166.31
(Loss) before tax	(1,283.33)	(84.68)
Less : Tax Expenses	(293.11)	(14.21)
Profit / (loss) for the year	(990.22)	(70.47)
Other comprehensive income for the year	2.07	(10.00)
Total comprehensive income for the year	(988.15)	(80.46)

Subsidiaries, Joint Ventures or Associate Companies

During the year under review no company has become or ceased to be the Company's subsidiary, joint venture or associate company.

As per the provisions of Section 129(3) of the Companies Act, 2013 a statement containing salient features of the financial statements of the Company's subsidiary is provided as 'Annexure A' to the consolidated financial statements.

Dividend

Considering the present financial position as on 31st March, 2021, no dividend is being recommended.

State of the Company's affairs

Your Company was classified as a Core Investment Company ('CIC') exempted from registration with the Reserve Bank of India within the meaning of the Core Investment Companies (Reserve Bank) Directions, 2016. It has promoted the operations of QSRs through its subsidiary as aforesaid. The Company endeavors to continuously improve its performance. Your Directors are satisfied with the present state of the Company's affairs.

Transfer to Reserves

No funds are being transferred to the reserves.

Material changes and commitments

No material changes and commitments affecting the financial position of your Company have occurred between 31st March, 2021 and the date of the report.

Particulars of loans, guarantee or investments

Particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security are provided in Note No. 4 to the Standalone Financial Statements.

Maintenance of Cost Records

During the period under review, your Company was not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

Internal Complaints Committee for Sexual Harassment

Your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

III DIRECTORS AND MANAGEMENT

Re-appointment of and change in Directors

Pursuant to the provisions of Section 152 of the Companies Act, 2013, the office of Mr Amit Jatia (DIN: 00016871) is liable to retire by rotation at the ensuing Annual General Meeting, and being eligible, he offers himself for re-appointment. The

Board of Directors has recommended his re-appointment.

Further, Mr Achal Jatia, Director of the Company has resigned due to personal reasons w.e.f. 29th July, 2021.

Based on the recommendation of the Nomination and Remuneration Committee vide its resolution dated 9th August, 2021, Mr Akshay Jatia (DIN: 07004280) had been appointed under Section 161 of the Companies Act, 2013 ('the Act') as an Additional Director of the Company w.e.f. 13th August, 2021, liable to retire by rotation, by the Board of Directors vide its resolution dated 13th August, 2021. He holds office upto the date of the ensuing AGM. The Company has received a notice in writing from a member pursuant to Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company, liable to retire by rotation. The Board commends the resolution for members' approval.

Number of meetings of the Board

Five meetings of the Board of Directors were held during the financial year. For further details, please refer to the Report on Corporate Governance which forms a part of this Annual Report.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they fulfill the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and the Listing Regulations.

Directors' Responsibility Statement

As required under Section 134 (3) (c) and pursuant to Section 134 (5) of the Companies Act, 2013, your Directors state that:

(a) in the preparation of the annual accounts for financial year ended 31st March, 2021, the applicable accounting standards have been followed and there are no departures in adoption of these standards;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31st March, 2021 and of the profit and loss of the Company for the year ended on that date;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the annual accounts for financial year ended 31st March, 2021 on a 'going concern' basis.

(e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating efficiently; and

(f) the Directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually. Feedback was sought by way of a structured questionnaire through online survey covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, and the evaluation was carried out based on responses received from the Directors.

A separate exercise was carried out by the Nomination and Remuneration Committee of the Board to evaluate the performance of individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Executive Director and Non-Executive Directors. The

Directors expressed their satisfaction with the evaluation process.

Audit Committee

In accordance with Regulation 18 of the Listing Regulations read with Section 177 of the Companies Act, 2013, the Company had constituted an Audit Committee, which consists of three independent non-executive directors namely; (1) Mr P.R. Barpande (Chairman), (2) Mr Tarun Kataria (member), Ms Amisha Hemchand Jain (member) and one other director, Mr Amit Jatia (member). The Audit Committee functions in terms of the role and powers delegated by the Board of Directors of the Company keeping in view the provisions of Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and the corresponding Rules made thereunder, being the Companies (Meetings of Board and its Powers) Rules, 2014.

Further, Ms Amisha Hemchand Jain was appointed as a member of the Audit Committee by the Board of Directors of the Company vide its resolution dated 11th June, 2020.

Vigil Mechanism and Whistleblower Policy

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and under Regulation 22 of the Listing Regulations is implemented through the Company's Vigil & Whistleblower Policy to enable the Directors and employees of the Company to report genuine concerns, to provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee.

The Vigil & Whistleblower Policy of the Company is available on the Company's website at the web-link: http://www.westlife.co.in/investors-compliance-and-policies.php

Auditors

- **Statutory Auditors and Auditors' Report**

  B S R & Associates LLP, Chartered Accountants (ICAI Registration No. 116231W/W-100024) had been appointed as Statutory Auditors of the Company for a term of 5 (five) years at the 34th Annual General Meeting (AGM) held on 20th September, 2017, to hold office from the conclusion of the 34th AGM till the conclusion of the 39th AGM of the Company. They have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company.

  The Notes on financial statements referred to in the Auditors' Report are self- explanatory, hence no clarification is required. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

- **Secretarial Audit and Report of company secretary in practice**

  Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr Shailesh Kachalia, Practicing Company Secretary (Certificate of Practice Number: 3888) to carry out the Secretarial Audit of the Company.

  In terms of the provisions of sub-section (1) of Section 204 of the Companies Act, 2013 read with Regulation 24A of the SEBI (LODR) Regulations, 2015, the Company has annexed to this Board Report as 'Annexure I', a Secretarial Audit Report given by a company secretary in practice.

  The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

Key Managerial Personnel (KMP)

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are Mr Amit Jatia, Chief Executive Officer (CEO), Mr Pankaj Roongta, Chief Financial Officer (CFO) (w.e.f. 4th May, 2020) and Dr. Shatadru Sengupta, Company Secretary (CS). During the year Mr Pankaj Roongta was appointed as Chief Financial Officer of the Company w.e.f. 4th May, 2020.

Contracts or Arrangements with Related Parties

Related Party Transactions that were entered into during the year by your Company have been disclosed in Form AOC-2 pursuant to Section 134(3) (h) of the Companies Act, 2013, which has been appended as 'Annexure II'.

In compliance with clause 2A, Part-A, Schedule V of the SEBI (LODR) Regulations, 2015, during the period under review, the Company has not entered into any transaction with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the company.

Disclosures on Employee Stock Option Scheme

In compliance with Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('the Regulations') read with SEBI Circular no. CIR/CFD/POLICY CELL/2/2015 dated 16th June, 2015, your Board of Directors report that during the year under review, no material changes in the Westlife Development Limited Employees Stock Option Scheme 2013 (the 'Scheme') had taken place and that the Scheme is in compliance with the Regulations. Further, the details mentioned in the Regulations have been disclosed on the Company's website at web link: http://www.westlife.co.in/web/compliance.aspx.

Policy for Qualifications, positive attributes and independence criteria for Directors and Remuneration for Directors, Key Managerial Personnel and other employees

In accordance with the provisions of Section 134(3) (e); sub section (3) and (4) of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the Listing Regulations, the Company has formulated this policy. The said policy has been appended as 'Annexure III' which forms a part of this Report.

Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013 as to Corporate Social Responsibility are not applicable to your Company.

Disclosure pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

In accordance with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following disclosures are made:

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year: N.A.*
- the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: N.A.*
- the percentage increase in the median remuneration of employees in the financial year: N.A.*
- the number of permanent employees on the rolls of Company: Three
- average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: N.A.*
- the terms of remuneration are in line with the Remuneration Policy of the Company.

*Directors did not receive any remuneration from the Company during the year, except sitting fee for attending meetings of the Board and its Committees, and no remuneration is being paid to the employees or Key Managerial Personnel of the Company.

Internal Financial Control Systems

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risk. The internal financial controls have been documented and embedded in the business system.

The Company has a proper and adequate internal audit and control system commensurate with its size and the nature of its business. No instance of any fraud or misdemeanor has been noticed during the year.

Significant and material orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concerns status and Company's operations in future.

Public Deposits

The Company did not accept any deposits during the year.

Corporate Governance

Report on Corporate Governance of the Company for the year under review, as per the requirements of Regulation 34 (3) read with Para C of Schedule V of the Listing Regulations, has been given under a separate section and forms part of this Annual Report.

Management Discussion and Analysis

A detailed review of operations, performance and future outlook of the Company and its business, as stipulated under Regulation 34 (2)(e) read with Para B of Schedule V of the Listing Regulations, is presented in a separate section forming part of the Annual Report under the heading 'Management Discussion and Analysis'.

Investor Education and Protection Fund (IEPF)

No unpaid and unclaimed dividend is lying with the Company.

Extracts of Annual Return

In accordance with sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of the annual return as at 31st March, 2021 forms part of this Report and is appended herewith as 'Annexure IV'.

Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings and Outgo

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under sub-section (3) (m) of Section 134 of the Companies Act, 2013 read with Rule (8) (3) of the Companies (Accounts) Rules, 2014 are given as under:

A. Conservation of Energy

i) The steps taken or impact on conservation of energy: The operations of your Company are not energy intensive.

ii) The steps taken by the Company for utilizing alternate sources of energy: NIL

iii) The capital investment on energy conservation equipments: NIL

However, the Company's subsidiary, Hardcastle Restaurants Pvt. Ltd, has taken significant measures for conservation of energy and saving the environment, as set out more particularly in the Business Responsibility Report forming part of this Annual Report.

B. Technology Absorption

i) The efforts made towards technology absorption : NIL

ii) The benefits derived like product improvement, cost reduction, product development or import substitution : NIL

iii) in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year): NIL

(a) Details of Technology Imported;

(b) Year of Import;

(c) Whether the Technology has been fully absorbed;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.

iv) Your Company has not incurred any expenditure on Research and Development during the year under review.

C. Foreign Exchange Earnings and Outgo

During the year under review, there were no foreign exchange inflow, outflow or earnings.

Risk Management

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the Company. The Company has a robust organisational structure for managing and reporting on risks.

Your Company has constituted a Risk Management Committee of the Board which is authorised to monitor and review a Risk Management Plan including Cyber Security. The Risk Management Plan provides a detailed programme for risk prevention, risk mitigation and risk management and the operation/working thereof, along with reporting of any new risks. The Risk Management Plan has been established across the organisation and is designed to prevent, mitigate and manage risks that affect the Company.

IV DIVIDEND DISTRIBUTION POLICY

The above policy is enclosed as 'Annexure-V' to the Board's Report and also available on the Company's website at http://www.westlife.co.in/investors-compliance-and-policies.php

V BUSINESS RESPONSIBILITY REPORT (BRR)

The Listing Regulations mandate the inclusion of the BRR as part of the Annual Report for the top 500 listed entities based on market capitalization. In compliance with the Listing Regulations, we have integrated BRR disclosures annexed as 'Annexure-VI' to the Board's Report.

VI ACKNOWLEDGEMENT

The Board of Directors wishes to express its gratitude and record sincere appreciation for the dedicated efforts of all employees of the Company. The Board is thankful to the esteemed shareholders for their continued support and confidence reposed in the Company. The Board takes this opportunity to express its gratitude for the valuable assistance and co-operation extended by all stakeholders including government authorities, customers, banks, vendors, advisors, and other business partners.

For and on behalf of the Board of Directors

Sd/-	Sd/-
Amit Jatia	**Smita Jatia**
Director	*Director*
DIN:00016871	DIN:03165703

Place: Mumbai
Date: 13th August, 2021

Annexure I

FORM MR-3

Secretarial Audit Report

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

For the financial year ended 31st March 2021

To,
The Members,
WESTLIFE DEVELOPMENT LIMITED
Mumbai

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Westlife Development Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2021 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings,

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - (Not applicable to the Company during the Audit Period);

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014,

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - (Not applicable to the Company during the Audit Period);

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - (Not applicable to the Company during the Audit Period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - (Not applicable to the Company during the Audit Period).

I have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards issued by The Institute of Company Secretaries of India.
2. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The Core Investment Companies (Reserve Bank) Directions, 2016.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Sd/-
SHAILESH KACHALIA
Practising Company Secretary
Proprietor
Membership No. 1391 / CP No. 3888

Place : Mumbai
Date : 13th August, 2021

Annexure - II

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: **N.A.**

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	-
b)	Nature of contracts/arrangements/ transaction	-
c)	Duration of the contracts/ arrangements/ transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions'	-
f)	Date of approval by the Board	-
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

2. Details of contracts or arrangements or transactions at Arm's length basis:

Transaction 1:

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Hardcastle Restaurants Private Limited – wholly owned subsidiary company
b)	Nature of contracts/arrangements/ transaction	Recovery of Employee Stock Option Plan Compensation Expense
c)	Duration of the contracts/ arrangements/ transaction	5 years from the date of vesting of stock options
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	₹64,18,254/- (including taxes)
e)	Date(s) of approval by the Board, if any	-
f)	Amount paid as advance, if any	-

For and on behalf of the Board of Directors

Sd/-
Amit Jatia
Director
DIN:00016871

Sd/-
Smita Jatia
Director
DIN: 03165703

Date : 13th August, 2021
Place : Mumbai

Annexure III

POLICY FOR QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE CRITERIA FOR DIRECTORS AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

(As framed by the Nomination and Remuneration Committee)

A. Appointment Criteria for Directors:

The policy describes the criteria for determining qualifications, positive attributes and independence of a director of the Company.

The attributes are:

1.	Qualifications	:	Graduate in any discipline
2.	Positive attributes	:	a. Professional approach b. Good team work c. Good communication skills d. Good knowledge of specific domains related to the business activities of the Company.
3.	Independence	:	Meets the criteria laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

B. Remuneration Policy for Directors, Key Managerial Personnel (KMP) and other Employees:

The policy describes the criteria for deciding the remuneration to directors, key managerial personnel and other employees of the Company.

The criteria are:

1. The remuneration payable to directors of the Company shall consist of sitting fees. The quantum of such sitting fees shall be as decided by the Board of Directors from time to time.
2. Such remuneration shall be paid to a director only when the director attends a meeting of the Board or of a Committee.
3. Key Managerial Personnel and other senior management employees, not being members of the Board of Directors, and any other employees shall not be entitled to be paid any remuneration until the Board of Directors decides otherwise.

Annexure IV

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DET AILS:

i)	CIN	:	L65990MH1982PLC028593
ii)	Registration Date	:	30/10/1982
iii)	Name of the Company	:	WESTLIFE DEVELOPMENT LIMITED
iv)	Category of the Company	:	Company limited by shares
	Sub-Category of the Company	:	Indian Non-Government Company
v)	Address of the Registered office	:	1001, Tower-3, 10th Floor, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai– 400013
	Contact details	:	022 - 4913 5000
vi)	Whether listed company	:	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent	:	Link Intime India Private Limited 247 Park, C-101 1stFloor, LBS Marg, Vikhroli (W), Mumbai-400083 Tel No: 022-49186000

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Activities of holding company	64200	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No	Name And Address Of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	Name: Hardcastle Restaurants Private Limited Address: 1001-1002, 10th Floor, Tower 3,Indiabulls Finance Centre, Senapati Bapat Marg, Mumbai -400013	U55101MH1995PTC091422	Subsidiary	100%	2(87) (ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year. As on 1st April, 2020				No. of Shares held at the end of the year. As on 31st March, 2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
g) Individual /HUF	39,96,106	-	39,96,106	2.57	37,25,045		37,25,045	2.39	-0.18
h) Central Govt	-	-	-	-	-	-	-	-	
i) State Govt (s)	-	-	-	-	-	-	-	-	
j) Bodies Corp.	8,07,99,741	-	8,07,99,741	51.91	8,06,93,812		8,06,93,812	51.79	-0.12
k) Banks / FI	-	-	-	-	-	-	-	-	
l) Any Other...	-	-	-	-	-	-	-	-	
Sub-total (A) (1):-	**8,47,95,847**	**-**	**8,47,95,847**	**54.47**	**8,44,18,857**	**-**	**8,44,18,857**	**54.18**	**-0.29**
(2) Foreign									
a) NRIs - Individuals	50,001	-	50,001	0.03	50,001		50,001	0.03	-
b) Other – Individuals	-	-	-	-	-	-	-	-	
c) Bodies Corp.	71,81,640	-	71,81,640	4.61	58,99,041		58,99,041	3.79	-0.82
d) Banks / FI	-	-	-	-	-	-	-	-	
e) Any Other....	-	-	-	-	-	-	-	-	
Sub-total (A) (2):-	**72,31,641**	**-**	**72,31,641**	**4.64**	**59,49,042**		**59,49,042**	**3.82**	**-0.82**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**9,20,27,488**	**-**	**9,20,27,488**	**59.12**	**9,03,67,899**		**9,03,67,899**	**58.00**	**-1.12**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1,75,36,482	-	1,75,36,482	11.26	2,01,06,496		2,01,06,496	12.91	1.65
b) Banks / FI	18,209	-	18,209	0.01	-	-	-	-	-0.01
c) Central Govt	-	-	-	-	-	-	-	-	
d) State Govt(s)	-	-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	
f) Insurance Companies	73,54,531	-	73,54,531	4.72	1,20,19,372	-	1,20,19,372	7.71	2.99
g) FIIs	1,96,97,421	-	1,96,97,421	12.65	1,68,74,142	-	1,68,74,142	10.83	-1.82
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others (Alternate Investment Funds)	75,764	-	75,764	0.05	2,44,307	-	2,44,307	0.16	0.11
Sub-total (B)(1):-	**4,46,82,407**	**-**	**4,46,82,407**	**28.70**	**4,92,44,317**	**-**	**4,92,44,317**	**31.61**	**2.91**
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	11,47,080	-	11,47,080	0.74	8,55,707	-	8,55,707	0.55	-0.19
ii) Overseas	3,68,105	-	3,68,105	0.24	98,105	-	98,105	0.06	-0.18
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	41,51,580	-	41,51,580	2.67	39,79,223	-	39,79,223	2.55	-0.12
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1,25,04,928	-	1,25,04,928	8.03	1,06,82,590	-	1,06,82,590	6.86	-1.17
c) Others									
i. Trusts	1,600	-	1,600	0.00	2,195	-	2,195	0.00	-
ii. Hindu Undivided Family	1,87,712	-	1,87,712	0.12	1,30,541	-	1,30,541	0.08	-0.04
iii. Clearing Member	1,37,822	-	1,37,822	0.09	52,313	-	52,313	0.03	-0.06
iv. NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
v. Foreign Portfolio Investor (Individual)	1,947	-	1,947	0.00	2,947	-	2,947	0.00	-

Category of Shareholders	No. of Shares held at the beginning of the year. As on 1st April, 2020				No. of Shares held at the end of the year. As on 31st March, 2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
vi) Non- Resident (Non-repatraiation)	2,15,295	-	2,15,295	0.14	1,08,057	-	1,08,057	0.06	-0.08
vii) Non- Resident (Repatraiation)	2,35,801	-	2,35,801	0.15	2,78,971	-	2,78,971	0.17	0.02
Sub-total (B)(2):-	1,89,51,870	-	1,89,51,870	12.17	1,61,90,649	-	1,61,90,649	10.39	-1.78
Total Public Shareholding (B)= (B)(1)+ (B)(2)	**6,36,34,277**	**-**	**6,36,34,277**	**40.88**	**6,54,34,966**	**-**	**6,54,34,966**	**42.00**	**1.12**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**15,56,61,765**	**-**	**15,56,61,765**	**100**	**15,58,02,865**	**-**	**15,58,02,865**	**100**	**-**

ii) Shareholding of Promoters

Sr No	Shareholder's Name	Shareholding at the beginning of the year - 2020			Shareholding at the end of the year - 2021			% Change In Shareholding During The Year
		No. of Shares Held	% of Total Shares of The Company	% of Shares Pledged/ Encumbered To Total Shares	No. of Shares Held	% of Total Shares of The Company	% of Shares Pledged/ Encumbered To Total Shares	
1	Horizon Impex Pvt Ltd	4,72,85,325	30.38	0	4,70,11,396	30.17	0	-0.20
2	Subh Ashish Exim Pvt Ltd	3,32,33,707	21.35	0	3,34,01,707	21.44	0	0.08
3	Makino Holdings Limited	71,81,640	4.61	0	58,99,041	3.79	0	-0.82
4	Achal Jatia	38,16,870	2.45	0	36,73,755	2.36	0	-0.09
5	Achal Exim Pvt Ltd	1,60,697	0.10	0	1,60,697	0.10	0	0.00
6	Banwari Lal Jatia	1,27,957	0.08	0	1,187	0.00	0	-0.08
7	Anurag Jatia	50,000	0.03	0	50,000	0.03	0	0
8	Amit Jatia	50,000	0.03	0	50,000	0.03	0	0
9	Saubhagya Impex Pvt Ltd	40,000	0.02	0	40,000	0.02	0	0
10	Shri Ambika Trading Co Pvt Ltd	40,000	0.02	0	40,000	0.02	0	0
11	Winmore Leasing And Holdings Ltd	40,000	0.02	0	40,000	0.02	0	0
12	Banwarilal Jatia	1,176	0.00	0	0	0	0	0.00
13	Lalita Devi Jatia	50	0	0	50	0	0	0
14	Usha Devi Jatia	50	0	0	50	0	0	0
15	Acacia Impex Private Limited	1	0	0	1	0	0	0
16	Akshay Ayush Impex Pvt Ltd	1	0	0	1	0	0	0
17	Amit Bl Properties Private Limited	1	0	0	1	0	0	0
18	Anand Veena Twisters Pvt Ltd	1	0	0	1	0	0	0
19	Concept Highland Business Pvt Ltd	1	0	0	1	0	0	0
20	Hardcastle And Waud Mfg Co Limited	1	0	0	1	0	0	0

Sr No	Shareholder's Name	Shareholding at the beginning of the year - 2020			Shareholding at the end of the year - 2021			% Change In Shareholding During The Year
		No. of Shares Held	% of Total Shares of The Company	% of Shares Pledged/ Encumbered To Total Shares	No. of Shares Held	% of Total Shares of The Company	% of Shares Pledged/ Encumbered To Total Shares	
21	Hardcastle Petrofer Private Limited	1	0	0	1	0	0	0
22	Hawco Petrofer Llp	1	0	0	1	0	0	0
23	Hawcoplast Investments And Trading Limited	1	0	0	1	0	0	0
24	Houghton Hardcastle (India) Pvt Limited	1	0	0	1	0	0	0
25	Vandeep Tradelinks Private Limited	1	0	0	1	0	0	0
26	Vishwas Investment & Trading Company Pvt Ltd	1	0	0	1	0	0	0
27	Amit Jatia	1	0	0	1	0	0	0
28	Ayush Jatia	1	0	0	1	0	0	0
29	Akshay Amit Jatia	1	0	0	1	0	0	0
30	Smita Jatia	1	0	0	1	0	0	0
	Total	9,20,27,488	59.12	0	9,03,67,899	58.00	0	-1.12

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2020		Transactions during the year		Cumulative Shareholding at the end of the year - 2021	
		no. of shares held	% of total shares of the company	date of transaction	no. of shares	no of shares held	% of total shares of the company
1	**Horizon Impex Pvt Ltd**	47285325	30.3495			47285325	30.34
	Transfer			26 Jun 2020	(168000)	47117325	30.24
	Transfer			12 Mar 2021	(125000)	46992325	30.16
	Transfer			19 Mar 2021	19071	47011396	30.17
	At the end of the Year					47011396	30.17
2	**Subh Ashish Exim Pvt Ltd**	33233707	21.3306			33233707	21.33
	Transfer			30 Jun 2020	168000	33401707	21.44
	At the end of the Year					33401707	21.44
3	**Makino Holdings Limited**	7181640	4.6094			7181640	4.60
	Transfer			17 Jul 2020	(505939)	6675701	4.28
	Transfer			12 Mar 2021	(2000000)	4675701	3.00
	Transfer			31 Mar 2021	1223340	5899041	3.78
	At the end of the Year					5899041	3.79
4	**Achal Jatia**	3816870	2.4498			3816870	2.44
	Transfer			26 Jun 2020	126770	3943640	2.53
	Transfer			30 Jun 2020	1176	3944816	2.53
	Transfer			17 Jul 2020	505939	4450755	2.85
	Transfer			12 Feb 2021	(777000)	3673755	2.35
	At the end of the Year					3673755	2.36

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2020		Transactions during the year		Cumulative Shareholding at the end of the year - 2021	
		no. of shares held	% of total shares of the company	date of transaction	no. of shares	no of shares held	% of total shares of the company
5	**Banwari Lal Jatia**	127957	0.0821			127957	0.08
	Transfer			26 Jun 2020	(126770)	1187	0.00
	At The End Of The Year					1187	0.00
6	**Banwarilal Jatia**	1176	0.0008			1176	0.00
	Transfer			19 Jun 2020	(1176)	0	0.00
	At the end of the Year					0	0.00

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name & Type Of Transaction	Shareholding at The Beginning of The Year - 2020		Transactions during the Year		Cumulative Shareholding at the end of the Year - 2021	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
1	ICICI Prudential Life Insurance Company Limited	7289531	4.6787			7289531	4.6787
	Transfer			10 Apr 2020	150000	7439531	4.7750
	Transfer			17 Apr 2020	6653	7446184	4.7792
	Transfer			24 Apr 2020	97	7446281	4.7793
	Transfer			01 May 2020	211837	7658118	4.9153
	Transfer			08 May 2020	250232	7908350	5.0759
	Transfer			15 May 2020	369483	8277833	5.3130
	Transfer			22 May 2020	99780	8377613	5.3771
	Transfer			29 May 2020	58187	8435800	5.4144
	Transfer			05 Jun 2020	122909	8558709	5.4933
	Transfer			12 Jun 2020	7931	8566640	5.4984
	Transfer			19 Jun 2020	975436	9542076	6.1245
	Transfer			26 Jun 2020	9283	9551359	6.1304
	Transfer			03 Jul 2020	2102	9553461	6.1318
	Transfer			10 Jul 2020	(145976)	9407485	6.0381
	Transfer			17 Jul 2020	(253378)	9154107	5.8754
	Transfer			31 Jul 2020	(8538)	9145569	5.8700
	Transfer			07 Aug 2020	29313	9174882	5.8888
	Transfer			14 Aug 2020	29743	9204625	5.9079
	Transfer			21 Aug 2020	108943	9313568	5.9778
	Transfer			28 Aug 2020	(2379)	9311189	5.9763
	Transfer			04 Sep 2020	214202	9525391	6.1137
	Transfer			11 Sep 2020	37775	9563166	6.1380
	Transfer			18 Sep 2020	257428	9820594	6.3032
	Transfer			25 Sep 2020	7631	9828225	6.3081
	Transfer			30 Sep 2020	22676	9850901	6.3227
	Transfer			02 Oct 2020	745	9851646	6.3231
	Transfer			16 Oct 2020	(743)	9850903	6.3227
	Transfer			23 Oct 2020	17431	9868334	6.3339
	Transfer			13 Nov 2020	615367	10483701	6.7288
	Transfer			20 Nov 2020	85867	10569568	6.7839
	Transfer			27 Nov 2020	(60878)	10508690	6.7449
	Transfer			04 Dec 2020	(136000)	10372690	6.6576
	Transfer			11 Dec 2020	(799)	10371891	6.6571
	Transfer			18 Dec 2020	645	10372536	6.6575
	Transfer			31 Dec 2020	85634	10458170	6.7124
	Transfer			01 Jan 2021	176329	10634499	6.8256

Sr. No.	Name & Type Of Transaction	Shareholding at The Beginning of The Year - 2020		Transactions during the Year		Cumulative Shareholding at the end of the Year - 2021	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
	Transfer			08 Jan 2021	76578	10711077	6.8748
	Transfer			15 Jan 2021	34693	10745770	6.8970
	Transfer			05 Feb 2021	95062	10840832	6.9580
	Transfer			19 Feb 2021	(3134)	10837698	6.9560
	Transfer			26 Feb 2021	(36808)	10800890	6.9324
	Transfer			05 Mar 2021	(53868)	10747022	6.8978
	Transfer			12 Mar 2021	(2423)	10744599	6.8963
	Transfer			19 Mar 2021	(9002)	10735597	6.8905
	Transfer			26 Mar 2021	199967	10935564	7.0188
	At the End of the Year					10935564	7.0188
2	SBI Equity Hybrid Fund	10972953	7.0428			10972953	7.0428
	Transfer			10 Jul 2020	(30662)	10942291	7.0232
	Transfer			17 Jul 2020	(46338)	10895953	6.9934
	Transfer			05 Mar 2021	(76442)	10819511	6.9444
	Transfer			12 Mar 2021	(48132)	10771379	6.9135
	Transfer			19 Mar 2021	(88329)	10683050	6.8568
	At the end of the Year					10683050	6.8568
3	Rajiv Himatsingka	10613085	6.8119			10613085	6.8119
	Transfer			31 Jul 2020	(547596)	10065489	6.4604
	Transfer			07 Aug 2020	(100000)	9965489	6.3962
	At the end of the Year					9965489	6.3962
4	Sundaram Mutual Fund A/C Sundaram Mid Cap Fund	4072461	2.6139			4072461	2.6139
	Transfer			30 Oct 2020	99393	4171854	2.6776
	Transfer			06 Nov 2020	32706	4204560	2.6986
	Transfer			13 Nov 2020	93576	4298136	2.7587
	Transfer			20 Nov 2020	30968	4329104	2.7786
	Transfer			27 Nov 2020	27375	4356479	2.7961
	Transfer			04 Dec 2020	(7564)	4348915	2.7913
	Transfer			11 Dec 2020	(10382)	4338533	2.7846
	Transfer			18 Dec 2020	(153107)	4185426	2.6864
	Transfer			25 Dec 2020	139166	4324592	2.7757
	Transfer			31 Dec 2020	(2854)	4321738	2.7739
	Transfer			01 Jan 2021	(74996)	4246742	2.7257
	Transfer			08 Jan 2021	(27235)	4219507	2.7082
	Transfer			15 Jan 2021	(5431)	4214076	2.7047
	Transfer			22 Jan 2021	(2510)	4211566	2.7031
	Transfer			29 Jan 2021	(368)	4211198	2.7029
	Transfer			05 Feb 2021	(860)	4210338	2.7023
	Transfer			12 Feb 2021	7238	4217576	2.7070
	Transfer			19 Feb 2021	(15089)	4202487	2.6973
	Transfer			26 Feb 2021	(24556)	4177931	2.6815
	Transfer			05 Mar 2021	(2900)	4175031	2.6797
	Transfer			12 Mar 2021	(32038)	4142993	2.6591
	Transfer			26 Mar 2021	(5000)	4137993	2.6559
	Transfer			31 Mar 2021	(5000)	4132993	2.6527
	At the end of the Year					4132993	2.6527
5	DSP Small Cap Fund	1613477	1.0356			1613477	1.0356
	Transfer			17 Apr 2020	1528000	3141477	2.0163
	Transfer			30 Sep 2020	200225	3341702	2.1448
	Transfer			13 Nov 2020	3622	3345324	2.1472
	Transfer			22 Jan 2021	48319	3393643	2.1782
	Transfer			26 Mar 2021	(268324)	3125319	2.0059
	Transfer			31 Mar 2021	(542510)	2582809	1.6577
	At the end of the Year					2582809	1.6577

Sr. No.	Name & Type 0f Transaction	Shareholding at The Beginning of The Year - 2020		Transactions during the Year		Cumulative Shareholding at the end of the Year - 2021	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
6	Mirae Asset Midcap Fund	0	0.0000			0	0.0000
	Transfer			11 Sep 2020	44104	44104	0.0283
	Transfer			18 Sep 2020	200000	244104	0.1567
	Transfer			25 Sep 2020	84508	328612	0.2109
	Transfer			16 Oct 2020	867	329479	0.2115
	Transfer			13 Nov 2020	330521	660000	0.4236
	Transfer			20 Nov 2020	100000	760000	0.4878
	Transfer			27 Nov 2020	15341	775341	0.4976
	Transfer			04 Dec 2020	(25341)	750000	0.4814
	Transfer			25 Dec 2020	220000	970000	0.6226
	Transfer			31 Dec 2020	87773	1057773	0.6789
	Transfer			08 Jan 2021	1537	1059310	0.6799
	Transfer			15 Jan 2021	46274	1105584	0.7096
	Transfer			29 Jan 2021	22422	1128006	0.7240
	Transfer			05 Feb 2021	22727	1150733	0.7386
	Transfer			12 Feb 2021	37000	1187733	0.7623
	Transfer			19 Feb 2021	748674	1936407	1.2429
	Transfer			26 Feb 2021	4300	1940707	1.2456
	Transfer			12 Mar 2021	31237	1971944	1.2657
	Transfer			31 Mar 2021	7789	1979733	1.2707
	At the end of the Year					1979733	1.2707
7	Smallcap World Fund, Inc	0	0.0000			0	0.0000
	Transfer			17 Jul 2020	117552	117552	0.0754
	Transfer			24 Jul 2020	222942	340494	0.2185
	Transfer			31 Jul 2020	382079	722573	0.4638
	Transfer			07 Aug 2020	254025	976598	0.6268
	Transfer			14 Aug 2020	297072	1273670	0.8175
	Transfer			18 Sep 2020	67855	1341525	0.8610
	Transfer			25 Sep 2020	23667	1365192	0.8762
	Transfer			30 Sep 2020	2113	1367305	0.8776
	Transfer			02 Oct 2020	151389	1518694	0.9748
	Transfer			09 Oct 2020	73276	1591970	1.0218
	Transfer			30 Oct 2020	144600	1736570	1.1146
	Transfer			06 Nov 2020	192398	1928968	1.2381
	At the end of the Year					1928968	1.2381
8	HSBC Global Investment Funds - Indian Equity	57197	0.0367			57197	0.0367
	Transfer			17 Apr 2020	57903	115100	0.0739
	Transfer			24 Apr 2020	611336	726436	0.4663
	Transfer			01 May 2020	112226	838662	0.5383
	Transfer			08 May 2020	491776	1330438	0.8539
	Transfer			29 May 2020	8527	1338965	0.8594
	Transfer			05 Jun 2020	266745	1605710	1.0306
	Transfer			24 Jul 2020	(162137)	1443573	0.9265
	Transfer			31 Mar 2021	4785	1448358	0.9296
	At the end of the Year					1448358	0.9296
9	New Leaina Investments Limited	1267412	0.8135			1267412	0.8135
	At the end of the Year					1267412	0.8135

Sr. No.	Name & Type 0f Transaction	Shareholding at The Beginning of The Year - 2020		Transactions during the Year		Cumulative Shareholding at the end of the Year - 2021	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
10	Aditya Birla Sun Life Insurance Company Limited	0	0.0000			0	0.0000
	Transfer			10 Jul 2020	112856	112856	0.0724
	Transfer			17 Jul 2020	250000	362856	0.2329
	Transfer			07 Aug 2020	11561	374417	0.2403
	Transfer			14 Aug 2020	43604	418021	0.2683
	Transfer			28 Aug 2020	20879	438900	0.2817
	Transfer			11 Sep 2020	103842	542742	0.3484
	Transfer			30 Sep 2020	5037	547779	0.3516
	Transfer			02 Oct 2020	15056	562835	0.3612
	Transfer			09 Oct 2020	8175	571010	0.3665
	Transfer			16 Oct 2020	120975	691985	0.4441
	Transfer			04 Dec 2020	(3470)	688515	0.4419
	Transfer			18 Dec 2020	(24996)	663519	0.4259
	Transfer			25 Dec 2020	(5000)	658519	0.4227
	Transfer			15 Jan 2021	236177	894696	0.5742
	Transfer			22 Jan 2021	48621	943317	0.6055
	Transfer			29 Jan 2021	121628	1064945	0.6835
	Transfer			05 Feb 2021	53281	1118226	0.7177
	Transfer			05 Mar 2021	(11860)	1106366	0.7101
	Transfer			19 Mar 2021	(121791)	984575	0.6319
	Transfer			31 Mar 2021	57970	1042545	0.6691
	At the end of the Year					1042545	0.6691
11	Prerana Lp	1000000	0.6418			1000000	0.6418
	At the end of the Year					1000000	0.6418
12	Kuwait Investment Authority Fund F239	896800	0.5756			896800	0.5756
	Transfer			11 Dec 2020	98550	995350	0.6389
	Transfer			05 Feb 2021	(24344)	971006	0.6232
	At The End of The Year					971006	0.6232
13	Arisaig India Fund Limited	7791724	5.0010			7791724	5.0010
	Transfer			10 Apr 2020	(150079)	7641645	4.9047
	Transfer			17 Apr 2020	(1855796)	5785849	3.7136
	Transfer			24 Apr 2020	(1101259)	4684590	3.0067
	Transfer			01 May 2020	(6866)	4677724	3.0023
	Transfer			08 May 2020	(1193065)	3484659	2.2366
	Transfer			15 May 2020	(299988)	3184671	2.0440
	Transfer			22 May 2020	(45580)	3139091	2.0148
	Transfer			29 May 2020	(9818)	3129273	2.0085
	Transfer			05 Jun 2020	(1539359)	1589914	1.0205
	Transfer			12 Jun 2020	(496160)	1093754	0.7020
	Transfer			19 Jun 2020	(1093754)	0	0.0000
	At the end of the Year					0	0.0000
14	Wellington Management Funds (Luxembourg)-Wellington Asian Opportunities Fund	1429581	0.9176			1429581	0.9176
	Transfer			15 May 2020	87539	1517120	0.9737
	Transfer			05 Jun 2020	196184	1713304	1.0997
	Transfer			10 Jul 2020	204683	1917987	1.2310
	Transfer			18 Sep 2020	(242152)	1675835	1.0756

Sr. No.	Name & Type 0f Transaction	Shareholding at The Beginning of The Year - 2020		Transactions during the Year		Cumulative Shareholding at the end of the Year - 2021	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
	Transfer			30 Sep 2020	(310168)	1365667	0.8765
	Transfer			02 Oct 2020	(173775)	1191892	0.7650
	Transfer			23 Oct 2020	(60847)	1131045	0.7259
	Transfer			30 Oct 2020	(130288)	1000757	0.6423
	Transfer			06 Nov 2020	(253643)	747114	0.4795
	Transfer			13 Nov 2020	(711152)	35962	0.0231
	Transfer			20 Nov 2020	(35962)	0	0.0000
	At the end of the Year					0	0.0000

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholders Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of Shares	% of total shares of the company
1.	Banwari Lal Jatia Director	1,27,957	0.08	01.04.2020	-	-	1,27,957	0.08
		1,27,957	0.08	25.06.2020	1,26,770	Transfer	1,187	0
		1,187	0	31.03.2021	-	-	1,187	0
2.	Amit Jatia Director	50000	0.03	01.04.2020	No Movement During The Year			
		50000	0.03	31.03.2021				
3.	Smita Jatia Director	1	0.00	01.04.2020	No Movement During The Year			
		1	0.00	31.03.2021				
4.	Ms. Amisha Jain Director	-	0.00	01.04.2020	No Movement During The Year			
		-	0.00	31.03.2021				
5.	Padmanabh Barpande Director	-	0.00	01.04.2020	No Movement During The Year			
		-	0.00	31.03.2021				
6.	Manish Chokhani Director	-	0.00	01.04.2020	No Movement During The Year			
		-	0.00	31.03.2021				
7.	Tarun Kataria Director	-	0.00	01.04.2020	No Movement During The Year			
		-	0.00	31.03.2021				
8.	Achal Jatia Director	3816870	2.45	01.04.2020	-	-	3816870	2.45
		3816870	2.45	26.06.2020	126770	Transfer	3943640	2.53
		3943640	2.53	30.06.2020	1176	Transfer	3944816	2.53
		3944816	2.53	17.07.2020	505939	Transfer	4450755	2.85
		4450755	2.85	12.02.2021	(777000)	Transfer	3673755	2.36
		3673755	2.36	31.03.2021	-	-	3673755	2.36
10.	Shatadru Sengupta CS	10770	0.00	01.04.2020	No Movement During The Year			
		10770	0.00	31.03.2021				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)				
Change in Indebtedness				
during the financial year				
• Addition				
• Reduction	-	-	-	-
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**NIL**	**NIL**	**NIL**	**NIL**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

{{Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		----	----	----	----	
1.	Gross salary					
a.	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
b.	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
c.	Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit	-	-	-	-	-
	- others, specify...					
5.	Others, please specify					
	Total (A)	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
	Ceiling as per the Act					

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors (Figures in Rupees)				Total Amount Rupees
1.	**Independent Directors**	**Mr. P.R. Barpande**	**Ms. Amisha Jain**	**Mr. Tarun Kataria**	**Mr. Manish Chokhani**	
	• Fee for attending board/committee meetings	7,50,000	5,75,000	7,25,000	4,50,000	25,00,000
	• Commission	-	-	-	-	-
	• Others, please specify					
	Total (1)	**7,50,000**	**5,75,000**	**7,25,000**	**4,50,000**	**25,00,000**

Sl. no.	Particulars of Remuneration	Name of Directors (Figures in Rupees)				Total Amount Rupees
2.	**Other Non-Executive/ Executive Directors**	**Mr. B.L. Jatia**	**Mr. Amit Jatia**	**Ms. Smita Jatia**	**Mr. Achal Jatia**	
	• Fee for attending board/ committee meetings	1,50,000	7,25,000	5,75,000	1,50,000	16,00,000
	• Commission	-	-	-	-	-
	• Others, please specify					
	Total (2)	**1,50,000**	**7,25,000**	**5,75,000**	**1,50,000**	**16,00,000**
	Total (B)=(1+2)	**9,00,000**	**13,00,000**	**13,00,000**	**6,00,000**	**41,00,000**
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil
	Ceiling as per the Act	N.A	N.A	N.A	N.A	N.A
	Overall Ceiling as per the Act	N.A	N.A	N.A	N.A	N.A

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO Amit Jatia	Company Secretary Shatadru Sengupta	CFO Pankaj Roongta	Total Amount
1	Gross salary				
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option	-	-	-	-
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify...	-	-	-	-
5	Others, please specify				
	Total	**NIL**	**NIL**	**NIL**	**NIL**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
B. DIRECTORS					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
C. OTHER OFFICERS IN DEFAULT					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

Annexure V

DIVIDEND DISTRIBUTION POLICY OF THE COMPANY

In accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the parameters of the Dividend Distribution Policy of the Company are as follows :

(a) **the circumstances under which the shareholders of the listed entities may or may not expect dividend :**

Shareholders may expect dividend if the Board of Directors recommends payment of the same based on the financial parameters mentioned below, and may not expect it otherwise.

(b) **the financial parameters that shall be considered while declaring dividend :**

These parameters presently include the profitability of the Company for the year in question and its profit record for previous years, the cash flow position of the Company, for both the year in question and the previous years, plans for investments to be made by the Company, the need for working capital generally and the need for cash in particular, and contingency requirements.

(c) **internal and external factors that shall be considered for declaration of dividend :**

Internal factors that shall be considered shall include the above financial parameters. External factors shall not be considered.

(d) **policy as to how the retained earnings shall be utilized :**

Retained earnings shall be utilized by ploughing them back into the operations of the Company, in furtherance of attainment of its objects.

and

(e) **parameters that shall be adopted with regard to various classes of shares :**

The Company has presently only one class of equity shares in its issued capital, and all the parameters as above shall apply to the same.

ANNEXURE VI

BUSINESS RESPONSIBILITY REPORT

[See Regulation 34(2)(f)]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	:	L65990MH1982PLC028593
2.	Name of the Company	:	WESTLIFE DEVELOPMENT LTD
3.	Registered address	:	1001, Tower 3, 10th Floor, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013
4.	Website	:	www.westlife.co.in
5.	E-mail id	:	shatadru@westlife.co.in
6.	Financial Year reported	:	01-04-2020 to 31-03-2021
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	:	64200
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	:	Activities of holding company
9.	Total number of locations where business activity is undertaken by the Company		
	(a) Number of International Locations (Provide details of major 5)	:	NA
	(b) Number of National Locations	:	One Head office and 305 Restaurants (subsidiary-Hardcastle Restaurants Private Limited)
10.	Markets served by the Company – Local/ State/National/International	:	Local

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR in millions)	:	311.61
2.	Total Revenue (INR in millions)	:	4.30
3.	Total profit after taxes/loss for the year (INR in millions)	:	3.99
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	:	NIL
5.	List of activities in which expenditure in 4 above has been incurred	:	NIL

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

   Yes

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) :

   One

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

   No

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR**

   Mr. Amit Jatia

   (a) Details of the Director/Director responsible for implementation of the BR policy/polices

1.	DIN Number	:	00016871
2.	Name	:	Mr. Amit Jatia
3.	Designation	:	Director & CEO

   (b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	N.A.
2	Name	Dr Shatadru Sengupta
3	Designation	Company Secretary
4	Telephone number	022- 4913 5055
5	e-mail id	shatadru@westlife.co.in

2. **Principle-wise (as per NVGs) BR Policy/policies**

   (a) Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for.......	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	N	N	N	N	N	N	N	N	N
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.westlife.co.in								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options) - N.A

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 Months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. **Governance related to BR**

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year. Annually

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? No

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? No.

   Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others? Yes.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so. NIL

Principle 2

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   a) **LEDs** - LED lamps have a lifespan and electrical efficiency which are several times longer than incandescent lamps, and significantly more efficient than most fluorescent lamps, saves electricity.

   b) **Evaporative Coolers** – Works on principle of water evaporation and uses ambient temperature to cool given space, reducing HVAC usage, and hence saves electricity.

   c) **Waterless Urinals** – Eliminates flushing of water in urinal pots, hence saves water.

   d) **EMS (Energy management system)** - Real-time power consumption monitoring and controlling on line (ON\OFF of Equipment's and Machines).

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

   Below are some hard numbers to show this:

   Electricity and LPG Gas Saving : FY 20-21 (April 20 to March 21)

   - Electricity - 85,66,000 units saved, 7,025 tons of CO_2 saved
   - LPG Gas - 2600 cylinders saved, 150 tons of CO_2 saved

   DETAIL:-

   1. Operating of lights is optimized
   2. M/C energy saving :
      a. Equipments are kept operational for required time only and a schedule is maintained to switch them off when not required.
      b. Compressors running is optimized by minimum consumption.
   3. Fans, coolers and AC are optimized by maintaining comfortable temperature.
   4. Real time Electricity, DG Set Diesel and LPG consumption monitored and controlled.
   5. Store with solar roof top panel - Increase the use of renewable energy by adding roof top solar panels - Electricity - 1,70,000 units saved, 139 tons of CO_2 saved.

   WATER SAVINGS

   Total water saved in litres in a year across all restaurants : 1,72,20,000 litres in FY 20-21

   DETAIL:-

   1. All the taps are replaced with push pillar cocks and added low flow Aerators.
   2. RO rejected water re-use for Gardening and rest room usage.
   3. All the tanks are installed with float valves to minimize if not eliminate water wastage.
   4. Waterless urinals have been introduced and made a standard feature.
   5. RO rejected water re-use for Gardening and rest room usage.

   Our suppliers' folding carton converter is FSC/COC-certified and sources its fibre-based materials from FSC-COC-certified mills. The site is also ISO 14001:2004-certified for Environmental Management Systems. From a material and utilities conservation standpoint, it continues to work on the following:

   1. Reduction in power consumption
   2. Efforts are also under way to reduce water consumption in its operations and this is being monitored on an on-going basis
   3. Waste generated from process is sent to a government-authorized body for disposal. Reduction in process wastage.
   4. An Environmental Management Protection (EMP) program on Green belt development is in place, and as part of the same, plantation is being carried out every year.

   (b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Electricity Saved during 2020-2021	:	85,66,000 units
Gas cylinders saved during 2020-2021	:	2,600 gas cylinders
Water saved during 2020-2021	:	1,72,20,000 litres

3. **Does the company have procedures in place for sustainable sourcing (including transportation)?**

   Yes

   (a) **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

      (a) The Company has designed 100 % contingency and assured supply plan for all its raw materials sourced locally or from outside country.

      (b) Amongst all the raw materials, some of the products are critical for sustainability governance to protect environmental aspects which are Refined Palmolein Oil and Fish.

      (c) This contributes to around 10 % of raw material input.

      (d) RBD Palmolein Oil used in the Company's restaurants is purchased only from RSPO certified sustainable sources.

      The Company sources only UTZ Certified Coffee (UTZ is one of the largest program and label for sustainable farming for Coffee and Cocoa in the world).

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

   Yes.

   (a) **If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

      The Company and its suppliers source a lot of agri-produce like lettuce and potatoes from farmers. A large number of small and local farmers have been aggregated for this purpose and these farmers are given assured business and also a lot of know-how on good agriculture practices, weather related information, crop protection information, water conservation information and good practices of drip irrigation etc. and thus the local farming community's capability and knowledge base has been enhanced. These initiatives help increase farm yield, crop quality and ultimately the farmers' income.

      McDonald's Global GAP program is initiated for the farms which would improve bio security and help farmers to adopt global best practices.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   Some of our packaging contains recycled paper and we also convert most of our waste cooking oil into Bio Diesel, during the financial year 2020-2021 the Company bought1,360 MT of cooking oil and converted 321 MT of it to Bio Diesel i.e. 24%.

Principle 3

1. Please indicate the Total number of employees. 7,889
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis. N.A.
3. Please indicate the Number of permanent women employees. 2,389 – 1,726 Part Time, 663 Full Time
4. Please indicate the Number of permanent employees with disabilities. 22
5. Do you have an employee association that is recognized by management. No
6. What percentage of your permanent employees is members of this recognized employee association? N.A.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

   (a) Permanent Employees - 100%

   (b) Permanent Women Employees - 100%

   (c) Casual/Temporary/Contractual Employees - N.A.

   (d) Employees with Disabilities – 100%

Principle 4

1. Has the company mapped its internal and external stakeholders? Yes/No - No
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders. - N.A.
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so. N.A.

Principle 5

1 Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

   Covers Company and also suppliers. Most of our major suppliers are governed by Social Accountability standards for these compliances.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? Nil

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others. – No
2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc. - No
3. Does the company identify and assess potential environmental risks? Y/N - No
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed? - No
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc. - No
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? - N.A.
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. – N.A.

Principle 7

1. Is your company a member of any trade and chamber or association? - Yes.

   If Yes, Name only those major ones that your business deals with:

   (a) National Restaurant Association of India (NRAI)

   (b) Confederation of Indian Food Trade & Industry (CIFTI, the food arm of FICCI)

   (c) The Protein Foods and Nutrition Development Association of India (PFNDAI)

   (d) All India Food Processors' Association (AIFPA).

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) - No

Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   Yes, please see answer to point 2 below.

2. Are the programmes/projects undertaken through in-house team/own foundation/external

   NGO/government structures/any other organization?

   The company has an in-house foundation-Ronald McDonald House Charities Foundation India (RMHC India) that works extensively to support the well-being of children. In the financial year, the company also conducted multiple food donation drives for the communities impacted by COVID-19, which included frontline workers, daily wage earners and slum-dwellers.

3. Have you done any impact assessment of your initiative?

   The company also reached out to close 65,000 people in need as a part of its community outreach program – 'Meals For Good' to support those impacted by COVID-19 led lock-downs.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken. N.A.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so. - N.A.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year. – NIL

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

   This question seems to be relevant for a pre-packaged goods company. However, we do display nutrition information for our products on our website so that consumers are aware of the nutrition values and can make informed choices. The law does not mandate such a declaration, so this is being done over and above the local law.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so. Nil

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   The company carried out the following surveys to understand the health of the brand.

   i. My Voice – Surveys done by customers (Customer Satisfaction Score, Quality, Service and Cleanliness).

   ii. Feedback – online portal for customer to give direct feedback.

CORPORATE GOVERNANCE REPORT

[Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Para C of Schedule V thereof]

Company's Philosophy on Code of Governance

The Company's corporate governance philosophy rests on the pillars of integrity, accountability, equity, transparency and environmental responsibilities that conform fully with laws, regulations and guidelines and is intended:

- To ensure adequate control systems to enable the Board to efficiently conduct the business and discharge its responsibilities to shareholders.
- To ensure that the decision-making process is fair, transparent and equitable.
- To ensure fullest involvement and commitment of the management for maximization of stakeholders' value.
- To imbibe the Company's values in the employees and encourage them in their conduct.
- To ensure that the Company follows globally recognized corporate governance practices.

Board of Directors

The Board comprises eight Directors as on 31st March, 2021. The names and categories of Directors, the number of Directorships and Committee positions held by them in other companies are given below. None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies and 3 Listed Companies in case he/she serves as a Whole Time Director in any Listed Company. Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Regulation 26 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations")), across all the Companies in which he/she is a Director.

The Company's Board has four independent non-executive directors as on 31st March, 2021, unrelated to each other and not holding any shares in the Company. The Board met five times during the year, on April 17, 2020, June 11, 2020, July 30, 2020, November 6, 2020, and January 21, 2021.

Attendance and other details of Directors

Name	Category	No. of Board Meetings Attended	If present at last AGM	Total No. of Outside Directorships held		*No. of other Committees in which Member/ Chairman	
				Public	Private	Member	Chairman
Mr Banwari Lal Jatia (DIN:00016823)	Promoter Non-Executive	2	Yes	1	14	2	-
Mr Amit Jatia (DIN:00016871)	Promoter Executive	5	Yes	2	10	2	1
Mr Padmanabh Ramchandra Barpande (DIN:00016214)	Independent Non-Executive	4	Yes	5	6	4	4
Ms Smita Jatia (DIN:03165703)	Promoter Non-Executive	5	Yes	-	3	-	-
Mr Manish Chokhani (DIN:00204011)	Independent Non-Executive	4	yes	4	3	1	1
Mr Tarun Kataria (DIN:00710096)	Independent Non-Executive	5	yes	1	1	0	1
Mr Achal Jatia (DIN:03587681)	Non-Executive	2	yes	1	5	-	-
Ms. Amisha Jain (DIN:05114264)	Independent Non-Executive	5	Yes	0	1	-	-

*Notes:

i. Committee Membership(s) and Chairmanship(s) are counted separately.

ii. The details provided are of the Audit Committee and Stakeholders Relationship Committee, in accordance with Regulation 26 (1)(b) of the Listing Regulations.

iii. The Committee membership and chairmanship above exclude Committee membership and chairmanship in private companies, foreign companies and Section 8 companies.

Details of Directorship and category of Directorship in listed entities:

Name	Name of the Listed Entity	Category of Directorship
Mr Banwari Lal Jatia (DIN:00016823)	Hardcastle and Waud Manufacturing Company Limited	Non Independent Director Managing Director
Mr Amit Jatia (DIN:00016871)	Inox Leisure Limited	Independent Director
	V.I.P. Industries Ltd	Independent Director
Mr Padmanabh Ramchandra Barpande (DIN: 00016214)	Fairchem Speciality Ltd	Independent Director
Ms Smita Jatia (DIN:03165703)	NIL	-
Mr Manish Chokhani (DIN:00204011)	Shoppers Stop Ltd	Independent Director
	Zee Entertainment Enterprises Ltd	Independent Director
	Laxmi Organic Industries Limited	Independent Director
Mr Tarun Kataria (DIN:00710096)	Sterlite Investment Managers Limited	Independent Director
Mr Achal Jatia (DIN:03587681)	NIL	-
Ms. Amisha Jain (DIN:05114264)	NIL	-

Code of Conduct

The Company has framed a Code of Conduct for the members of the Board of Directors and its senior managerial personnel. The Code has been posted on the website of the Company i.e http://www.westlife.co.in/investors-compliance-and-policies.php. All the Board Members and Senior Management Personnel have affirmed compliance with these Codes. A declaration has been signed by the Chief Executive Officer (CEO) to this effect, and is enclosed at the end of this Report as 'Annexure-I'.

The Code of Conduct for the Independent Directors of the Company pursuant to the provisions of Section 149(8) and Schedule IV of the Companies Act, 2013, which is a guide to professional conduct for Independent Directors, has been adopted by the Company.

Audit Committee

As of 31st March, 2021, this Committee consists of the following Directors viz. Mr P R Barpande (Chairman of the Committee), Ms Amisha Hemchand Jain (w.e.f. 11th June, 2020, end of business hours), Mr Tarun Kataria and Mr Amit Jatia. All the Members of the Committee possess strong accounting and financial management knowledge. The Company Secretary is the Secretary to the Committee.

The terms of reference of this Committee are very wide and are in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18(3) read with Part C of Schedule II of the Listing Regulations. Besides having access to all the required information from within the Company, the Committee acts as a link between the Statutory Auditors and the Board of Directors of the Company.

Details of date of meeting and attendance during the year of the Audit Committee:

Name of the Committee Members & Chairperson	Date of meeting and attendance during the year				
	17th April, 2020	11th June, 2020	30th July, 2020	6th November, 2020	21st January, 2021
Mr P R Barpande	Yes	Yes	Yes	Yes	Yes
Mr Tarun Kataria	Yes	Yes	Yes	Yes	Yes
Ms Amisha Hemchand Jain	-NA	NA	Yes	Yes	Yes
Mr Manish Chokhani	Yes	Yes	NA	NA	NA
Mr Amit Jatia	Yes	Yes	Yes	Yes	Yes

Nomination and Remuneration Committee

The Company's Nomination and Remuneration Committee of the Board of Directors (erstwhile Compensation Committee) had been constituted consisting, as of 31st March, 2021, of Mr P.R. Barpande (Chairman), Mr Manish Chokhani (Member) and Ms Smita Jatia (Member). Dr Shatadru Sengupta, the Company Secretary of the Company is the Secretary to the Committee. The Committee also administers the Westlife Development Limited Employees Stock Option Scheme2013.

The terms of reference of this Committee are in accordance with the provisions of the Companies Act, 2013, Regulation 19 (4) read with Part D of Schedule II of the Listing Regulations and the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

The Committee met 3 times during the year, on April 17, 2020, January 20, 2021 and March 31, 2021.

Details of date of meeting and attendance during the year of the Nomination and remuneration Committee:

Name of the Committee Members & Chairperson	Date of meeting and attendance during the year		
	17th April, 2020	20th January, 2021	31st March, 2021
Mr P R Barpande	Yes	Yes	Yes
Mr Manish Chokhani	Yes	No	Yes
Ms Smita Jatia	Yes	Yes	No

The remuneration policy formed by this Committee is annexed as 'Annexure III' to the Board's Report. Also, the details of remuneration paid to all the directors have been mentioned in Clause VI of 'Annexure IV' to the Board's Report.

Stakeholders Relationship Committee

The Company's Stakeholders Relationship Committee functions under the Chairmanship of Mr Manish Chokhani, Independent Director. Mr Amit Jatia and Ms Smita Jatia are also members of the Committee, as of 31st March, 2021. Dr Shatadru Sengupta, the Company Secretary of the Company is the Secretary to the Committee.

The terms of reference of this Committee are in accordance with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 20 (4) read with Part D of Schedule II of the Listing Regulations.

No investor complaints were received during the year. No complaints are pending. The dedicated e-mail ID for investors' grievances is complianceofficer@westlife.co.in

Risk Management

Your Company has a well-defined risk management frame work in place. The risk management framework works at various levels across the Company. The Company has a robust organisational structure for managing and reporting on risks.

The Board has constituted a Risk Management Committee (RMC). The Committee is chaired by Mr Tarun Kataria, Independent Director. The other members are Mr Manish Chokhani, Independent Director and Ms Smita Jatia. Dr Shatadru Sengupta, the Company Secretary and Mr Pankaj Roongta, the Chief Financial Officer of the Company, being senior executives, are part of the Committee. Mr Pankaj Roongta was appointed as Chief Financial Officer of the Company w.e.f. 4th May, 2020 and the RMC was reconstituted by the Board of Directors of the company at its meeting held on 11th

June, 2020 by adding Mr Pankaj Roongta as a member of the Committee. The Committee is required to lay down the procedures to inform the Board about the risk assessment and minimisation procedures, and the RMC shall be responsible for framing, implementing and monitoring the Risk Management Plan of the Company.

Details of date of meeting and attendance during the year of the Risk Management Committee:

Name of the Committee Members & Chairperson	Date of meeting and attendance during the year
	20th January, 2021
Mr Tarun Kataria	Yes
Mr Manish Chokhani	Yes
Ms Smita Jatia	Yes
Dr Shatadru Sengupta	Yes
Mr Pankaj Roongta	Yes

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as of performance of the Directors individually. Feedback was sought by means of an online survey covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The evaluation was carried out based on responses received from the Directors.

Via online survey, a separate exercise was carried out by the Board to evaluate the performance of individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Executive Director and Non-Executive Directors. The Directors expressed their satisfaction with the evaluation process.

Familiarisation Programme for Independent Directors

The Board members are provided with necessary documents/brochures, newsletters, reports and internal policies to enable Independent Directors to familiarize themselves with the Company's procedure and practices.

Towards familiarization of the Independent Directors with the Company, periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company, global business environment, business strategy and risk involved including their roles, rights, responsibility in the Company, nature of the industry in which the Company operates, business model of the Company and related matters.

The details of such programs for familiarisation of the Independent Directors with the Company are available on the website of the Company at the Web link: http://www.westlife.co.in/investors-compliance-and-policies.php

Meeting of Independent Directors

The Independent Directors of the Company meet in a separate meeting, at least once a year, without the presence of non-independent directors and members of management. For the year under reporting, the Independent Directors' separate meeting was held on January 20, 2021.

The said meeting was conducted in a manner to enable the Independent Directors to inter alia discuss matters pertaining to review of performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairman of the Company (taking into account the views of the Executive and Non-Executive Directors), assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Board confirmed that in its opinion, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

During the period under review, no Independent Director has resigned before the expiry of his or her tenure.

Board's key skills/expertise /competence

The Company's Board comprises qualified members with required skills/expertise and competence that allow them to make effective contributions to the Board and its Committees. The Board members are committed to ensuring that the Company's Board is in compliance with the highest standards of corporate governance.

Tabulated below is the list of core skills/expertise/competencies that had been identified by the Board of Directors as required in the context of its business(es) and sectors for it to function effectively and those actually available with the board. The names of the directors who have skills/expertise/ competencies are specified in the table:

Sr. No.	Skills/ competence/ expertise	Mr B.L. Jatia	Mr Amit Jatia	Ms Smita Jatia	Mr Achal Jatia	MR P.R. Barpande	Mr Manish Chokhani	Mr Tarun Kataria	Ms Amisha Hemchand Jain
1.	Financial Literacy	✓	✓	✓	✓	✓	✓	✓	✓
2.	Business Acumen	✓	✓	✓	✓	✓	✓	✓	✓
3.	Leadership Skills	✓	✓	✓	✓	✓	✓	✓	✓
4.	Technology and knowledge of best business practices including digital	-	✓	✓	✓	-	-	-	✓

Remuneration and relationship of Directors

Mr Banwari Lal Jatia being a director is related to Mr Amit Jatia, director and Mr Achal Jatia, director, being his sons and Ms Smita Jatia, director, being his son's wife. Similarly, the other above mentioned directors are related inter se to each other. None of the Independent Directors of the Company are inter-se related to each other.

The Company has published its criteria for making payments to non-executive directors in 'Annexure III' to the Board's Report.

The Company has disclosed the number of shares held by non-executive directors in Clause (v) of IV of 'Annexure IV' to the Board's Report.

Policy for determining 'material' subsidiaries

The Company has formulated a Policy for determining 'material' subsidiaries as defined in Regulation 16(1) (c) of the Listing Regulations. This Policy has been posted on the website of the Company at the Web link: http://www.westlife.co.in/investors-compliance-and-policies.php

Policy for determining materiality of related party transactions

The Company has formulated a Policy for determining materiality of related party transactions as defined in Regulation 23 of the Listing Regulations. This Policy has been posted on the website of the Company at the Web link: http://www.westlife.co.in/investors-compliance-and-policies.php

CEO and CFO Certification

As required by Regulation 17 (8) read with Part B of Schedule II of the Listing Regulations, Mr Amit Jatia, Chief Executive Officer (CEO) and Mr Pankaj Roongta, Chief Financial Officer (CFO) of the Company have certified to the Board regarding the Financial Statements for the year ended 31st March, 2021. The Certificate is annexed as 'Annexure II' to this Report.

Compliance Certificate

Certificates from Mr Shailesh Kachalia, a practicing Company Secretary, regarding compliance with the conditions of Corporate Governance as stipulated in Regulation 34(3) read with Para E of Schedule V and Part C (10) i of Schedule V, of the Listing Regulations are annexed to this Report as 'Annexure III' and 'Annexure-IV'.

Role of the Company Secretary in overall governance process

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

Management Discussion and Analysis Report

A detailed review of operations, performance and future outlook of the Company and its business, as stipulated under Regulation 34(2) (e) read with Para B of Schedule V of the Listing Regulations, is presented in a separate section forming part of the Board's Report under the heading 'Management Discussion and Analysis'.

Annual General Meeting (AGM)

Location, Date and Time of the last 3 AGMs:

Sr. No.	Location	Date	Time	No. of Special Resolutions
1	Orchid Hall, 2nd Floor, Sunville Banquets, 9, Dr Annie Besant Road, Worli, Mumbai 400 018	August 29th, 2018	2.30 p.m.	3
2	Orchid Hall, 2nd Floor, Sunville Banquets, 9, Dr Annie Besant Road, Worli, Mumbai 400 018	September 5th, 2019	11.00 a.m.	Nil
3.	Through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM')	September 23rd, 2020	2.00 pm	Nil

During the year under review, no special resolution was proposed to be conducted through postal ballot.

Disclosures

a) All related party transactions have been entered into in the ordinary course of business and were placed periodically before the audit committee in summary form. No materially significant related party transactions that might have potential conflict with the interests of the Company at large took place during the year.

b) All applicable Accounting Standards mandatorily required have been followed in preparation of the financial statements.

c) The Company has made disclosures in compliance with the Accounting Standard on "Related Party Disclosures" in Note. No 17 of the Standalone Financial Statement which forms a part of this Board's Report.

d) There was no money raised through public issue or rights issue etc.

e) The Directors did not receive any remuneration from the Company during the year, except sitting fee for attending meetings of the Board and its Committees.

f) All pecuniary relationships or transactions of the Directors vis-à-vis the Company have been disclosed in the Notes to the Accounts for the year which are being circulated to members along with this Report.

g) There were no financial/commercial transactions by the Senior Management Personnel where they have personal interest that may have a potential conflict with the interests of the Company at large requiring disclosures by them to the Board of Directors of the Company.

h) Compliance Reports of applicable laws are periodically reviewed by the Board of Directors. The Company is in compliance with all applicable laws. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

i) The Company has established a whistle blower policy and no personnel have been denied access to the Audit Committee.

j) Relevant details of Directors proposed to be appointed are furnished in the Notice of the 38th Annual General Meeting being sent along with the Board's Report.

k) During the period under review, the Board has accepted all the recommendations made by various Committees to the Board.

l) During the period under review, the Company and its subsidiary have paid ₹55 lakhs to the Statutory Auditors on consolidated basis.

Sexual Harassment disclosure:

During the period under review, below are the disclosures in relation to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013:

i.	Number of complaints filed	-	Nil
ii.	Number of complaint disposed of	-	Nil
iii.	Number of complaints pending	-	Nil

Communication

The Company's quarterly financial results are submitted to the BSE Ltd within the prescribed time-period in a form so as to enable the Exchange to put the same on its own website. In addition, the Company displays such quarterly results on its website www.westlife.co.in. The quarterly results are also published in Free Press Journal (English) and Navshakti (Marathi) newspapers.

The Company issues press releases as and when the occasion arises. The presentations made to institutional investors/analysts are available on the Company's website.

General Shareholder Information

(i) Annual General Meeting to be held :

Date	:	16th September, 2021
Time	:	2.30 pm.
Venue	:	The AGM shall be held through Video Conference (VC) / Other Audio Visual Means (OAVM) in compliance with General Circular No. 01/2021, 14/2020, 17/2020, 20/2020 issued by Ministry of Corporate Affairs (MCA circulars) and other applicable provisions of the Companies Act, 2013 and circulars issued by the Securities and Exchange Board of India. (SEBI) without the physical presence of the Members at a common venue. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

(ii) Financial Year	:	1st April – 31st March
(iii) Dividend Payment Date	:	No dividend is being recommended,

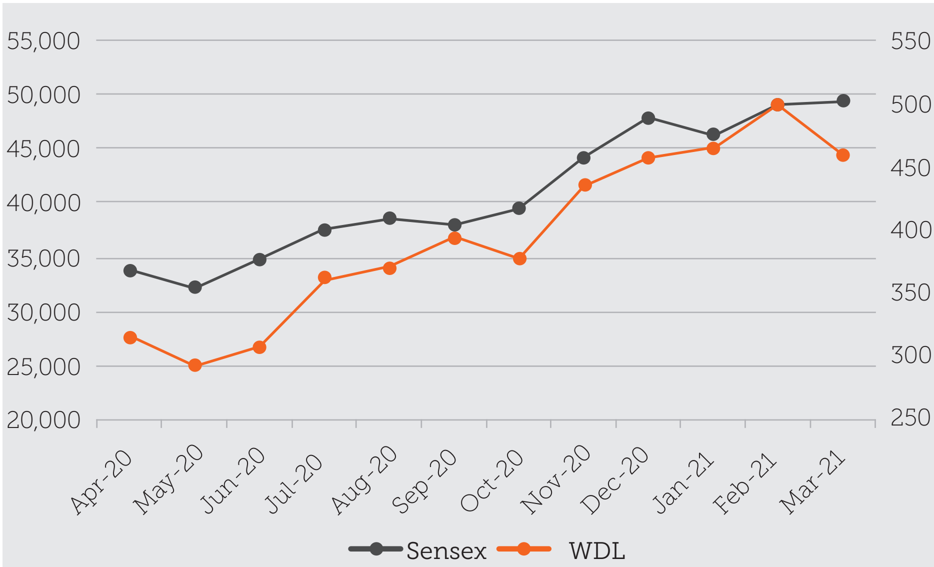
(iv) The Company's shares are listed on the BSE Ltd.

Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai, Maharashtra 400001

(Stock/Scrip Code: 505533). The annual listing fee has been paid to BSE Ltd for the financial year.

(v) Stock Performance

The performance of the Company's shares relative to the BSE Sensitive Index is given in the chart below:



(vi) Monthly Market Price Data:

Monthly highest and lowest closing quotations of the Company's equity share on the Bombay Stock Exchange during the financial year 2020-21 were as under. Comparative figures of the month-end closing prices of the Company's share and the BSE Sensex are also tabulated alongside.

Month	Rupees per share			BSE Sensex	
	High	Low	Month end Closing	High	Low
Apr-20	358.8	283.3	315.2	33,887.3	27,500.8
May-20	312.2	271.3	292.8	32,845.5	29,968.5
Jun-20	333.0	283.0	307.5	35,706.6	32,348.1
Jul-20	385.2	301.7	362.3	38,617.0	34,927.2
Aug-20	392.6	341.2	370.3	40,010.2	36,911.2
Sep-20	412.6	351.0	394.8	39,359.5	36,496.0
Oct-20	407.2	360.0	377.5	41,048.1	38,410.2
Nov-20	440.0	360.9	435.5	44,825.4	39,334.9
Dec-20	492.0	388.1	456.1	47,897.0	44,118.1
Jan-21	480.9	430.0	465.1	50,184.0	46,160.5
Feb-21	522.5	389.8	500.6	52,516.8	46,433.7
Mar-21	535.0	439.6	459.2	51,821.8	48,236.4

(vii) Registrars & Transfer Agent:

Link Intime India Pvt Ltd
C 101, 247 Park,
L B S Marg, Vikhroli West,
Mumbai 400 083
Tel: 91-022-4918 6000 Fax: 91-022-4918 6060
Email: rnt.helpdesk@linkintime.co.in

(viii) Share Transfer System:

As on 31st March, 2021, 100% paid-up capital of the Company is in dematerialized form.

For dematerialized shares the Company's Registrar and Share Transfer Agent (RTA) i.e. Link Intime India Pvt. Ltd. handles the transfer, transmission and issue of duplicate share certificate and other related matters from the lodgment of the documents.

(ix) Shareholding Pattern as on 31st March, 2021:

	No. of Holders	No. of Shares held	Percentage of holding
Promoter Group :			
Individuals/ HUF	10	37,75,046	2.42
Bodies Corporate	19	8,65,92,853	55.59
Non-Promoters :			
Individuals/ HUF	22,435	1,52,31,695	9.77
Bodies Corporate	222	1,29,73,184	8.32
Foreign Institutional Investors	90	1,68,77,089	10.83
Mutual Fund/Alternate Investment Funds	11	2,03,50,803	13.07
Trust	2	2,195	0.00
	22,789	**15,58,02,865**	**100.00**

Distribution of shareholding as at March 31, 2021:

	No. of Holders	No. of Shares held	Percentage of holding
1-500	21475	15,80,624	1.01
501 to 1000	838	6,18,651	0.40
1001 to 2000	393	5,65,896	0.36
2001 to 3000	134	3,37,870	0.22
3001 to 4000	54	1,89,497	0.12
4001 to 5000	51	2,38,301	0.15
5001 to 10000	86	6,43,873	0.41
10001 and above	171	15,16,28,153	97.33
	23,202	**15,58,02,865**	**100.00**

(x) Dematerialisation of shares:

As on 31st March, 2021, shares comprising 100% of the Company's paid-up capital are held in dematerialized form under ISIN INE274F01020.

(xi) The Company has not issued or does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

(xii) Plant Location:

The Company does not have any plant.

(xiii) Addresses for correspondence:

Shareholders' correspondence may be addressed to any of the following addresses:

1. Link Intime India Pvt Ltd
   C 101, 247 Park,
   L B S Marg, Vikhroli West,
   Mumbai 400 083
   Tel: 91-022-4918 6000 Fax: 91-022-4918 6060
   Email: rnt.helpdesk@linkintime.co.in

2 Westlife Development Ltd
   1001, Tower-3, 10th Floor
   Indiabulls Finance Centre
   Senapati Bapat Marg, Elphinstone Road,
   Mumbai - 400 013.

(xiv) Compliance with discretionary requirements:

Your Company has complied with point E of the requirements as specified in Part E of Schedule II of the Listing Regulations.

(xv) Your Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

Annexure I

CEO DECLARATION

[Regulation 34 read with point D of Schedule V, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors
Westlife Development Ltd,
1001, Tower-3, 10th Floor,
Indiabulls Finance Centre,
Senapati Bapat Marg, Elphinstone Road,
Mumbai – 400 013

I, Amit Jatia, Chief Executive Officer of the Company, in compliance with Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereby declare that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Board of Directors and Senior Management Personnel during the financial year ended 31st March, 2021.

For Westlife Development Limited

Date: 13th August, 2021
Place: Mumbai

Amit Jatia
Chief Executive Officer

Annexure II

CEO AND CFO CERTIFICATE

To,
The Board of Directors
Westlife Development Ltd (the 'Company'),
1001, Tower-3, 10th Floor,
Indiabulls Finance Centre,
Senapati Bapat Marg, Elphinstone Road,
Mumbai – 400 013

A. We have reviewed financial statements and the cash flow statement of the Company for the year ended 31st March, 2021 and that to the best of our knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, that there are no deficiencies in the design or operation of such internal controls, if any, of which we are aware.

D. We have indicated to the auditors and the Audit Committee that:

   (1) there are no significant changes in internal control over financial reporting during the year;

   (2) there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (3) there are no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

	Sd/-	Sd/-
	....	....
Date: 13th August, 2021	**Amit Jatia**	**Pankaj Roongta**
Place: Mumbai	*Chief Executive Officer*	*Chief Financial Officer*

Annexure III

COMPLIANCE CERTIFICATE

I have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in the Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") entered into by the Company with BSE Ltd for the financial year ended March 31, 2021.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures adopted by the Company for ensuring the compliance of conditions of Corporate Governance and implementation thereof. It is neither an audit nor an expression of opinion on the financial statements of the Company.

I have conducted my review on the basis of the relevant records and documents maintained by the Company and furnished to me for the review, and the information and explanations given to me by the Company.

Based on such a review, and to the best of my information and according to the explanations given to me, in my opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Regulation 34 (3) read with Para E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sd/-

Shailesh Kachalia
CP 3888
Company Secretary

Place: Mumbai
Date: 13th August, 2021

SHAILESH KACHALIA

Practicing Company Secretary

Om Sri Co-Op. Hsg. Society, A Wing, Flat No. 7, First floor, Near Shanti Ashram off Link Road, Borivali (West), Mumbai 400 103.

Cell – 9892534153; Email: shaileshmay@gmail.com

Schedule IV

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Westlife Development Limited
1001, Tower-3, 10th Floor,
Indiabulls Finance Centre, Senapati Bapat Marg,
Elphinstone Road, Mumbai-400 013

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Westlife Development Limited having CIN L65990MH1982PLC028593 and having registered office at 1001, Tower-3, 10th Floor, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai-400 013 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr Banwari Lal Jatia	00016871	24-11-2012
2	Mr Amit Jatia	00016823	24-11-2012
3	Ms Smita Jatia	03165703	18-09-2013
4	Mr Achal Jatia	03587681	01-08-2014
5	Mr P.R. Barpande	00016214	24-11-2012
6	Mr Manish Chokhani	00204011	18-09-2013
7	Mr Tarun Kataria	00710096	01-08-2014
8	Ms Amisha Hemchand Jain	05114264	01-04-2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

Name: **Mr. Shailesh Kachalia**
Membership No. : F1391
CP No. : 3888

Place: Mumbai
Date: 13th August, 2021

Financial Statements

INDEPENDENT AUDITORS' REPORT

To the Members of
Westlife Development Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Westlife Development Limited (hereinafter referred to as "the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2021, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India, and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in our audit
Revenue Recognition	
See Note 18 to the consolidated financial statements The Company has recognized revenue of ₹9,752 million (2020: ₹15,383 million). The Company's primary source of revenue is from sale of foods, beverages and toys from chain of quick service restaurants (QSR) stores or through online ordering and delivery. Revenue comprises of numerous transactions of small amounts and relies highly on internal process of recording, accuracy and completeness. We continue to assess revenue recognition as an area of audit risk and has a significant effect on our audit strategy and our allocation of resources. Revenue recognition has therefore been identified as a key audit matter.	Our audit procedures included obtaining an understanding of the business and the processes by which revenue transactions are initiated, processed and recorded in the general ledger and reported in the financial statements. Our audit approach was designed to be responsive to our assessed risk of misstatement over revenue and comprised a combination of test of controls and substantive procedures. After obtaining an understanding of the processes, we evaluated the design of internal controls over revenue transactions and also tested the effectiveness of these internal controls to form our opinion for reliance on controls. We supplemented our controls testing by performing relevant substantive procedures.

Key audit matter	How the matter was addressed in our audit
	Our audit work included, but was not restricted to: • Evaluating the design and implementation of sales transactions from beginning to through to their recording in the general ledger for verification of completeness of revenue. Verified revenue was recorded accurately in the proper period. • Testing key controls over additions to and changes in the POS master file data at individual stores on sample basis. • In view of inability to test automated controls in the POS system, performed manual substantive testing of sales as recorded in POS and consequently in the general ledger. Such testing entailed comparing prices charged as appearing in POS sales report for a sample period with the relevant master price lists as approved by the designated Company personnel. • Testing internal controls over recording of sales, collection and custody of cash. Verified segregation of duties and reconciliation of sales records with bank collections. • Verifying the three-way match between sales as recorded by the stores in the POS system with the collections in the bank and the sales accounted in the general ledger. • Performing analytical procedures on sales performance of individually significant stores. Enquired explanation for major variances, if any, for sales and gross margins.
Assessment of impairment of property, plant and equipment of stores	
As disclosed in Note 9 and 46 to the consolidated financial statements, as of March 31, 2021 property, plant and equipment (net) were ₹4,949 million (March 31, 2020: ₹5,424 million) and operating lease right-of-use assets were ₹7,008 million (March 31, 2020: ₹7,722 million). The Company recorded a provision of ₹115 million towards carrying value of property plant and equipment related to stores closed during the year. Company evaluates the performance of individual stores at the end of each reporting period to evaluate any trigger for impairment at a particular store. While performing this analysis, Company considers factors such as sustained operating losses being incurred by an individual restaurant store on account of low sales, inadequate customer footfall, local, socio-economic or infrastructure issues, as also factors which compel continuing operating restaurants in locations which have a present or potential strategic locational advantage	Our audit procedures included, amongst others, the following: • We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's property, plant and equipment of stores impairment process. Evaluation includes testing of controls relating to determination and identification of potential indicators of impairment. • We evaluated the Company's methodology of using historical cash flow results under predetermined thresholds at the individual restaurant level as a potential indicator of impairment. We evaluated the Company's assessment of factors such as impact of pandemic, local government mandated restrictions including suspension of dine-in operations, and resulting duration of the economic downturn on the cash flows at the individual store level.

Key audit matter	How the matter was addressed in our audit
A significant portion of the plant and equipment can be re-located to other stores such as kitchen equipments, accordingly, immoveable assets such as leasehold improvements is the primary component of property, plant and equipment which requires impairment evaluation. We identified the assessment of impairment of property, plant and equipment of stores as a key audit matter. Subjective auditor judgment was required to evaluate the forecasted cash flows to be generated by the asset groups, specifically forecasted sales and forecasted expenses, including the effects of the COVID-19 pandemic as also the expected duration of the economic downturn.	• Inquiring and evaluating the rationality of Company's action plan for underperforming stores where no impairment was recorded. For underperforming stores which were continuing to be operated for strategic explanations, we inquired with the Chief Financial Officer the basis and rationale behind such continuance. • We also assessed other events and circumstances which could have been indicative of a potential impairment trigger by reading management's development reports and related meeting minutes. • We involved valuation professionals with specialized skills and knowledge to assess the assumptions used in the impairment model. • We verified disclosures made in Note 45 to the consolidated financial statements, in relation to above matter.
Deferred tax on carry forward losses and unabsorbed depreciation See Note 18 to the consolidated financial statements	
As at March 31, 2021, net deferred tax assets recognized were ₹510 million. Deferred tax assets include deferred tax of ₹20 million recognized on carry-forward losses and ₹196 million recognized on unabsorbed depreciation. The analysis of the recoverability of such deferred tax assets has been identified as a key audit matter because the assessment process involves significant auditor judgement. Judgement is involved in evaluating the future profitability and the likelihood of the realization of these assets, in particular availability of taxable profits in future periods to support the recognition of these assets. This requires assumptions regarding future profitability, which is inherently uncertain.	Our audit procedures included, amongst others, the following: • We evaluated the design and tested the operating effectiveness of internal controls over recording of and review of deferred tax at each reporting date. • We tested the computation of the amounts recognized as net deferred tax assets. • We evaluated company assumptions used to determine the probability of deferred tax assets recognized in the balance sheet will be recovered through future taxable income. Our evaluation includes comparing future taxable income against profit trends and future business plans; also compared actual results achieved with forecasts in prior periods. • Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and 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 each company, and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Management and Board of Directors either intends to liquidate the Company 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 each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial

statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and the subsidiary included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary company which is incorporated in India, as on 31 March 2021 and taken on record by the Board of Directors of respective companies, none of the directors of the respective companies, is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.

B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Group. Refer Note 33 to the consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2021.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended 31 March 2021.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended 31 March 2021.

C. With respect to the matter to be included in the Auditors' report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

In our opinion and according to the information and explanations gives to us, the remuneration paid during the current year by the subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

Shabbir Readymadewala
Partner
Membership No: 100060
UDIN: 21100060AAAACC1978

Mumbai
May 13, 2021

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF WESTLIFE DEVELOPMENT LIMITED FOR THE YEAR ENDED 31 MARCH 2021

Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Westlife Development Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and its subsidiary company which is incorporated in India, as of that date.

In our opinion, the Holding Company and its subsidiary company which is incorporated in India, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

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

Shabbir Readymadewala
Partner
Membership No: 100060
UDIN: 21100060AAAACC1978

Mumbai
May 13, 2021

CONSOLIDATED BALANCE SHEET

as at March 31, 2021

(₹ in millions)

	Notes	As at March 31, 2021	As at March 31, 2020
I ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	2	108.70	28.61
(b) Bank balance other than (a) above		1.36	1.32
(c) Receivables			
(i) Trade receivables	3	87.88	47.26
(d) Loans	4	468.95	464.83
(e) Investments	8	1,984.40	1,570.82
(f) Other financial assets	5	38.22	105.92
(2) Non-financial Assets			
(a) Inventories	6	465.29	411.36
(b) Current tax assets (net)	7	75.49	111.77
(c) Deferred tax assets (net)	10	510.24	213.54
(d) Investment property	9	-	5.25
(e) Property, plant and equipment	9	4,949.02	5,423.95
(f) Capital work-in-progress		256.01	225.76
(g) Right to use assets	46	7,008.44	7,721.64
(h) Goodwill	9	465.97	465.97
(i) Other intangible assets	9	419.22	468.81
(j) Other non-financial assets	11	397.11	363.69
TOTAL ASSETS		17,236.30	17,630.50
II LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables			
(I) Trade payables	12		
(i) total outstanding dues of micro enterprises and small enterprises		64.66	13.96
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,785.93	1,265.79
(b) Borrowings (other than debt securities)	13	2,151.83	1,837.17
(c) Lease liabilities	46	7,528.11	7,822.10
(d) Other financial liabilities	15	552.01	671.67
(2) Non-financial liabilities			
(a) Provisions	16	103.99	99.58
(b) Other non-financial liabilities	14	237.46	149.98
(3) EQUITY			
(a) Equity share capital	17	311.61	311.34
(b) Other equity		4,500.70	5,458.91
Total equity		4,812.31	5,770.25
TOTAL LIABILITIES AND EQUITY		17,236.30	17,630.50
Significant accounting policies	1.2		

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

As per our report of even date attached

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

Shabbir Readymadewala
Partner
Membership No: 100060

Mumbai
May 13, 2021

For and on behalf of the Board of Directors of Westlife Development Limited
CIN: L65990MH1982PLC028593

Amit Jatia
Vice-Chairman and Chief Executive Officer

Smita Jatia
Director
DIN: 03165703

Pankaj Roongta
Chief Financial Officer

Dr. Shatadru Sengupta
Company Secretary
Membership No: F4583

Mumbai
May 13, 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2021

(₹ in millions)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations			
Sale of products	18	9,752.52	15,383.43
Net gain on fair value changes	18	4.30	4.95
Other operating revenue	18		
a) Conducting fees		0.66	2.18
b) Franchising income		1.72	6.20
c) Scrap Sales		15.46	23.39
d) Space rental & alliances income		2.86	13.88
e) Miscellaneous provisions written back		82.78	43.83
Other income	19	443.03	130.00
Total income		**10,303.33**	**15,607.86**
Expenses			
Cost of materials consumed	20	3,482.82	5,382.41
Employee benefits expenses	21	1,781.90	2,192.01
Finance costs	22	845.24	808.20
Depreciation and amortisation expense	23	1,396.45	1,383.63
Other expenses	24	4,126.12	5,763.04
Total expenses		**11,632.53**	**15,529.29**
(Loss) / Profit before exceptional		**(1,329.20)**	**78.57**
Exceptional items	44	(41.86)	166.31
(Loss) before tax		**(1,287.34)**	**(87.74)**
Less : Tax expense			
- Current tax	25	4.29	129.33
- Deferred tax	25	(297.40)	(143.59)
Total tax expense		**(293.11)**	**(14.26)**
(Loss) for the year		**(994.23)**	**(73.48)**
Other comprehensive income:			
Items that will not be reclassified to profit and loss :			
Re-measurements of defined benefit plan		2.77	(13.37)
Income tax on items that will not be reclassified to profit and loss	25	(0.70)	3.37
Other comprehensive income for the year		**2.07**	**(10.00)**
Total comprehensive income for the year		**(992.16)**	**(83.48)**
Earnings per equity share :	30		
- Basic (in ₹)		(6.38)	(0.47)
- Diluted (in ₹)		(6.38)	(0.47)
Significant accounting policies	1.2		

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

As per our report of even date attached

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

Shabbir Readymadewala
Partner
Membership No: 100060

Mumbai
May 13, 2021

For and on behalf of the Board of Directors of Westlife Development Limited
CIN: L65990MH1982PLC028593

Amit Jatia
Vice-Chairman and Chief Executive Officer

Smita Jatia
Director
DIN: 03165703

Pankaj Roongta
Chief Financial Officer

Dr. Shatadru Sengupta
Company Secretary
Membership No: F4583

Mumbai
May 13, 2021

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2021

(₹ in millions)

		For the year ended March 31, 2021	For the year ended March 31, 2020
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	(Loss) before taxation	(1,287.34)	(87.74)
	Adjustments for :		
	Depreciation and amoritsation expense	1,396.45	1,383.63
	Bad debts and write offs	4.01	11.31
	Inventories written off	2.01	-
	Impairment loss allowance on trade receivables	2.84	-
	Property, plant and equipment written off	140.49	47.23
	Finance cost	845.24	808.20
	Employee share based payment expenses	6.42	8.63
	Interest income	(53.84)	(28.40)
	Profit on sale of property, plant and equipment	(1.81)	-
	Gain on lease modification / termination (net)	(240.37)	-
	Net gain on fair value changes	(4.30)	(4.95)
	Gain on sale of current investment (net)	(157.19)	(98.28)
	Miscellaneous provisions written back	(82.78)	(43.83)
	Operating profit before working capital changes	**569.83**	**1,995.80**
B.	**Movements in working capital**		
	(Increase) in inventories	(55.94)	(1.41)
	(Increase)/ Decrease in trade and other receivables	(45.92)	51.31
	Decrease/ (Increase) in loans and other financial and non-financial assets	33.85	(11.46)
	Increase in trade payables	755.17	93.60
	Increase in provisions	7.18	20.08
	Increase in other financial and non-financial liabilities	(3.80)	11.40
	Cash generated from operations	**1,260.37**	**2,159.32**
	Income tax refund/ (paid) (net)	31.99	(163.07)
C.	**NET CASH GENERATED FROM OPERATING ACTIVITIES**	**1,292.36**	**1,996.25**
D	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of property, plant and equipment, intangible assets and capital work-in-progress	(500.33)	(1,261.20)
	Proceeds from sale of property, plant and equipment	9.26	2.09
	Interest income	1.24	13.46
	Purchase of investments	(1,046.06)	(869.32)
	Proceeds from sale of investments	793.97	1,438.79
	NET CASH USED IN INVESTING ACTIVITIES	**(741.92)**	**(676.18)**

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2021

(₹ in millions)

		For the year ended March 31, 2021	For the year ended March 31, 2020
E	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds/ (Repayment) of short-term borrowings (net)	331.83	(507.51)
	Proceeds from issue of equity shares including securities premium	27.80	9.75
	Repayment of lease liability	(643.18)	(737.44)
	Interest paid	(169.63)	(151.56)
	NET CASH FLOW USED IN FINANCING ACTIVITIES	**(453.18)**	**(1,386.76)**
	NET INCREASE IN CASH AND CASH EQUIVALENTS	**97.26**	**(66.69)**
	Cash and cash equivalents at the beginning of the year	11.44	78.13
	Cash and cash equivalents at the end of the year	108.70	11.44
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**97.26**	**(66.69)**
	Components of cash and cash equivalents		
	Cash and bank balances (refer note 2)	110.06	29.93
	Less: Fixed deposit with remaining maturity of more than three months	1.36	1.32
	Less: Bank Overdrafts (refer note 13)	-	17.17
	Total cash and cash equivalents	**108.70**	**11.44**

Notes to statement of cash flows

i) Since the holding Company is an investment company, purchase and sale of investments have been considered as part of cash flows from investing activities'.

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

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

As per our report of even date attached

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

Shabbir Readymadewala
Partner
Membership No: 100060

Mumbai
May 13, 2021

For and on behalf of the Board of Directors of Westlife Development Limited
CIN: L65990MH1982PLC028593

Amit Jatia
Vice-Chairman and Chief Executive Officer

Smita Jatia
Director
DIN: 03165703

Pankaj Roongta
Chief Financial Officer

Dr. Shatadru Sengupta
Company Secretary
Membership No: F4583

Mumbai
May 13, 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2021

(a) Equity share capital

(₹ in millions)

Particulars	Notes	Amount
Balance as at April 1, 2019	17	311.21
Changes in equity share capital during 2019-20		0.13
Balance as at March 31, 2020	17	**311.34**
Changes in equity share capital during 2020-21		0.27
Balance as at March 31, 2021	17	**311.61**

(b) Other equity

(₹ in millions)

Particulars	Reserves and Surplus					Total
	Capital Reserve	Employee Stock Option Outstanding	Securities Premium Reserve	General Reserve	Retained earnings	
Balance at the April 1, 2019	(2,519.61)	69.18	7,004.49	2.54	968.86	5,525.46
(Loss) for the year ended March 31, 2020	-	-	-	-	(73.48)	(73.48)
Other comprehensive income	-	-	-	-	(10.00)	(10.00)
Re-measurements of employee stock option cost at fair value	-	7.31	-	-	-	7.31
Transfer to securities premium on account of exercise of ESOP options	-	(15.17)	15.17	-	-	-
Additions on ESOP exercised	-	-	9.62	-	-	9.62
Balance as at March 31, 2020	**(2,519.61)**	**61.32**	**7,029.28**	**2.54**	**885.38**	**5,458.91**

Particulars	Reserves and Surplus					Total
	Capital Reserve	Employee Stock Option Outstanding	Securities Premium Reserve	General Reserve	Retained earnings	
Balance at the April 1, 2020	(2,519.61)	61.32	7,029.28	2.54	885.38	5,458.91
(Loss) for the year ended March 31, 2021	-	-	-	-	(994.23)	(994.23)
Other comprehensive income	-	-	-	-	2.07	2.07
Re-measurements of employee stock option cost at fair value	-	5.44	-	-	-	5.44
Transfer to securities premium on account of exercise of ESOP options	-	(22.61)	22.61	-	-	-
Additions on ESOP exercised	-	-	28.51	-	-	28.51
Balance as at March 31, 2021	**(2,519.61)**	**44.15**	**7,080.40**	**2.54**	**(106.78)**	**4,500.70**

Significant accounting policies 1.2

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

As per our report of even date attached

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

Shabbir Readymadewala
Partner
Membership No: 100060

Mumbai
May 13, 2021

For and on behalf of the Board of Directors of Westlife Development Limited
CIN: L65990MH1982PLC028593

Amit Jatia
Vice-Chairman and Chief Executive Officer

Smita Jatia
Director
DIN: 03165703

Pankaj Roongta
Chief Financial Officer

Dr. Shatadru Sengupta
Company Secretary
Membership No: F4583

Mumbai
May 13, 2021

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

1 Group background

Westlife Development Limited ('WDL' or 'the Company') is a public limited company having its registered office at Mumbai. WDL focuses on putting up and operating Quick Service Restaurants (QSR) in India through its wholly owned subsidiary Hardcastle Restaurants Private Limited.

Hardcastle Restaurants Private Limited ('HRPL') was incorporated on August 7, 1995. HRPL is engaged in operating McDonalds' chain of restaurants in the West and South Regions of India. WDL and its subsidiary are together referred to as "the Group".

1.1 Basis of preparation

A Statement of compliance

The Group has been classified as a Core Investment Group ('CIC'), pursuant to the resolutions passed by the Board of Directors on November 06, 2017 and February 05, 2018.

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act 2013, (the 'Act') and other relevant provisions of the Act, to the extent notified and applicable as well as applicable guidance notes and pronouncements of the Institute of Chartered Accountants of India (ICAI) and the guidelines issued by SEBI. The consolidated financial statements have been presented in accordance with the format of financial statements as provided in Division III of Schedule III of the Act in terms of Notification G.S.R 1022(E) dated October 11, 2018, issued by the Ministry of Corporate Affairs, Government of India, and as applicable to a Non-Banking Financial Group (NBFC) preparing financial statements in compliance with the Rules.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements were authorised for issue by the Group's Board of Directors on May 13, 2021.

B Functional and presentation currency

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

C Basis of measurement

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

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

D Basis of consolidation

The Group combines the consolidated financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure\ consistency with the policies adopted by the Group.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. the consolidated financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

E Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind ASs, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosure of contingent liabilities on the date of balance sheet and reported amounts of revenue and expenses for the period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Assumptions and estimation uncertainties

Useful lives of property, plant and equipment

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

Provision for income tax and deferred tax assets

The Group uses estimates and judgements based on the relevant rulings in the areas of allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

Provisions and contingent liabilities

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

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

Impairment of non-financial assets

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

Defined benefit

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

F Measurement of fair values

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

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

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

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Group has an established control framework with respect to the measurement of fair values. The Group engages with external valuers for measurement of fair values in the absence of quoted prices in active markets. Significant valuation issues are reported to the Group's audit committee.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Financial instruments (Refer note 27)
- Disclosures for valuation methods, significant estimates and assumptions (Refer note 27)
- Quantitative disclosures of fair value measurement hierarchy (Refer note 27)
- Financial instruments (including those carried at amortised cost) (Refer note 27)

1.2 Significant account policies

a Revenue recognition

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. The Group recognises revenue when it transfers control over a good or service to a customer.

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

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

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

Sale of products

Revenue for food items is recognised when sold to the customer over the counter. Revenue on sale of other goods is recognised when significant risks and rewards of ownership of goods have passed to the buyer, usually on delivery of the goods.

Sale of products – customer loyalty program (deferred revenue)

For customer loyalty programs, the fair value of the consideration received or receivable in respect of the initial sale is allocated between the award credits and the other components of the sale. The amount allocated to award credits is deferred and is recognised as revenue when the award credits are redeemed and the Group has fulfilled its obligations to supply the discounted products under the terms of the program or when it is no longer probable that the award credits will be redeemed.

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

Other operating income

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

Other income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

b Property, plant and equipment

1 Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the

item and restoring the site on which it is located. Further contribution received from landlords in respect of leasehold improvements carried out to leasehold premises is deducted from leasehold improvement cost.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

2 **Subsequent Expenditure**

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

3 **Depreciation**

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

Freehold land is not depreciated. The building built on leasehold land is classified as building and is amortized over the lease term or the useful life of the building, whichever is lower.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

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

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).

4 **Intangible assets**

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

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

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

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

c Investment properties

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequently to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized

These asset are depreciated using straight line method over their estimated useful life. Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Any gain or loss on disposal of an investment property is recognised in profit or loss.

Asset	Management estimate of useful lives	Useful life as per Schedule II
Building	28 years	30 years

d Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of materials has been determined on first-in-first out basis (FIFO). Cost of inventories comprises of all cost of purchase and other cost incurred in bringing the inventories to its present location and condition. The comparison of cost and net realizable value is made on an item by item basis. The Group periodically assesses the inventory for obsolescence and slow moving stocks.

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

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

e Employee benefits

Defined contribution plan

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

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income (OCI). The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in statement of profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

f Foreign currency transactions

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognised in the statement of profit or loss.

g Income taxes

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.
- temporary differences related to investments in subsidiaries to the extent that the group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax assets only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

h Provisions and contingent liabilities

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

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

i Cash and cash equivalents

Cash and cash equivalents in the consolidated balance sheet comprises of cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

j Impairment of Goodwill

The goodwill and indefinite life intangible assets are tested for impairment. The recoverable amount of this Cash Generating Unit (CGU) is the higher of its fair value less cost to sell and its value in use. The goodwill allocated pertains to a 100% subsidiary of listed entity and accordingly, the fair value of the CGU is determined based on market capitalisation.

k. Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to owner's of the Group for the year by the weighted average number of equity shares outstanding during reporting period.

Diluted earnings per share amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

l. **Employee stock option cost**

Equity-settled share-based payments to employees are recognized as an expense at the fair value of equity stock options at the grant date. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Employee stock compensation cost related to options granted to the employees of the Company's subsidiary is recovered from the subsidiary.

m **Financial instruments**

i **Recognition and initial measurement**

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii **Classification and subsequent measurement**

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;

- Fair value through other comprehensive income (FVOCI) – debt investment;

- FVOCI – equity investment; or

- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by- investment basis.

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

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

The Group does not have financial assets measured at FVOCI.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in statement of profit or loss.

iii Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit or loss.

iv Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

v Impairment

Financial assets (other than at fair value): The Group assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 Financial Instrument requires expected credit losses to be measured through a loss

allowance. The Group recognises lifetime expected losses for trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The amount of expected credit losses (or

reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

n Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

o Leases

Group as a lessee

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

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

i Right of Use assets

The Group's leased asset class consists of leases for office spaces and restaurants and includes leasehold land. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

a) the contract involves the use of an identified asset

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

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

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

ii Lease liabilities

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

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

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

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

Group as a lessor

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

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

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

Amendment to Ind-AS 116 Covid-19 related rent concessions

The ongoing COVID-19 pandemic led to the shutdown of malls, public places and bans on social gatherings The COVID-19 outbreak severely impacted the quick service restaurants (QSR) sector resulting in disruption of operations. Pursuant to the pandemic, the Company renegotiated its leasing arrangements with lessors for a significant number of stores seeking relief in lease rentals for the ensuing period.

On July 24, 2020, the Ministry of Corporate Affairs notified amendment to Ind AS 116 specifying the accounting treatment for Covid 19 related rent concessions. The amendment permits lessees, as a practical expedient, to not assess whether particular rent concessions occurring as a direct consequence of the Covid-19 pandemic are lease modifications and instead to account for those rent concessions as if they are not lease modifications and consequently allowing lessees to account for the impact of the rent concessions in the statement of profit and loss. The Group has elected to apply the practical expedient of not assessing the rent concessions as a lease modification for rent concessions which are granted due to COVID 19 pandemic.

p **Accounting Pronouncements**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division III which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet

i Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

ii Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

iii Specified format for disclosure of shareholding of promoters.

iv Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

v If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

vi Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

i Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

q Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

The cash flows from operating, investing and financing activities of the Group are segregated. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdraft and book overdraft as they are considered an integral part of the Group's cash management.

r Operating segments

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker for assessing the Group's performance and allocating the resources based on an analysis of various performance indicators by business segments and geographic segments.

2 Cash and bank balances

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents		
(a) Cash on hand	64.10	15.30
(b) Balances with banks:		
– On current accounts	44.60	13.31
	108.70	**28.61**
Other bank balances		
– Deposits with remaining maturity for less than 12 months**	1.36	1.32
Total	**110.06**	**29.93**

** includes fixed deposits with lien in favour of statutory authorities Nil (March 31, 2020 ₹0.04 million)

3 Trade receivables

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good*	87.88	47.26
Credit impaired	2.84	-
Less: Impairment loss allowance	(2.84)	-
Total	**87.88**	**47.26**

*For Trade receivables secured against borrowings refer note 13

4 Loans

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Security deposits to lessors*		
Unsecured, considered good	390.53	392.08
Credit impaired	7.00	7.00
Less: Impairment loss allowance	(7.00)	(7.00)
	390.53	**392.08**
Security deposits to others	53.06	46.52
Loan to others (refer note 47)	25.36	26.23
Total	**468.95**	**464.83**

*Security deposits to lessors include ₹39.13 million (March 31, 2020: ₹37 million) deposit given to related party (refer note 32)

Note: All loans are within India

5 Other financial assets

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good)		
Bank deposits with original maturity beyond 12 months	1.11	1.11
Leasehold improvements contributions receivable	24.30	23.58
Other receivables	12.81	81.23
Total	**38.22**	**105.92**

6 Inventories

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
(Valued at lower of cost and net realisable value)		
Raw materials		
Food items (includes goods in transit ₹0.09 million (March 31, 2020 ₹1.15 million)	241.58	175.95
Paper Products (includes goods in transit ₹0.02 million (March 31, 2020 ₹0.31 million)	85.42	90.76
Toys & Premiums	84.29	85.61
Stores, spares & consumables (includes goods in transit ₹ * (March 31, 2020 ₹0.26 million)	54.00	59.04
Total	**465.29**	**411.36**

*Amount is less than 5,000

For inventories secured against borrowings refer note 13

Note: Inventories written off due to obsolesence ₹2.01 million (March 31, 2020: Nil). Refer note 24.

7 Income tax assets (net)

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Advance tax including tax deducted at source (net of provision for tax of ₹107.61 million (March 31, 2020: ₹103.32 million))	75.49	111.77
Total	**75.49**	**111.77**

8 Investments

(₹ in millions)

	As at March 31, 2021			As at March 31, 2020		
	Face Value	At Fair Value Through Profit or Loss (FVTPL)	Amount	Face Value	At Fair Value Through Profit or Loss (FVTPL)	Amount
Investments in India						
Mutual funds (refer (a) below)	-	1285.41	1,285.41	-	1,031.70	1,031.70
Equity shares		698.99	698.99		539.12	539.12
Others* (refer (b) below)	-	-	-	-	-	-
	-	**1,984.40**	**1,984.40**	**-**	**1,570.82**	**1,570.82**
Aggregate amount of quoted investments			1,984.40			1,570.82
Aggregate amount of unquoted instruments*			-			-
Aggregate amount of impairment in value of investments			-			-
Aggregate market value of quoted instruments			1,984.40			1,570.82

*Amount less than ₹5,000

8 Investments

(₹ in millions)

	As at March 31, 2021			As at March 31, 2020		
	Face Value	No of units	Amount	Face Value	No of units	Amount
a) Investments in mutual funds (quoted) (valued at FVTPL)						
HDFC Money Market Fund - Direct Plan - Growth	10	17,101.71	76.51	10	17,101.00	72.18
HDFC FMP 1309D September 2016 (1) Series 37 Regular Plan Growth	-	-	-	100	500,000.00	79.58
HDFC FMP 1188 D March-2017- Series 38- Regular Plan- Growth	-	-	-	100	10,000,000.00	126.11
HDFC Equity Savings Fund- Direct Plan- Growth Option	39	1,985,473.62	91.31	39	1,985,473.62	69.93
IIFL Wealth Finance Ltd.	-	-	-	1,037,056	100.00	126.74
HDFC Fixed Maturity Plan - 1124 days - June, 2018 (1)- Direct Plan - Growth	10	10,000,000.00	127.53	10	10,000,000.00	114.47
India Infoline Finance Limited SR C-12	-	-	-	1,000,000	140.00	159.37
Zero Coupon Aditya Birla Finance Limited G2 NCD	-	-	-	1,000,000	100.00	114.00
Axis Banking & PSU Debt-Growth	1,747	14,518.58	29.90	1,747	14,518.58	27.75
IDFC Banking & PSU Debt Regular- Growth	17	9,462,932.00	182.03	17	3,949,363.32	70.07
ICICI Prudential Banking and PSU Debt-Growth	25	2,246,949	56.13	22.52	2,246,949	52.04
ICICI Prudential Bluechip-Growth	-	-	-	548,706	40.09	19.46
SBI magnum medium duration fund	41	422,818.99	17.46	-	-	-
Nippon India Floating Rate-Growth	35	2,982,593.00	103.37	-	-	-
L&T Banking and PSU Debt-Growth	19	5,449,467.00	105.73	-	-	-
HDFC Liquid-Growth	4,018	2,994.00	12.03	-	-	-
ICICI Pru Liquid-Growth	303	726,183.00	220.06	-	-	-
HDFC Medium Term Debt-Growth	312	161,204.00	50.34	-	-	-
HDFC Money Market Direct-Growth	4,474	18,747.00	83.88	-	-	-
L&T Triple Ace Bond-Growth	57	2,273,395.00	129.13	-	-	-
b) Investments in bonds (quoted) (valued at FVTPL)						
IIFL Wealth Finance Ltd	1,000,000	430.00	51.12	-	-	-
0.00% Embassy Office Parks	1,000,000	148.00	182.43	1,000,000	148.00	160.69
Axis Finance Ltd	1,000,000	100.00	117.94	1,000,000	100.00	105.78
Kotak Mahindra Investments Limited Series 024 NCD	1,000,000	128.00	121.78	1,000,000	128.00	110.86
HDB Financial Services Ltd	1,000,000	137.00	175.50	1,000,000	137.00	161.79
Liquid Gold Series 2	100,000	500.00	50.22	-	-	-
c) Investment in equity instruments (unquoted) (valued at cost)						
Equity shares of Hawcoplast Investments and Trading Limited (fully paid)*	10	1.00	-	10	1.00	-
Total			1,984.40			1,570.82

*Amount less than ₹5,000

9 Property, plant, equipments and Other intangible assets

A Reconciliation of carrying amount

(₹ in millions)

Particulars	Property, plant and equipments									Other intangible assets			Total
	Freehold land	Building*	Leasehold improve-ments	Restaurant equipments	Furniture & fixtures	Office equipments	Computers	Motor vehicles	Total	Goodwill on consolida-tion	Initial location & license fee	Computer software	
At cost													
Balance as at April 1, 2019	-	41.45	3,174.92	2,826.53	532.59	17.25	13.34	10.63	6,616.71	465.97	521.03	95.99	1,082.99
Additions	-	-	584.34	591.28	79.08	1.16	8.88	13.18	1,277.92	-	49.84	22.03	71.87
Deletions	-		(82.04)	(27.51)	(16.48)	-	-	-	(126.03)	-	-	-	-
Deletions - Lease added to ROU	-		(27.05)	-	-	-	-	-	(27.05)	-	-	-	-
Balance as at March 31, 2020	-	41.45	3,650.17	3,390.30	595.19	18.41	22.22	23.81	7,741.55	465.97	570.87	118.02	1,154.86
Balance as at April 01, 2020	-	41.45	3,650.17	3,390.30	595.19	18.41	22.22	23.81	7,741.55	465.97	570.87	118.02	1,154.86
Additions	94.38	25.94	95.55	75.04	36.55	0.47	1.27	14.54	343.74	-	2.04	19.70	21.74
Transfer from investment property	-	5.25	-	-	-	-	-	-	5.25	-	-	-	-
Deletions	-	-	(31.41)	(179.40)	(43.83)	(3.23)	(2.19)	(11.74)	(271.80)	-	(7.71)	-	(7.71)
Balance as at March 31, 2021	94.38	72.64	3,714.31	3,285.94	587.91	15.65	21.30	26.61	7,818.74	465.97	565.20	137.72	1,168.89
Accumulated depreciation													
Balance as at April 1, 2019	-	8.70	535.81	886.64	140.08	11.51	11.62	9.85	1,604.21	-	108.08	48.64	156.72
Depreciation for the year (refer note 23)	-	4.93	300.25	404.55	83.88	2.62	4.11	1.78	802.12	-	45.78	17.59	63.37
Deletions	-	-	(48.48)	(25.18)	(15.02)	(0.05)	-	-	(88.73)	-	-	-	-
Balance as at March 31, 2020	-	13.63	787.58	1,266.01	208.94	14.08	15.73	11.63	2,317.60	-	153.86	66.23	220.09
Balance as at April 01, 2020	-	13.63	787.58	1,266.01	208.94	14.08	15.73	11.63	2,317.60	-	153.86	66.23	220.09
Depreciation for the year (refer note 23)	-	5.27	301.48	411.21	73.07	1.86	3.06	3.87	799.82	-	45.16	22.65	67.81
Deletions	-	-	(21.19)	(168.15)	(41.44)	(2.99)	(2.19)	(11.74)	(247.70)	-	(4.20)	-	(4.20)
Balance as at March 31, 2021	-	18.90	1,067.87	1,509.07	240.57	12.95	16.60	3.76	2,869.72	-	194.82	88.88	283.70
Carrying amounts (net)													
Balance as at March 31, 2020	-	27.82	2,862.59	2,124.29	386.25	4.33	6.49	12.18	5,423.95	465.97	417.01	51.79	934.77
Balance as at March 31, 2021	94.38	53.74	2,646.44	1,776.87	347.34	2.70	4.70	22.85	4,949.02	465.97	370.38	48.84	885.19

*includes building constructed on leasehold land

Note :

1 HRPL has created a first pari-passu charge on moveable property, plant and equipment (present and future) for availing loan facility with banks (refer note 13)

2 For contractual commitments with respect to Capital work-in-progress, refer note 34.

3 **Goodwill**

Goodwill pertains to HRPL. WDL operates McDonald's restaurants across West and South India, through HRPL, which is a cash generating unit (CGU). Goodwill is tested for impairment annually. The recoverable amount of the CGU is the higher of its fair value less cost to sell and its value in use. The fair value of the CGU is determined based on market capitalization of WDL. Accordingly, no impairment charge was identified on account of goodwill for current and the previous year.

B Capital work in progress

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

C Reclassification to Investment property

HRPL had rented out an identifiable part of its restaurant to earn rental income in earlier years and recognise it as investment propoerty. However, w.e.f. April 1, 2020, it has started using that investment property for its own business occupation, pursuant to which the carrying value of investment propoerty has been reclassified to property, plant and equipment.

Investment property

Reconciliation of carrying amount (₹ in millions)

At cost	Amount
Balance as at April 1, 2019	8.03
Balance as at April 1, 2020	8.03
Transfer to property, plant and equipment	(8.03)
Balance as at March 31, 2021	**-**
Accumulated depreciation	
Balance as at April 1, 2019	2.12
Additions (Refer note 23)	0.66
Balance as at April 1, 2020	2.78
Transfer to property, plant and equipment	(2.78)
Balance as at March 31, 2021	**-**
Carrying amounts (net)	
Balance as at March 31, 2020	**5.25**
Balance as at March 31, 2021	**-**

Amount recognised in profit and loss for investment properties (₹ in millions)

Particulars	For year ended March 31, 2021	For year ended March 31, 2020
Rental income derived from investment properties	-	4.32
Less : Direct operating expenses (including repairs and maintenance)	-	1.58
Profit arising from investment properties before depreciation and indirect expenses	**-**	**2.74**
Less : Depreciation	-	0.66
Profit arising from investment properties before indirect expenses	-	2.08

Description of valuation techniques used and key inputs to valuation on investment properties

(₹ in millions)

Particulars	Valuation technique (refer note below)	Fair value	
		March 31, 2021	March 31, 2020
Building	Stamp duty reckoner rate	-	41.28

The above valuation of the investment property is in accordance with the Ready Reckoner rates prescribed by the Government of Maharashtra for the purpose of levying stamp duty. The management has referred to the publications and government website for Ready Reckoner rates. The adjustments related to floors, lifts and other factors are not considered for valuation of commercial property.

10 Deferred tax assets / (liabilities) (net)

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Deferred Tax assets / (liabilities) are as follows :		
Deferred tax assets		
Employee benefits	46.29	53.52
Other expenses	28.56	40.06
ESOP amortisation at fair value	2.17	2.17
Lease arrangements	192.92	108.00
Net impact of fair valuation of security deposits	3.32	13.97
Excess of depreciation provided in the books over depreciation allowable under income tax laws	78.19	26.67
Accumulated losses	215.89	-
Deferred tax liabilities		
Investment carried out at fair value	(50.96)	(24.71)
Net impact of fair valuation of loan given	(6.14)	(6.14)
	510.24	**213.54**

11 Other non-financial assets

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good)		
Capital advances	21.18	69.13
Advances other than capital advances		
Prepaid expenses	141.18	95.10
Advance to employees	0.42	2.32
Advance to supplier **	34.15	36.05
Balances with government authorities	200.18	161.09
Total	**397.11**	**363.69**

**Advance to suppliers includes ₹8.54 million (March 31, 2020 ₹8.00 million) advance given to related party (refer note 32).

12 Trade payables

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Trade payables		
- Dues to micro enterprises and small enterprises (refer note 38)	64.66	13.96
- Dues to creditors other than micro enterprises and small enterprises (refer note 32)	1,785.93	1,265.79
Total	**1,850.59**	**1,279.75**

13 Borrowings

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
At amortised cost		
Secured		
Short-term loan from banks (refer note i, ii, iii and vi below)	1,542.01	1,190.00
Unsecured		
Short-term loan from bank (refer note iv below)	609.82	630.00
Bank overdrafts (refer note ii and v below)	-	17.17
Total	**2,151.83**	**1,837.17**

i The Group has availed a total facility of ₹1,151 million (March, 31 2020: ₹1,151 million) from HDFC Bank Limited and was converted into a mutually interchangeable overdraft facility of ₹200 million and short term loan facility of ₹951 million. This facility is sanctioned for the purpose of financing operating capital expenditure. To avail this facility, The Group has created an exclusive charge on the credit / debit card receivables to the extent of ₹200 million by way of hypothecation. Interest charged at 5.00% p.a.- 9.20% p.a. (March, 31 2020: 8.50% p.a.- 8.70% p.a.) is payable monthly. The overdraft facility is repayable on demand and short term loan facility is repayable within 180 days with a cooling period of 2 days. As at March 31, 2021 the amount outstanding in respect of the said facility is ₹392.01 million (March, 31 2020: ₹Nil).

ii The Group has availed a revolving short term loan facility of ₹2,000 million (March, 31 2020: ₹2,000 million) from Australia and New Zealand Banking Group Limited (ANZ Bank) for the purpose of financing operating capital expenditure. Interest is charged 6% p.a. to 7.65% p.a. (March, 31 2020: 7% p.a. to 8.60% p.a.). The loan is repayable within 180 days from the date of any drawdown. As at March 31, 2021 the amount outstanding in respect of the said facility is ₹400 million (March, 31 2020: ₹1,190 million) and amount outstanding in respect of the overdraft facility was ₹Nil (March, 31 2020: ₹9.23 million). To avail these short term loan and overdraft facility, the Group has created a first pari passu charge on the movable assets.

iii The Group has availed a revolving short term loan facility of ₹600 million (March, 31 2020: ₹600 million) from Development Bank of Singapore for the purpose of financing operating capital expenditure. The Group has created a first pari-passu charge on all stock and book debts. Interest is charged at 5.30% p.a. to 7.95% p.a. (March, 31 2020: 8.30% p.a. to 8.40% p.a). The loan is repayable on demand. As at March 31, 2021 the amount outstanding in respect of the said facility is ₹350 million (March, 31 2020: ₹Nil).

iv The Group has availed a loan facility of ₹750 million (March, 31 2020: ₹500 million) with Kotak Mahindra Bank Ltd. which is mutually interchangeable into short term and overdraft facility. The short term loan facility was availed at an interest rate of 5.10% p.a. to 8.00% p.a. (March, 31 2020: 7.05% p.a. to 8.30% p.a). This facility is for financing the working capital requirement and is repayable on demand. As at March 31, 2021 the amount outstanding in respect of the said facility is ₹609.82 million (March, 31 2020: ₹630 million).

v The Group has also availed an overdraft facility with Kotak Mahindra Bank Ltd. at an interest rate of 8.00% p.a. - 8.10% p.a. (March 31, 2020: 9.00% p.a to 9.55% p.a.). This overdraft facility is for financing the working capital requirement and is repayable on demand. As at March 31, 2021, the Group has utilised Rs Nil. (Previous Year Rs 7.94 million) under this facility.

vi The Group has availed a short term loan facility of ₹500 million (March, 31 2020: Nil) with ICICI Bank Ltd. This facility includes an overdraft facility of ₹100 million (March, 31 2020: ₹Nil). Interest is charged at 5.00% p.a. to 5.25% p.a (March, 31 2020: Nil). To avail this short term loan and overdraft facility, the Group has created a first pari passu charge on all current assets and exclusive charge on debit/credit card receivables to the extent of ₹0.10 billion. As at March 31, 2021, the amount outstanding in respect of the short term loan facility as at March 31, 2021 is ₹400 million (March, 31 2020: ₹Nil).

vii During the year, the Group has availed a combined working capital facility of ₹10 million (March 31, 2020: Nil) from IDFC First Bank Ltd. As at March 31, 2021 the amount outstanding in respect of the said facility is Nil (March 31, 2020: Nil).

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

14 Other non-financial liabilities

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Statutory dues	86.44	93.80
Other payables	151.02	56.18
Total	**237.46**	**149.98**

15 Other financial liabilities

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Security deposits	4.38	3.67
Liability for capital expenditure	173.07	314.22
Interest accrued	3.28	3.38
Employee related liabilities	365.94	342.40
Loan from landlord	5.34	8.00
Total	**552.01**	**671.67**

16 Provisions

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits (refer note 31)	103.99	99.58
Total	**103.99**	**99.58**

17 Equity share capital

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Authorised		
160,925,000 (March 31, 2020: 160,925,000) equity shares of ₹2 each	321.85	321.85
460,000 (March 31, 2020: 460,000) 8% cumulative redeemable preference shares of ₹10 each	4.60	4.60
	326.45	**326.45**
Issued, subscribed and fully paid up		
155,802,865 (March 31, 2020: 155,668,665) equity shares of ₹2 each, fully paid up	311.61	311.34
	311.61	**311.34**

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

(₹ in millions)

Equity shares of ₹2 each fully paid up	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	155,668,665	311.34	155,603,600	311.21
Shares issued on exercise of employee stock options	134,200	0.27	65,065	0.13
Shares outstanding at the end of the year	155,802,865	311.61	155,668,665	311.34

ii) Rights, preferences and restrictions

Equity shares

The Company has only one class of equity shares having par value of ₹2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference shares

The Company has only one class of preference shares having par value of ₹10 per share. These shares carry a right to cumulative dividend of 8% p.a. The shares are redeemable at any time within 20 years from the date of issue at the option of the Company by giving a 48 hour prior written notice to the holders at the specified redemption price.

iii) Information regarding aggregate number of equity shares issued during the five years immediately preceding the date of Balance Sheet:

The Company has not bought back any shares during the past five years.

134,200 equity shares have been issued under Employee Stock Option Plans (March, 31 2020: 65,065) for which only exercise price has been received in cash (refer note 39)

No equity shares have been forfeited.

iv) Details of shares in the Company held by each shareholder holding more than 5% shares is as follows:

(₹ in millions)

Equity shares of ₹2 each fully paid up	As at March 31, 2021		As at March 31, 2020	
	No of shares held	% of shares held	No of shares held	% of shares held
Horizon Impex Private Limited	47,011,396	30.17%	47,285,325	30.38%
Subh Ashish Exim Private Limited	33,401,707	21.44%	33,233,707	21.35%
ICICI Prudential Life Insurance Company Limited	10,935,564	7.02%	-	-
SBI Equity Hybrid Fund	10,683,050	6.86%	10,972,593	7.05%
Arisaig Partners (Asia) Pte Ltd. A/c Arisaig India Fund Limited	-	0.00%	7,791,724	5.01%
Rajiv Himatsingka	9,965,489	6.40%	10,613,085	6.82%

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

v) Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan of the Company, refer note 39

Other equity

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Summary		
(a) Capital reserve	(2,519.61)	(2,519.61)
(b) Securities premium reserve	7,080.40	7,029.28
(c) General reserve	2.54	2.54
(d) Employee Stock Options Outstanding	44.15	61.32
(e) Retained earnings	(106.78)	885.38
Total	**4,500.70**	**5,458.91**
(a) Capital reserve		
Opening balance	(2,519.61)	(2,519.61)
Closing balance	**(2,519.61)**	**(2,519.61)**
(b) Securities premium reserve		
Opening balance	7,029.28	7,004.49
Additions on ESOP's exercised	28.51	9.62
Transferred from Employee Stock Option Outstanding	22.61	15.17
Closing balance	**7,080.40**	**7,029.28**

(₹ in millions)

		As at March 31, 2021	As at March 31, 2020
(c)	**General reserve**		
	Opening balance	2.54	2.54
	Closing balance	2.54	2.54
(d)	**Employee Stock Options Outstanding**		
	Opening balance	61.32	69.18
	Employee Stock Options recognised at fair value	5.44	7.31
	Transferred to securities premium on account on exercise of stock options	(22.61)	(15.17)
	Closing balance	**44.15**	**61.32**
(e)	Retained earnings		
	Opening balance	885.38	968.86
	(Loss) for the year	(994.23)	(73.48)
	Other comprehensive income for the year	2.07	(10.00)
	Closing balance	**(106.78)**	**885.38**

Notes:

(a) Capital reserve

Capital reserve was created pursuant to the composite scheme of arrangement (amalgamation of WestPoint Leisureparks Private Limited, Triple A Foods Private Limited and demerger of Westlife Development Limited) under section 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Bombay.

The excess amount of the book value of investment under the composite scheme of arrangement over its cost of investment is treated as capital reserve.

(b) Securities premium reserve

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

(c) General reserve

The general reserve is a free reserve which is used from time to time to transfer profits from / to retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

(d) Employee Stock Options Outstanding

The Company has established equity-settled share-based payment plans for certain categories of employees of subsidiary company (refer note 39)

(e) Retained earnings

Retained earnings represent the profits that the Company has earned till date, less any transfers to general reserve, capital reserve. Retained Earnings is a free reserve. Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

18 Revenue from operations

(₹ in millions)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Sales (refer note 18(a) and (i) below)	9,752.52	15,383.43
Net gain on fair value changes on financial instruments designated at FVTPL (refer note (ii) below)	4.30	4.95
Other operating revenue		
a) Conducting fees	0.66	2.18
b) Franchising income	1.72	6.20
c) Scrap sales	15.46	23.39
d) Space rental & alliances income	2.86	13.88
e) Miscellaneous provisions written back	82.78	43.83
Total	**9,860.30**	**15,477.86**
18 (a) Details of Sales		
Food	7,176.83	10,279.65
Beverages, Desserts, Others	2,575.69	5,103.78
Total	**9,752.52**	**15,383.43**
i) For revenue from sale of products, the reconciliation of contract price to revenue from sale of products is as below:		
Contract price	9,752.52	15,383.43
Less : Trade discount, volume rebates etc.	-	-
	9,752.52	**15,383.43**
ii) Fair value changes:		
Unrealised	**4.30**	**4.95**

19 Other income

(₹ in millions)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income at amortised cost		
- Bank deposits	0.04	0.21
- Interest on investments	1.20	-
- Others	52.60	28.19
Gain on investments carried at fair value through statement of profit and loss	157.19	98.28
Profit on sale of property, plant and equipment	1.81	-
Gain on lease modification / termination (net)	230.19	-
Miscellaneous income*	0.00	3.32
Total	**443.03**	**130.00**

*Denotes amount less than ₹5,000 for the year ended March 31, 2021

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

20 Cost of materials consumed

(₹ in millions)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventory at the beginning of the year	458.43	381.52
Add: Purchases during the year	3,435.68	5,459.32
	3,894.11	**5,840.84**
Less: Inventory at end of the year	(411.29)	(458.43)
Total	**3,482.82**	**5,382.41**
20.1 - Details of cost of materials consumed		
Food	3,038.63	4,706.99
Paper	408.31	600.64
Toys & Premiums	35.88	74.78
Total	**3,482.82**	**5,382.41**

21 Employee benefits expense

(₹ in millions)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	1,516.69	1,813.96
Contribution to provident and other funds (refer note 31)	136.04	175.90
Employee stock compensation expense (refer note 39)	6.42	8.63
Gratuity (refer note 31)	23.59	18.71
Staff welfare expenses	99.16	174.81
Total	**1,781.90**	**2,192.01**

22 Finance Cost

(₹ in millions)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on		
- Borrowings at amortised cost	157.87	142.30
- Leases (refer note 46)	675.71	659.65
- Bank overdraft at amortised cost	6.04	3.86
- Others	0.61	-
Bank charges	5.01	2.39
Total	**845.24**	**808.20**

23 Depreciation and amortisation expense

(₹ in millions)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on property, plant and equipment	799.82	801.45
Depreciation on ROU assets (refer note 46)	528.82	518.14
Depreciation on investment properties	-	0.66
Amortisation of intangible assets	67.81	63.38
Total	**1,396.45**	**1,383.63**

Refer note 9 and 46

24 Other expenses

(₹ in millions)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Electricity utilities	637.65	982.45
Gas utilities	95.39	157.02
Other utilities	40.47	61.62
Conducting charges	367.19	660.80
Logistics service charges	92.22	143.25
Marketing and promotions	448.05	744.72
Royalty fee	447.61	706.00
Maintenance & repairs - restaurant equipments	150.83	271.60
Maintenance & repairs - others	259.40	231.39
Operating supplies at stores	141.47	189.04
Travelling and conveyance	22.33	69.46
Legal and professional fees	125.44	131.07
Director sitting fees	4.85	3.98
Payment to auditors (refer note 24.1 below)	0.86	5.97
Rent	69.14	58.15
Bad debts and write offs	4.01	11.31
Inventories written off	2.01	-
Impairment loss allowance on trade receivables	2.84	-
Property, plant and equipment written off	140.49	47.23
Training and development expenses	2.95	38.12
Communication costs	44.58	50.09
Rates & taxes	17.52	29.36
Insurance	16.07	14.21
Exchange differences (net)	0.10	1.14
Miscellaneous expenses	992.65	1,155.06
Total	**4,126.12**	**5,763.04**
Note 24.1 :		
Payment to auditors		
As auditor :		
Audit fees	5.75	5.88
In other capacity		
Certification matters	0.05	0.06
Reimbursement of expenses	0.33	0.03
Total	**6.13**	**5.97**

25 Tax expense

A Amount recognised in statement of profit and loss

(₹ in millions)

	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Current tax		
Current year	-	129.33
Prior years	4.29	-
(b) Deferred tax charge / (credit)		
Attributable to:		
Employee benefits	6.53	13.58
Other expenses	11.50	(30.71)
Lease arrangements	(84.92)	(108.04)
Net impact of fair valuation of security deposits	10.65	9.58
Excess of depreciation provided in the books over depreciation allowable under income tax laws	(51.52)	(47.71)
Accumulated losses and unabsorbed depreciation	(215.89)	-
Investment carried out at fair value	26.25	21.67
Net impact of fair valuation of loan given *	-	(1.96)
Net deferred tax credit	**(297.40)**	**(143.59)**
Total tax (credit)	**(293.11)**	**(14.26)**

*Amount less than ₹5,000

B Amount recognised in other comprehensive income

(₹ in millions)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Income tax related to items recognised in other comprehensive income		
Re-measurements of defined benefit plan	(0.70)	3.37
Total income tax recognised in other comprehensive income	**(0.70)**	**3.37**

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

(₹ in millions)

	For the year ended March 31, 2021	For the year ended March 31, 2020
(Loss) before tax	(1,287.34)	(87.74)
Applicable income tax rate (refer note below)	25.17%	25.17%
Expected income tax expense (a)	**(324.02)**	**(22.08)**
Effects of:		
Non-deductible expenses		
Minimum Bonus	11.49	-
Provision for write off	7.38	-
Others	7.75	7.82
Adjustment related to tax of prior years	4.29	-
Sub-total (b)	**30.91**	**7.82**
Total charge as per statement of profit and loss (a) + (b)	**(293.11)**	**(14.26)**

Note:

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

Movement in temporary differences

(₹ in millions)

Particulars	Balance as at April 01, 2020	Recognised in profit or loss during 2020-21	Recognised in OCI during 2020-21	Utilisation	Balance as at March 31, 2021
Employee benefits	53.52	(6.53)	(0.70)	-	46.29
Other expenses	40.06	(11.50)	-	-	28.56
ESOP amortisation at fair value	2.17	-	-	-	2.17
Lease arrangements	108.00	84.92	-	-	192.92
Net impact of fair valuation of security deposits	13.97	(10.65)	-	-	3.32
Excess of depreciation provided in the books over depreciation allowable under income tax laws	26.67	51.52	-	-	78.19
Accumulated losses and unabsorbed depreciation	-	215.89	-	-	215.89
Investment carried out at fair value	(24.71)	(26.25)	-	-	(50.96)
Net impact of fair valuation of loan given	(6.14)	-	-	-	(6.14)
Total	**213.54**	**297.40**	**(0.70)**	**-**	**510.24**

(₹ in millions)

Particulars	Balance as at April 01, 2019	Recognised in profit or loss during 2019-20	Recognised in OCI during 2019-20	Utilisation	Balance as at March 31, 2020
Employee benefits	60.36	(10.21)	3.37	-	53.52
Other expenses	9.35	30.71	-	-	40.06
ESOP amortisation at fair value	2.17	-	-	-	2.17
Lease arrangements	-	108.00	-	-	108.00
Net impact of fair valuation of security deposits and loans given	15.45	(7.62)	-	-	7.83
Excess of depreciation provided in the books over depreciation allowable under income tax laws	(21.04)	47.71	-	-	26.67
Investment carried at fair value	(3.03)	(21.68)	-	-	(24.71)
Total	**63.26**	**146.91**	**3.37**	**-**	**213.54**

26 Maturity analysis of financial assets and liabilities

The table below shows an analysis of financial assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in millions)

	As at March 31, 2021			As at March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
(a) Cash and cash equivalents	108.70	-	108.70	28.61	-	28.61
(b) Bank balance other than (a) above	1.36	-	1.36	1.32	-	1.32
(c) Receivables						
(I) Trade receivables	87.88	-	87.88	47.26	-	47.26
(d) Loans	23.18	445.77	468.95	16.56	448.27	464.83
(e) Investments	1,460.91	523.49	1,984.40	719.01	851.81	1,570.82
(f) Other financial assets	37.11	1.11	38.22	63.00	42.92	105.92
Total	**1,719.14**	**970.37**	**2,689.51**	**875.76**	**1,343.00**	**2,218.76**

(₹ in millions)

	As at March 31, 2021			As at March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
(a) Payables						
(I) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	64.66	-	64.66	13.96	-	13.96
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,785.93	-	1,785.93	1,265.79	-	1,265.79
(b) Borrowings (Other than debt securities)	2,151.83	-	2,151.83	1,837.17	-	1,837.17
(c) Lease liabilities	786.39	6,741.72	7,528.11	777.83	7,044.27	7,822.10
(d) Other financial liabilities	549.04	2.97	552.01	669.84	1.83	671.67
Total	**5337.85**	**6,744.69**	**12,082.54**	**4,564.59**	**7,046.10**	**11,610.69**

27 Fair value measurement

a Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

(₹ in millions)

Particulars	Amortised cost	Fair Value Through Profit or Loss	Total carrying value
Assets:			
Cash and cash equivalents	108.70	-	108.70
Bank balance other than above	1.36	-	1.36
Investments	-	1,984.40	1,984.40
Trade receivables	87.88	-	87.88
Loans	468.95	-	468.95
Other financial assets	38.22	-	38.22
Total	**705.11**	**1,984.40**	**2,689.51**
Liabilities:			
Borrowings	2,151.83	-	2,151.83
Lease liabilities	7,528.11	-	7,528.11
Trade payables	1,850.59	-	1,850.59
Other financial liabilities	552.01	-	552.01
Total	**12,082.54**	**-**	**12,082.54**

The carrying value and fair value of financial instruments by categories as of March 31, 2020 were as follows:

(₹ in millions)

Particulars	Amortised cost	Fair Value Through Profit or Loss	Total carrying value
Assets:			
Cash and cash equivalents	28.61	-	28.61
Bank balance other than above	1.32	-	1.32
Investments	-	1,570.82	1,570.82
Loans	464.83	-	464.83
Other financial assets	105.92	-	105.92
Trade receivables	47.26	-	47.26
Total	**647.94**	**1,570.82**	**2,218.76**
Liabilities:			
Borrowings	1,837.17	-	1,837.17
Lease liabilities	7,822.10	-	7,822.10
Trade payables	1,279.75	-	1,279.75
Other financial liabilities	671.67	-	671.67
Total	**11,610.69**	**-**	**11,610.69**

Carrying amounts of cash and cash equivalents, other receivables and trade payables as at March 31, 2021 and March 31, 2020 approximate the fair value. Difference between carrying amounts and fair values of bank deposits, other financial assets and other financial liabilities subsequently measured at amortised cost is not significant in each of the periods presented. Fair value measurement of lease liabilities is not required.

b Fair value hierarchy

This section explains the judgement and estimates made in determining the fair values of the financial instruments that are

a) recognised and measured at fair value.

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level is mentioned below :

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

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

(₹ in millions)

Particulars	As at March 31, 2021	Fair value measurement at end of the reporting year		
		Level 1	Level 2	Level 3
Assets				
Investments in mutual funds	1,285.41	1,285.41	-	-
Investments in bonds	698.99	698.99	-	-

(₹ in millions)

Particulars	As at March 31, 2020	Fair value measurement at end of the reporting year		
		Level 1	Level 2	Level 3
Assets				
Investments in mutual funds	1,031.70	1,031.70	-	-
Investments in bonds	539.12	539.12	-	-

Measurement of fair values

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

Financial instruments measured at fair value

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

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2021 and March 31, 2020.

28 Financial risk management

Financial risk

In the course of its business, the Group is exposed to a number of financial risks: credit risk, liquidity risk and market risk. This note presents the Group's objectives, policies and processes for managing its financial risk and capital. The key risks and mitigating actions are also placed before the Board of Directors of the Group. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group manages the risk through the finance department that ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The activities are designed to:

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

A Credit risk

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

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

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

The Group has trade receivables amounting to ₹87.88 millions as at March 31, 2021 (March 31, 2020 - ₹47.26 millions). There are no significant amounts due by more than 180 days and not provided for. Management believes that these are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

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

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

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

	(₹ in million)
As at March 31, 2021	**506.06**
As at March 31, 2020	569.64

(Refer note 4)

Loans, security deposits, and other receivables:

Expected credit loss for loans, security deposits and other receivables: (₹ in millions)

Particulars		Year ended	Asset group	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount, net of impairment provision
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	31-03-2021	Loans	25.36	0%	-	25.36
			Security Deposits	443.59	0%	-	443.59
			Leasehold improvements contributions receivable	24.30	0%	-	24.30
			Other receivable	12.81	0%	-	12.81
Loss allowance measured at 12 month expected credit loss	Financial assets for which credit risk has not increased significantly since initial recognition	31-03-2020	Loans	26.23	0%	-	26.23
			Security Deposits	438.60	0%	-	438.60
			Leasehold improvements contributions receivable	23.58	0%	-	23.58
			Other receivable	81.23	0%	-	81.23

The movement in the allowance for impairment in respect of trade receivables is as follows:

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Balance as at April 1	-	-
Loss allowance	2.84	-
Balance as at March 31	2.84	-

B **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's corporate treasury department is responsible for liquidity and funding. In addition, processes and policies related to such risks are overseen by senior management.

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

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

Maturity patterns of financial liabilities: (₹ in millions)

As at March 31, 2021	Carrying Amount	Less than 1 year	1 year - 2 years	2 years to 3 years	3 years and above	Total
Borrowings	2,151.83	2,151.83	-	-	-	2,151.83
Trade payables	1,850.59	1,850.59	-	-	-	1,850.59
Lease liabilities	7,528.11	779.39	790.66	819.28	13,065.75	15,455.08
Other financial liabilities	552.01	552.01	-	-	-	552.01
Total	**12,082.54**	**5,333.82**	**790.66**	**819.28**	**13,065.75**	**20,009.51**

(₹ in millions)

As at March 31, 2020	Carrying Amount	Less than 1 year	1 year - 2 years	2 years to 3 years	3 years and above	Total
Borrowings	1,837.17	1,837.17	-	-	-	1,837.17
Trade payables	1,279.75	1,279.75	-	-	-	1,279.75
Lease liabilities	7,822.10	811.04	799.84	814.43	13,936.92	16,362.23
Other financial liabilities	671.67	669.84	1.83	-	-	671.67
Total	**11,610.69**	**4,597.80**	**801.67**	**814.43**	**13,936.92**	**20,150.82**

C **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to any currency risk is provided in the table below. The currencies in which the transactions are denominated is Indian Rupees. (₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Advances recoverable in cash / kind Nil (March 31, 2020: 0.03 USD million @ ₹75.38)	-	2.01

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

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

(₹ in millions)

Particulars	Effect on loss before tax	
	Year ended March 31, 2021	Year ended March 31, 2020
Increase / decrease in basis points		
150 basis points	32.28	27.56

iii) Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's investment in mutual funds is exposed to pricing risk. Other financial instruments held by the company does not possess any risk associated with trading. An increase of 5 percent in Net Assets Value (NAV) of mutual funds would decrease the loss before tax by approximately ₹99.22 million (March 31, 2020 - ₹78.54 million). A similar percentage decrease would have resulted equivalent opposite impact.

29 Capital Management

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

The Group monitors capital using a ratio of 'net debt' to 'equity'. For this purpose, net debt is defined as total interest bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity. The Group's debt to equity ratio as at March 31, 2021 was as follows :

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Total borrowings	2,151.83	1,837.17
Less : Cash and cash equivalents	108.70	28.61
Net debt	**2,043.13**	**1,808.56**
Equity	4,812.31	5,770.25
Debt to equity ratio	0.42	0.31

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

30 Earnings per share

(₹ in millions)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Loss attributable to equity shareholders (basic)	(994.23)	(73.48)
Weighted average number of equity share (basic - in nos.)		
Number of equity shares as at April 1	155,668,665	155,603,600
Add: Weighted average effect of share options exercised	48,546	54,286
Weighted average number of equity shares outstanding at the end of the year	155,717,211	155,657,886
Basic earnings per share (in ₹)	(6.38)	(0.47)
Loss attributable to equity shareholders (diluted)	(994.23)	(73.48)
Weighted average number of equity shares (diluted - in nos.)		
Weighted average number of equity shares outstanding (basic)	155,717,211	155,657,886
Add: Potential equity shares under stock options (refer note below)	-	-
Weighted average number of equity shares outstanding at the end of the year	155,717,211	155,657,886
Diluted earnings per share (in ₹)	(6.38)	(0.47)

Note:

At March 31, 2021, 406,530 options (March 31, 2020: 522,480) were excluded from the diluted weighted average number of equity shares calculation because their effect would have been anti-dilutive.

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

a) Defined contribution plan:

Amount recognised and included in note 21 "Contribution to provident and other funds" represents:

(₹ in millions)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Provident fund	108.14	136.41
Employees State Insurance Scheme (ESIC)	27.52	39.00
Labour welfare find	0.38	0.49
Total	**136.04**	**175.90**

b) Defined benefit plan:

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary for each completed year of service subject to a maximum of ₹2 million. The Scheme is funded with Life Insurance Corporation in the form of a qualifying insurance policy.

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

Assumptions	As at March 31, 2021	As at March 31, 2020
Expected rate of return on plan assets	5.18%	5.45%
Discount rate	5.18%	5.45%
Salary escalation	6.50%	6.50%
Attrition rate :		
Crew	30.00%	30.00%
Others	12.00%	12.00%
Average expected future service	3 years	3 years
Retirement age	58 years	58 years

Mortality rate during employment as per Indian Assured Lives Mortality (2006-08).

(ii) Table showing change in present value of projected benefit obligation:

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of projected benefit obligation at the beginning of the year	109.45	88.74
Interest cost	5.97	6.00
Current service cost	18.16	13.33
Past service cost	-	-
Benefits paid directly by employer	-	-
Benefits paid from fund	(14.88)	(10.39)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	1.57	7.21
Actuarial losses on obligations - due to experience	(5.49)	4.56
Present value of projected benefit obligation at the end of the year	**114.78**	**109.45**

(iii) Tables of fair value of plan assets:

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Fair value of plan assets at the beginning of the year	9.87	9.23
Interest income	0.54	0.62
Contributions by employer	16.41	12.00
Benefits paid	(14.88)	(10.38)
Expected return on plan assets, excluding interest income	(1.15)	(1.60)
Fair value of plan assets at the end of the year	**10.79**	**9.87**

(iv) Amount recognised in the balance sheet

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of benefit obligation at the end of the year	(114.78)	(109.45)
Fair value of plan assets at the end of the year	10.79	9.87
Funded status (surplus/(deficit))	(103.99)	(99.58)
Net (liability) / asset disclosed in the balance sheet	**(103.99)**	**(99.58)**

(v) Net interest cost for the year

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of projected benefit obligation at the beginning of the year	109.45	88.74
Fair value of plan assets at the beginning of the year	(9.87)	(9.24)
Net liability/ (assets) at the beginning of the year	**99.58**	**79.50**
Interest cost	5.97	6.00
Interest income	(0.54)	(0.62)
Net interest cost for current year	**5.43**	**5.38**

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

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Current service cost	18.16	13.33
Net interest cost	5.43	5.38
Past service cost	-	-
Expenses recognised in the statement of profit & loss	**23.59**	**18.71**

(vii) Expenses recognised in the other comprehensive income

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Actuarial (gain) / loss on obligation for the year	(3.92)	11.77
Return on plan assets, excluding interest income	1.15	1.60
Net (income)/expense for the year recognized in OCI	**(2.77)**	**13.37**

(viii) Balance Sheet reconciliation

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening net liability	99.58	79.50
Expenses recognized in statement of profit or loss	23.59	18.71
Expenses recognized in OCI	(2.77)	13.37
Benefits paid directly by employer	-	-
Employers contribution	(16.41)	(12.00)
Amount recognised in the balance sheet	**103.99**	**99.58**

(ix) Category of assets

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Insurer managed funds	10.79	9.87

(x) Other details

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Expected contribution in the next year	63.77	74.16
Weighted average duration of the projected benefit obligation	6 years	7 years

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

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Projected benefits payable in future years from the date of reporting		
1st following year	14.51	12.84
2nd following year	16.61	13.12
3rd following year	14.03	14.77
4th following year	14.67	12.34
5th following year	12.88	12.60
Sum of years 6 to 10	40.02	41.82
Sum of years 11 and above	45.53	49.02

(xii) Sensitivity analysis

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Projected benefit obligation on current assumptions	114.78	109.45
Delta effect of +1% change in the rate of discounting	(5.58)	(5.60)
Delta effect of -1% change in the rate of discounting	6.27	6.30
Delta effect of +1% change in the rate of salary increase	5.60	5.57
Delta effect of -1% change in the rate of salary increase	(5.15)	(5.11)
Delta effect of +1% change in the rate of employee turnover	(0.95)	0.88
Delta effect of -1% change in the rate of employee turnover	1.01	0.93

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

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

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

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

(xiii) Risk exposure

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

a) **Investment risk**

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

b) **Interest rate risk**

A decrease in bond interest rate will increase the plan liability. However, this shall be partially off-set by increase in return as per debt investments.

c) **Longevity risk**

The present value of the defined plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy will increase the plan's liability

d) **Salary risk**

Higher than expected increase in salary will increase the defined benefit obligation.

32 Related party disclosures

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

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

1)	Key management personnel	Mr. B.L. Jatia, Director Mr. Sanjay Soni, Director (with effect from August 31, 2019) Mrs. Namrata Mathur, Director (with effect from February 09, 2021) Mrs. Seema Arora Nambiar, Director (resigned with effect from September 30, 2020) Mr. Suresh Lakshminarayanan, Chief Financial Officer (resigned with effect from March 31, 2020) Mr. Pankaj Roongta, (Chief Financial Officer with effect from May 04, 2020) Mrs. Radha Jain, Company Secretary
2)	Relatives of key management personnel	Mr. Amit Jatia, son of Mr. B.L. Jatia Mrs. Smita Jatia, daughter-in-law of Mr. B. L. Jatia Mr. Akshay Jatia, grandson of Mr. B. L. Jatia Mr. Ayush Jatia, grandson of Mr. B.L. Jatia
3)	Enterprises over which key management personnel or their relatives is/are able to exercise significant influence	Vishwas Investment & Trading Company Private Limited Hardcastle Petrofer Private Limited Ronald McDonald House Charities Foundation India (RMHC India) Vandeep Trade Links Private Limited Subh Ashish Exim Private Limited Horizon Impex Private Limited Hardcastle and Waud Manufacturing Company Ltd. Concept Highland Business Private Limited

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

(₹ in millions)

Particulars	Hardcastle and Waud Manufacturing Company Limited		Concept Highland Business Private Limited		Hardcastle Petrofer Private Limited		Vishwas Investment & Trading Company Private Limited		Vandeep Trade Links Private Limited		Subh Ashish Exim Pvt Ltd		Horizon Impex Pvt Ltd		Ronald McDonald House Charities Foundation India (RMHC India)	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Rent expense	0.01	0.05	3.07	4.40	-	-	-	4.25	3.43	-	-	-	-	-	-	-
Electricity Charges	-	-	1.55	2.54	-	-	0.05	0.22	-	-	-	-	-	-	-	-
Common Area Maintenance Charges	-	-	-	-	-	-		-	1.18	-	-	-	-	-	-	-
Water Charges	-	-	-	-	-	-	0.05	0.02	-	-	-	-	-	-	-	-
Purchase consideration of Property	-	-	110.00	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	0.56	-	-	-	0.75	-	0.91	-	-	-
Rent Income	-	-	-	-	-	0.02	-	-	-	-	-	-	-	-	-	-
Outstanding balance included in loans and other assets	-	-	2.00	2.00	-	-	35.00	35.00	2.13	-	-	-	-	-	8.54	8.00
Outstanding balance included in trade payables	-	-	0.08	-	-	-	-	-	-	-	0.12	-	0.15	-	-	-

(b) Transactions with key management personnel

(₹ in millions)

Particulars	Sanjay Soni		Seema Arora Nambiar		Namrata Mathur		Others #	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Remuneration*	8.38	12.35	3.13	12.36	4.91	-	17.33	8.81

includes remuneration of Chief Financial Officer and Company Secretary

(c) Transactions with relatives of key management personnel

(₹ in millions)

Particulars	B. L. Jatia		Amit Jatia		Smita Jatia		Achal Jatia		Akshay Jatia	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Remuneration*	20.00	-	49.95	52.92	30.81	43.29	-	-	12.80	7.78
Director's sitting fees	0.15	0.13	0.73	0.45	0.58	0.45	0.15	0.15	-	-

Terms and conditions

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

* Remuneration to key managerial personnel / relatives of key management personnel does not include provisions made for gratuity and ESOP as they are determined for the company as a whole.

33 Contingent liabilities not provided for in the accounts:

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Claims against the Group not acknowledged as debts		
Sales tax/ VAT related matters (refer note i, ii, iii)	655.15	655.15
Goods and Services tax related matter (refer note v)	74.93	-
	730.08	**655.15**

i The Group had preferred an appeal before the Maharashtra Sales Tax Tribunal against a demand of ₹2.41 million (Previous Year: 2.41 million) against the appeal order passed by the Joint Commissioner of Sales Tax (Appeal) II Mumbai on account of disallowance of resale of toys and cheese and taxability of Birthday Party Income for the year 2003-04. The Maharashtra Sales Tax Tribunal has partly allowed the appeal in case of Birthday party income and dismissed the claim of resale sale. The Group has filed Rectification Application before the Maharashtra Sales Tax Tribunal, Mumbai following apparent errors made in the judgment.

Secondly, the Group has preferred an appeal before Joint Commissioner of Sales Tax (Appeal) II Mumbai against demand of ₹1.64 million (Previous Year ₹1.64 million) as per order passed by assessing officer on account of disallowance of resale of toys and cheese and taxability of Birthday Party Income for the year 2004-05. The appeal is pending before the Joint Commissioner of Sales Tax. The Group has deposited an aggregate amount of ₹1.53 million as part payment as directed by the said authorities for both the years.

ii During the financial year 2013-14, the Group had received demand notices aggregating to ₹97.39 million for the years 2008-09 to 2012-13 issued by the Assistant Commissioner of Commercial Taxes, Tamil Nadu towards Tamil Nadu Value Added Tax. The Group had filed an appeal before the Appellate Deputy Commissioner against the aforesaid demand and had paid ₹97.39 million under protest. During the previous years, the Appellate Deputy Commissioner has dismissed the appeal against by the Group and the Group had filed an appeal before Tribunal against the order of Appellate Deputy Commissioner. Based on the advice of external counsel, the Group believes it has good ground for the appeal to be decided in its favour. Accordingly, no provision is considered necessary in this matter.

iii During the year 2013-14, the Group had received demand notices of ₹553.71 million for the period December, 2008 to October, 2013 from the Deputy Commissioner of Commercial Taxes, Karnataka alleging that the Group had obtained capital goods from other states, and therefore is ineligible to avail of the benefits of lower rate of tax under the composition scheme contemplated under the Karnataka Value Added Tax Act, 2003. In respect of the various notices, the Group had filed two writ petitions before the High Court of Karnataka. Upon hearing, both petitions were admitted and the Court granted an interim stay on the operation of all the notices and on the order passed for the FY 2012-13 and any proceedings in connection therewith. The said writ petitions came to be disposed of by a single judge of the Hon'ble High Court of

Karnataka wherein the interim stay granted by the High Court earlier was vacated and with a direction to the petitioner to approach the respective Appellate authorities as mandated under the provisions of the Karnataka Value Added Tax Act, 2003. The Group accordingly preferred an appeal before the Joint Commissioner of Commercial Tax, Appeals-1 against the Order passed for the financial year 2012-13 after fulfilling the mandatory condition of depositing 30% of the total demand of ₹189.72 million i.e. an amount of ₹19.41 million was deposited after considering the deposit of ₹37.50 million made earlier. Thereafter, the Group also preferred a writ appeal before the Division Bench of the High Court inter alia seeking stay on operation of the various notices/order issued by the Deputy Commissioner of Commercial Taxes, Karnataka. The High Court granted an interim stay on operation of the various notices/order conditional upon deposit of 30% of the amount demanded. The Group has deposited a total sum of ₹56.91 million. Pending disposal of the writ appeal and based on the advice of external counsel, the Group believes that it has good grounds for quashing of the impugned notices/order. Accordingly, no provision is considered necessary in this matter.

iv The proposed Social Security Code, 2019, when promulgated, would subsume labour laws including Employees' Provident Funds and Miscellaneous Provisions Act and amend the definition of wages on which the organisation and its employees are to contribute towards Provident Fund. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the proposed amendments. Additionally, there is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Hon. Supreme Court vide its ruling in February 2019, in relation to the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. The Company will evaluate its position and act, as clarity emerges.

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

The constitutional grounds:

1. Section 171 and the related delegated legislation is in abrogation of Article 14 of the Constitution of India as it does not lay down any guidance for the NAA for exercise of statutory power and that sub-delegation to NAA to notify procedure and methodology is patently bad in law.

2. The statutory scheme is without constitutional sanction as it is a price control legislation and therefore, not considering costs other tax patently offends Article 19(1)(g) of the Constitution of India.

3. The composition of the NAA is bad in law and violates Article 14 of the Constitution of India.

The factual grounds:

1. The proceedings are bad in law as the period for completion of the investigation was unilaterally enhanced under Rule 129 sans an opportunity of hearing to the Group and constitutes a violation of the principles of natural justice.

2. The impugned order has been passed by the NAA after the time period as contemplated under Rule 133 and hence proceedings are bad in law.

3. No methodology being notified under Rule 126 (either general or specific as raised by the Group) greatly prejudices the Group as an effective defense cannot be mounted since the relevant law is unknown, rending the proceedings as opaque and manifestly arbitrary. This is further evident as different standards have been followed for similarly-placed businesses.

4. In the absence of a specified methodology, all possible manners of computation are equally valid, and preference cannot be granted to one over the other. The Group has shown through

three different means of computation that the cost of ITC is 10% - 12.24% while the average incremental revenue is 9.43%. Therefore, the only possible conclusion is that the Group has not indulged in profiteering, but rather passed on benefits more than what was required under law. If one is to follow the methodology as held by the NAA, the cost of ITC on aerated beverages is 40%, but price increase can only be 9.11%. This is absurd, patently illogical and unsustainable in law.

5. The entire proceedings are illegal as the scope of the investigation is different in the reference by the Standing Committee and the Directorate General of Anti-Profiteering ("DGAP"). Hence, the investigation is illegal as jurisdiction of DGAP is based on reference of Standing Committee only.

6. The order traverses beyond the scope of Section 171. Under this provision, only benefit to the extent of tax can be demanded and nothing in excess thereof. Further, such amount can only be demanded from a registered person, which in the present case is the GSTIN of the Group in Maharashtra. Both these principles have been ignored entirely in the order rendering the entire exercise illegal.

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

(i) confirmed the demand of ₹74.93 million,

(ii) given direction to the Group reduce prices for the subsequent period.

The said order has been challenged by way of a writ petition no. 469 of 2021 filed with the High Court of Bombay. In the first hearing before the High Court of Bombay, liberty had been granted to HRPL to approach the court if the situation so arises, and matter has been adjourned. Pending disposal of the writ petition and based on the advice of external counsel, the Group believes that Group has a very good case on both law and facts. Accordingly, no provision is considered necessary in this matter.

Notes

i) Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements / decisions pending with various forums / authorities.

ii) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Group does not expect any reimbursements in respect of the above contingent liabilities.

iii) The Group has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the yearend, the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iv) Regarding the amounts disclosed above, it is not practicable to disclose information on the possibility of any reimbursements as it is determinable only on the occurrence of uncertain future events.

34 Capital and other Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is ₹157.53 million (March 31, 2020: ₹87.82 million).

35 Service Tax on Conducting Charges

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

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

1) All members of RAI to deposit 50% of the arrears due for the period June 1,, 2007 through September 30, 2011 with the concerned department in three equated installments on or before November 1, 2011, January 1, 2012 and March 1, 2012;

2) For the balance 50% of the arrears, all the members of RAI are:

   (a) To file solvent surety to the satisfaction of the jurisdictional Commissioners;

   (b) To file affidavits in the SCI, within four weeks from the date of the Order, undertaking to pay the balance arrears of service tax, stayed in terms of the Order, as may be directed by the SCI at the time of final disposal of the appeal;

3) The successful party in the appeal to be entitled to interest on the amount stayed by the SCI at such rate as may be directed by the SCI at the time of final disposal of the appeal.

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

In respect of above SCI directions, the Group had deposited 50% of the disputed amount and for the balance 50% provided solvent surety. The amount under dispute has been fully provided in books.

The Group has commenced payment of service tax with effect from October 1, 2011 to those parties to whom the Group has contractually agreed to pay service tax.

36 Un-hedged foreign currency exposure

Un-hedged foreign currency exposure as at Balance Sheet date:

Particulars	As at March 31, 2021	As at March 31, 2020
Advances receivable in cash or kind	-	2.01 (0.03 USD million @ ₹75.38)

37 Segment reporting:

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

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

No revenue from transactions with a single external customer amounted to 10% or more of the Group's total revenue in year ended March 31, 2021 or March 31, 2020.

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

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year*:		
- Principal	64.66	13.96
- Interest	1.87	-
Amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with amounts of payment made to supplier beyond the appointed day during accounting year.**	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

* Based on confirmation / information available with the Group

39 Employee Stock Option Scheme

a) The Group has established an employee stock option scheme ('the Scheme') which covers certain eligible employees of the Group. During the year ended March 31, 2021, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

On September 18, 2013, the board of directors of WDL, approved the Equity Settled ESOP Scheme 2013 (Scheme 2013) for issue of stock options to the key employees and directors of HRPL. According to the Scheme 2013, the employees selected by the Nomination and Remuneration Committee from time to time would be entitled to options, subject to satisfaction of the prescribed vesting conditions. The contractual life (comprising the vesting period and the exercise period) of options granted is 9 years. The other relevant terms of the grant are as below:

Vesting period	Graded vesting – 20% every year (granted upto 2013)
	Graded vesting – 25% every year (granted post 2013)
Exercise period	9 years

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

Vesting period	As at March 31, 2021		As at March 31, 2020	
	No of Options	Weighted average exercise price (₹)	No of Options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	522,480	211.83	607,045	206.43
Granted during the year	65,000	345.57	-	-
Forfeited during the year	46,750	230.48	19,500	245.92
Exercised during the year	134,200	214.47	65,065	147.81
Expired during the year	-	-	-	-
Outstanding at the end of the year	406,530	230.43	522,480	211.83
Exercisable at the end of the year	299,530	204.38	378,105	200.79

For options exercised during the period, the weighted average share price at the exercise date was ₹402.87 per share (Previous Year: ₹392.98 per share).

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2021 is 3.86 years (March 31, 2020: 4.66 years). The range of exercise prices for options outstanding at the end of the year was ₹100 to ₹400 (March 31, 2020: ₹100 to ₹300).

c) Effect of employee share based payment plans on the statement of profit and loss and on its financial position.

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Total employee compensation cost pertaining to share option plans (including taxes)	6.42	8.63

WDL measures the cost of ESOP using the fair value method and recovers this amount from HRPL and this fair value is taken to equity.WDL has recovered ₹6.42 million (inclusive of taxes) (March 31, 2020 ₹8.63 million (inclusive of taxes)) from the Subsidiary company towards compensation cost pertaining to the share based payment. The ESOP cost is included in note 21 ""Employee Benefits Expense"".

d) The fair values are measured based on the Black-Scholes formula. Expected volatility, an input in this formula, is estimated by considering historic average share price volatility. The inputs used in the measurement of grant-date fair values are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Weighted average fair value (₹)	164.23	151.51
Dividend yield (%)	0%	0%
Expected volatility (%)	40.75%	54.49%
Risk-free interest rate (%)	5.85%	6.64%
Weighted average share price (₹)	346	238
Exercise Price (₹)	346	238
Expected life of options granted in years	5.64	5.76

e) Options granted but not eligible for exercise at end of the year is 107,000 (March 31, 2020: 144,375)

40 Going Concern

For the year ended March 31, 2021, the Group has incurred a net loss of ₹994.25 million, however, the Group has generated net cash from operating activities of ₹1,292.36 million. As on March 31, 2021 the Group had cash and cash equivalents of ₹108.70 million and investments of ₹1,984.40 million, however the borrowings of the Group was at ₹2,151.83 million. The Group has established an ongoing source of revenue through its various business models including delivery and take away to cover its operating costs and fund its working capital requirements. The management believes the current available funding will be sufficient to finance the Group's operations. The financial statements do not include any adjustments that might result from the outcome of these uncertainties.

41 COVID-19

The current financial year was a year of COVID-19 pandemic that bought economies, businesses and lives around the world to a standstill, and the Group was no exception. India witnessed high number of cases and strict restrictions during first half of the year with gradual release of restrictions in the second half of the year driven by drop in number of positive cases and increased awareness in people to take precautions. At the same time, starting January 2021, the Government launched its vaccination drive and gradually accelerated it across India which helped in positive consumer sentiment.

The Group witnessed softer revenues due to lockdown imposed during the first six months of the year during which period the restaurants were operated with limited capacity. With the unlocking of restrictions during the latter half of the year, all the Group's restaurants were re-opened and the Group's business had improved across western and southern regions of the country. The Group adopted adequate safety measures in re-opening of its restaurants, in compliance with the directives issued by the authorities for opening of and permitting dine-in in restaurants, in a phased manner. The Group's priorities have been to serve safe and hygienic food to its customers with focus on convenience and recovery of dine-in.

The Group believes that it is much better placed, both operationally and financially to navigate and handle the crisis resulting from the second wave of COVID-19 that started towards the end of the quarter ended March 31, 2021. Considering this unprecedented and ever evolving situation, the Group has considered the possible impact of COVID-19 pandemic in the preparation of these financial statements including the assessment of going concern and recoverability of assets. Given the uncertainties associated with the nature, condition and duration of COVID -19 pandemic, the impact assessment on the Group's financial statements will be continuously made and provided for as required.

42 The disclosures regarding details of specified bank notes held and transacted during the November 8, 2016 to December 30, 2016 has not been made in these consolidated financial statements since the requirement does not pertain to the financial year ended March 31, 2021.

43 The Group has evaluated subsequent events from the balance sheet date through May 13, 2021, the date at which the financial statements were available to be issued, and determined that there are no items to report.

44 Exceptional Items

The Group is in QSR business and inventory includes food items which are perishable in nature with a short shelf life. Based on the situation prevailing current situation of COVID-19 and continuous lock down at the end of March 31, 2020, the Group expected reduce demand and lower footfalls. Accordingly, the Group had created a provision of ₹166.31 million for food inventory and related onerous commitment in previous year. During the current year Group has written back ₹41.86 million as this provision is no longer required.

45 In view of the economic situation emanating from the outbreak of COVID 19 pandemic, the Group has undertaken an exercise of reviewing its restaurant network with the objective of network optimization and has closed 19 restaurants during the year ended March 31,2021. Pursuant to such closure, the Group has made a provision of ₹115.23 million for the year ended March 31,2021 towards carrying value of property plant and equipment located at the closed restaurants.

46 Disclosure on Ind-AS 116

Leases

Group as lessee

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

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

(₹ in millions)

Category of ROU asset	Buildings	Leasehold Land	Total
As at April 1, 2019	**7,226.66**	**7.62**	**7,234.28**
Additions	1,033.88	-	1,033.88
Termination	(28.38)	-	(28.38)
Depreciation expenses	(517.96)	(0.18)	(518.14)
As at March 31, 2020	**7,714.20**	**7.44**	**7,721.64**

(₹ in millions)

Category of ROU asset	Buildings	Leasehold Land	Total
As at April 1, 2020	**7,714.20**	**7.44**	**7,721.64**
Additions	260.70	-	260.70
Modification	(27.49)	-	(27.49)
Termination	(417.59)	-	(417.59)
Depreciation expenses	(528.65)	(0.17)	(528.82)
As at March 31, 2021	**7,001.17**	**7.27**	**7,008.44**

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

(₹ in millions)

Particulars	As at March 31, 2020
As at April 1, 2019	**6,997.36**
Additions	942.70
Termination	(29.12)
Accretion of interest	659.65
Payments**	(748.49)
As at March 31, 2020	**7,822.10**

** includes provision of lease rentals of ₹11.05 millions

(₹ in millions)

Particulars	As at March 31, 2021
As at April 1, 2020**	**7,924.70**
Additions	246.15
Modification other than rent concession	(27.49)
Rent Concession lease impact	(225.98)
Termination	(421.80)
Accretion of interest	675.71
Payments	(643.18)
As at March 31, 2021	**7,528.11**

** Inclusive of accrued lease liabilities of ₹102.60 million classified in trade payables as at March 31, 2020.

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

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Depreciation expense of right-of-use assets	528.82	518.14
Interest expense on lease liabilities	675.71	659.65
Expense relating to short-term leases (included in other expenses)	34.52	16.00
Expense relating to low value (included in other expenses)	9.78	22.51
Variable lease payments*	234.78	486.66
Gain on lease modification, concession and termination	240.37	-

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

iv) **The undiscounted maturity analysis of lease liabilities at March 31, 2021 and March 31, 2020 is as follows:**

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	779.39	811.04
One to five years	3,312.87	3,330.88
More than five years	11,362.82	12,220.31
Total	**15,455.08**	**16,362.23**

Group as lessor

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

Rental income on stores given on sub lease to third parties was ₹ 2.86 millions for the year ended March 31,2021 (March 31, 2020 ₹13.88 millions)

Impact of COVID-19

In response to Covid-19, MCA issued interpretative guidance that provides an option for entities to make a policy election for lease concessions as a result of Covid-19. The amount recognized in profit or loss for the reporting period to reflect changes in lease payments that arise from rent concessions to which the lessee has applied the practical expedient is ₹225.98 millions.

47 Disclosure required under Section 186 (4) of the Companies Act 2013

Included in loans and advances are certain loans the particulars of which are disclosed below as required under Section 186 (4) of the Companies Act, 2013.

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Sangdatta Lodge, interest free, due on August 20, 2021	11.41	19.28

The loan is provided for financing working capital requirements also refer note 4.

48 Additional information as required under Schedule III of the Companies Act 2013

(₹ in millions)

Name of the entity in the Group	Net assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Westlife Development Limited	12.85%	618.45	0.40%	(3.99)	0.00%	-	0.40%	(3.99)
Subsidiary								
Hardcastle Restaurants Private Limited	87.15%	4,193.86	99.60%	(990.22)	100.00%	2.07	99.60%	(988.15)

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

Shabbir Readymadewala
Partner
Membership No: 100060

Mumbai
May 13, 2021

For and on behalf of the Board of Directors of Westlife Development Limited
CIN: L65990MH1982PLC028593

Amit Jatia
Vice-Chairman and Chief Executive Officer

Smita Jatia
Director
DIN: 03165703

Pankaj Roongta
Chief Financial Officer

Dr. Shatadru Sengupta
Company Secretary
Membership No: F4583

Mumbai
May 13, 2021

ANNEXURE A

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

PART A - Subsidiaries

(₹ in millions)

1	Name of the subsidiary	Hardcastle Restaurants Private Limited
2	The date since when subsidiary was acquired	November 13, 2011
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	March 31, 2021
4	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Indian Rupees
5	Equity share capital	1,747.63
6	Other equity	2,446.23
7	Total assets	16,662.10
8	Total liabilities	12,468.24
9	Investments	1,890.43
10	Turnover	9,856.00
11	(Loss) before taxation	(1,283.33)
12	Provision for taxation	293.11
13	(Loss) for the year	(990.22)
14	Other comprehensive income for the year	2.07
15	Total comprehensive income for the year	(988.15)
16	Proposed dividend	-
17	Extent of shareholding (in percentage)	99%

Notes :

1 There are no subsidiaries which are yet to commence operations

2 There are no subsidiaries which have been liquidated or sold during the year

3 Turnover includes other operating revenue

PART B - Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

The Group does not have any investment in associates or joint ventures.

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

Shabbir Readymadewala
Partner
Membership No: 100060

Mumbai
May 13, 2021

For and on behalf of the Board of Directors of
Westlife Development Limited
CIN: L65990MH1982PLC028593

Amit Jatia
Vice-Chairman and
Chief Executive Officer

Smita Jatia
Director
DIN: 03165703

Pankaj Roongta
Chief Financial Officer

Dr. Shatadru Sengupta
Company Secretary
Membership No: F4583

Mumbai
May 13, 2021

INDEPENDENT AUDITORS' REPORT

To the Members of
Westlife Development Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Westlife Development Limited (hereinafter referred to as "the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment of investment in wholly owned subsidiary (Note 4 to the standalone financial statements)	
The Company on a standalone basis does not have any significant business operations. However, the Company's wholly owned subsidiary, Hardcastle Restaurants Private Limited (HRPL) operates the McDonald's chain of Quick Service Restaurant (QSR) stores in Western and Southern India. The carrying amount of the Company's investment in and amounts due from HRPL represents 97% and 1% (2020: 98% and 1%) of its total assets respectively. The recoverability of these amounts is not subject to a significant risk of misstatement or significant judgment. However, due to its significance in the context of the Company's financial statements, this is the area which had most significance in our audit of the financial statements of the Company.	Our audit procedures included the following: • Assessed the appropriateness of accounting policy for impairment of investment in subsidiary as per relevant Indian Accounting Standard. • Evaluated the design, implementation of key internal financial controls with respect to impairment. This included determination of recoverable value and checking the operating effectiveness of such controls. • Evaluated the Company's assessment for indicators of impairment of investment. In cases where such indicators existed tested the estimates and assumptions used in the impairment model by the Company to determine the recoverable amount. • We involved valuation professionals with specialized skills and knowledge to assess the assumptions used in the impairment model.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
    (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
    (e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
    (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2021.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Shabbir Readymadewala
Partner
Membership No: 100060
UDIN: 21100060AAAACD7773

Mumbai
May 13, 2021

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF WESTLIFE DEVELOPMENT LIMITED FOR THE YEAR ENDED 31 MARCH 2021

(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2021, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In our opinion and according to information and explanations given to us, no material discrepancies were identified on such physical verification.

(c) According to the information and explanations given to us, the Company does not hold any immovable properties. Accordingly, paragraph 3 (i) (c) of the Order is not applicable to the Company.

(ii) The Company does not hold any physical inventories. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has not advanced any loan, given any guarantee or provided any security for loan taken by others in respect of which provisions of Section 185 of the Act are applicable and hence not commented upon. The Company has complied with the applicable provisions of Section 186 of the Act.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits within the meaning of the directives issued by the Reserve Bank of India, provisions of Sections 73 to 76, any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the activities carried out by the Company. Accordingly, paragraph 3 (vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including income tax, goods and services tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of provident fund, employees' state insurance and duty of customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and services tax, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income-tax, goods and services tax and cess as at 31 March 2021, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company did not have any loans or borrowings from government or any financial institutions or banks or dues to debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.

(ix) During the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/ provided for managerial remuneration other than directors sitting fees during the year. Accordingly, paragraph 3 (xi) of the Order is not applicable to the Company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and Section 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards (Ind AS).

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

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

Shabbir Readymadewala
Partner
Membership No: 100060
UDIN: 21100060AAAACD7773

Mumbai
May 13, 2021

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF WESTLIFE DEVELOPMENT LIMITED FOR THE YEAR ENDED 31 MARCH 2021

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Westlife Development Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

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

Shabbir Readymadewala
Partner
Membership No: 100060
UDIN: 21100060AAAACD7773

Mumbai
May 13, 2021

BALANCE SHEET

as at March 31, 2021

(₹ in millions)

	Notes	As at March 31, 2021	As at March 31, 2020
I ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	2	13.61	2.32
(b) Receivables			
- Other receivables	3	53.28	56.16
(c) Investments	4	4,794.81	4,773.02
Total financial assets		**4,861.70**	**4,831.50**
(2) Non-financial Assets			
(a) Property, plant and equipment	5 (a)	-	-
(b) Other intangible assets	5 (b)	0.02	0.04
(c) Other non-financial assets	6	0.61	0.26
Total non financial assets		**0.63**	**0.30**
TOTAL ASSETS		**4,862.33**	**4,831.80**
II LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables			
(I) Trade payables	7		
(i) total outstanding dues of micro enterprises and small enterprises		-	0.03
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.50	0.47
Total non-financial liabilities		**0.50**	**0.50**
(2) Non-financial liabilities			
(a) Provisions	8	1.24	0.94
Total non financial assets		**1.24**	**0.94**
(3) EQUITY			
(a) Equity share capital	9	311.61	311.34
(b) Other equity	10	4,548.98	4,519.02
Total equity		**4,860.59**	**4,830.36**
TOTAL LIABILITIES AND EQUITY		**4,862.33**	**4,831.80**
Significant accounting policies	1.2		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

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

Shabbir Readymadewala
Partner
Membership No: 100060

Mumbai
May 13, 2021

For and on behalf of the Board of Directors of Westlife Development Limited
CIN: L65990MH1982PLC028593

Amit Jatia
Vice-Chairman and Chief Executive Officer

Smita Jatia
Director
DIN: 03165703

Pankaj Roongta
Chief Financial Officer

Dr. Shatadru Sengupta
Company Secretary
Membership No: F4583

Mumbai
May 13, 2021

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2021

(₹ in millions)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations			
Net gain on fair value changes	11	4.30	4.95
Total revenue from operations		**4.30**	**4.95**
Expenses			
Depreciation and amortisation	5	0.02	0.02
Other expenses	12	8.27	8.00
Total expenses		**8.29**	**8.02**
(Loss) before tax		**(3.99)**	**(3.07)**
Tax expense			
Current tax		-	-
Total tax expense		**-**	**-**
(Loss) for the year		**(3.99)**	**(3.07)**
Other comprehensive income		-	-
Total comprehensive income for the year		**(3.99)**	**(3.07)**
Earnings per share (in ₹) Basic and Diluted	15	(0.03)	(0.02)
(Face value ₹ 2 per share)			

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

As per our report of even date attached

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

Shabbir Readymadewala
Partner
Membership No: 100060

Mumbai
May 13, 2021

For and on behalf of the Board of Directors of Westlife Development Limited
CIN: L65990MH1982PLC028593

Amit Jatia
Vice-Chairman and Chief Executive Officer

Smita Jatia
Director
DIN: 03165703

Pankaj Roongta
Chief Financial Officer

Dr. Shatadru Sengupta
Company Secretary
Membership No: F4583

Mumbai
May 13, 2021

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2021

Equity share capital

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Balance as at April 1, 2020	15,56,68,665	311.34	15,56,03,600	311.21
Changes in equity share capital during 2020-21	1,34,200	0.27	65,065	0.13
Balance as at March 31, 2021	**15,58,02,865**	**311.61**	**15,56,68,665**	**311.34**

(b) Other equity

(₹ in millions)

Particulars	Reserves and Surplus					Total equity
	Capital Reserve	Employee Stock Option Outstanding	Securities Premium Reserve	General Reserve	Retained earnings	
Balance at the April 1, 2019	(2,519.61)	69.18	7,004.49	2.54	(51.44)	4,505.16
Loss for the year	-	-	-	-	(3.07)	(3.07)
Additions on ESOP's exercised	-	-	9.62	-	-	9.62
Employee stock options recognised at fair value	-	7.31	-	-	-	7.31
Transferred from employee stock option outstanding	-	-	15.17	-	-	15.17
Transferred to securities premium on account on exercise of stock options	-	(15.17)	-	-	-	(15.17)
Balance as at March 31, 2020	**(2,519.61)**	**61.32**	**7,029.28**	**2.54**	**(54.51)**	**4,519.02**
Loss for the year	-	-	-	-	(3.99)	(3.99)
Additions on ESOP's exercised	-	-	28.51	-	-	28.51
Employee stock options recognised at fair value	-	5.44	-	-	-	5.44
Transferred from employee stock option outstanding	-	-	22.61	-	-	22.61
Transferred to securities premium on account on exercise of stock options	-	(22.61)	-	-	-	(22.61)
Balance as at March 31, 2021	**(2,519.61)**	**44.15**	**7,080.40**	**2.54**	**(58.51)**	**4,548.98**

As per our report of even date attached

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

Shabbir Readymadewala
Partner
Membership No: 100060

Mumbai
May 13, 2021

For and on behalf of the Board of Directors of Westlife Development Limited
CIN: L65990MH1982PLC028593

Amit Jatia
Vice-Chairman and Chief Executive Officer

Smita Jatia
Director
DIN: 03165703

Pankaj Roongta
Chief Financial Officer

Dr. Shatadru Sengupta
Company Secretary
Membership No: F4583

Mumbai
May 13, 2021

CASH FLOW STATEMENT

for the year ended March 31, 2021

(₹ in millions)

		For the year ended March 31, 2021	For the year ended March 31, 2020
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	(Loss) before taxation	(3.99)	(3.07)
	Adjustments for :		
	Net gain on fair value changes	(4.30)	(4.95)
	Depreciation and amortisation expense	0.02	0.02
	Operating loss before working capital changes	**(8.27)**	**(8.00)**
	Adjustments for:	(45.92)	51.31
	Other receivables	8.32	3.87
	Non-financial assets	(0.35)	0.36
	Financial liabilities*	0.00	0.06
	Other non financial liabilities	0.30	0.89
	Cash (used in) operations* A	**(0.00)**	**(2.82)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of investments in mutual funds	(17.49)	(6.00)
	Net cash (used in) investing activities B	**(17.49)**	**(6.00)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of equity shares, including securities premium	28.78	9.75
	Net cash generated from financing activities C	**28.78**	**9.75**
	Net increase in cash and cash equivalents A+B+C	**11.29**	**0.93**
	Cash and cash equivalents at the beginning of the year	2.32	1.39
	Cash and cash equivalents at the end of the year	13.61	2.32
	Net increase in cash and cash equivalents	**11.29**	**0.93**
	Components of cash and cash equivalents		
	Cash on hand	0.04	0.04
	With banks - on current account	13.57	2.28
	Total cash and cash equivalents	**13.61**	**2.32**

*Denotes amount less than ₹ 5,000

Notes to statement of cash flows

1. Since the Company is an investment Company, purchase and sale of investments have been considered as part of 'Cash flows from investing activities'.
2. The above cash flow statement has been prepared under the "indirect method" as set out in 'Indian Accounting Standard (Ind AS) 7 – Statement of Cash Flows'.

As per our report of even date attached

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

Shabbir Readymadewala
Partner
Membership No: 100060

Mumbai
May 13, 2021

For and on behalf of the Board of Directors of Westlife Development Limited
CIN: L65990MH1982PLC028593

Amit Jatia
Vice-Chairman and Chief Executive Officer

Smita Jatia
Director
DIN: 03165703

Pankaj Roongta
Chief Financial Officer

Dr. Shatadru Sengupta
Company Secretary
Membership No: F4583

Mumbai
May 13, 2021

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2021

1 Company background

Westlife Development Limited is a public limited company having its registered office at Mumbai. The Company focuses on putting up and operating Quick Service Restaurants (QSR) in India through its wholly owned subsidiary Hardcastle Restaurants Private Limited.

1.1 Basis of preparation

A Statement of compliance

The Company has been classified as a Core Investment Company ('CIC'), pursuant to the resolutions passed by the Board of Directors on November 06, 2017 and February 05, 2018.

These standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act 2013, (the 'Act') and other relevant provisions of the Act, to the extent notified and applicable as well as applicable guidance notes and pronouncements of the Institute of Chartered Accountants of India (ICAI) and the guidelines issued by SEBI. The standalone financial statements have been presented in accordance with the format of standalone financial statements as provided in Division III of Schedule III of the Act in terms of Notification G.S.R 1022(E) dated October 11, 2018, issued by the Ministry of Corporate Affairs, Government of India, and as applicable to a Non-Banking Financial Company (NBFC) preparing standalone financial statements in compliance with the Rules.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone financial statements were approved and authorized for issue by the Company's Board of Directors on May 13, 2021.

B Functional and presentation currency

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

C Basis of measurement

The standalone financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of entering into the transaction.

D Use of estimates and judgements

The preparation of the standalone financial statements in conformity with Ind ASs, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosure of contingent liabilities on the date of balance sheet and reported amounts of revenue and expenses for the period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The Company uses following critical accounting estimates in preparation of its financial statements:

i) Useful lives of property, plant and equipment

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

1.1 Basis of preparation *(Continued)*

ii) Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

iii) Provisions and contingent liabilities

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

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

iv) Impairment of investment in subsidiary

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

1.2 Significant account policies

a Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and net of taxes or duties collected on behalf of the government.

Interest and Dividend Income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

b Property, plant and equipment

1 Tangible assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation on Property, plant and equipment is provided on straight line basis based on useful lives of the assets prescribed in Schedule II of the Companies Act, 2013.

2 Subsequent Expenditure

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

3 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

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

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

c Impairment of property, plant and equipment and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

d Foreign currency transactions

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions or an average rate if the average rate approximates the actual rate on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate on the date of the transaction. Exchange differences are recognised in the statement of profit or loss.

e Income taxes

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets- unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

f. Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to owner's of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

Diluted earnings per share amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduce earnings per share or increase loss per share are included.

g. Employee stock option cost

Equity-settled share-based payments to employees are recognized as an expense at the fair value of equity stock options at the grant date. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Employee stock compensation cost related to options granted to the employees of the Company's subsidiary is recovered from the subsidiary.

h Financial assets, financial liabilities and equity instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business as also in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment loss, if any.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

j Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

The cash flows from operating, investing and financing activities of the Company are segregated. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdraft and book overdraft as they are considered an integral part of the Company's cash management.

k Operating segments

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker for assessing the Company's performance and allocating the resources based on an analysis of various performance indicators by business segments and geographic segments.

2 Cash and bank balances

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents		
(a) Cash on hand	0.04	0.04
(b) Balances with banks in current accounts	13.57	2.28
Total	**13.61**	**2.32**

3 Other receivables

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Unsecured and considered good		
Employee stock option cost recoverable (refer note 17)	53.28	56.16
Total	**53.28**	**56.16**

4 Investments

(₹ in millions)

	As at March 31, 2021			As at March 31, 2020		
	At fair value through profit or loss	At cost	Total	At fair value through profit or loss	At cost	Total
Mutual funds	93.97	-	93.97	72.18	-	72.18
Equity shares						
Subsidiary	-	4,700.84	4,700.84	-	4,700.84	4,700.84
Others*	-	*	*	-	*	*
Total (A)	**93.97**	**4,700.84**	**4,794.81**	**72.18**	**4,700.84**	**4,773.02**
Aggregate amount of quoted instruments			93.97			72.18
Aggregate amount of unquoted instruments			4,700.84			4,700.84
Aggregate market value of quoted instruments			93.97			72.18

*Amount less than ₹5,000

(i) (Unquoted)

(₹ in millions)

	Face value per share ₹	As at March 31, 2021		As at March 31, 2020	
		Holding No. of shares	Amount	Holding No. of shares	Amount
Investment in equity instruments (fully paid-up)					
Investment in subsidiary					
Equity shares of Hardcastle Restaurants Private Limited	1,000	17,47,628	4,700.84	17,47,628	4,700.84
Investment in others					
Non trade investments (valued at cost)					
Equity shares in Hawcoplast Investments & Trading Limited*	10	1	*	1	*
Total equity instruments			**4,700.84**		**4,700.84**
Aggregate amount of unquoted instruments			4,700.84		4,700.84

(ii) Investments in mutual funds

(₹ in millions)

	As at March 31, 2021		As at March 31, 2020	
	No. of units	Amount	No. of units	Amount
Quoted				
HDFC money market fund - Direct plan - growth	17,101.71	76.51	17,101.71	72.18
SBI magnum medium duration fund	4,22,818.99	17.46	-	-
Total		**93.97**		**72.18**

5 Property, plant and equipment and intangible assets

(₹ in millions)

Description	Gross block			Depreciation and amortisation			Net block
	As at April 01, 2020	Additions	As at March 31, 2021	As at April 01, 2020	For the year	As at March 31, 2021	As at March 31, 2021
(a) Property, plant and equipment*							
Office equipments	-	-	-	-	-	-	-
Computers	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(b) Other intangible assets							
Computer software	0.08	-	0.08	0.04	0.02	0.06	0.02
Total	**0.08**	**-**	**0.08**	**0.04**	**0.02**	**0.06**	**0.02**

Description	Gross block			Depreciation and amortisation			Net block
	As at April 01, 2020	Additions	As at March 31, 2021	As at April 01, 2020	For the year	As at March 31, 2021	As at March 31, 2021
(a) Property, plant and equipment*							
Office equipments	-	-	-	-	-	-	-
Computers	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(b) Other intangible assets							
Computer software	0.08	-	0.08	0.02	0.02	0.04	0.04
Total	**0.08**	**-**	**0.08**	**0.02**	**0.02**	**0.04**	**0.04**

* The Company has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition, hence the net block carrying amount has been considered as the gross block carrying amount on that date. The Gross block was ₹ 0.09 million and Accumulated depreciation ₹ 0.09 million on the date of transition.

6 Other non-financial assets

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
(a) Balances with government authorities	0.59	0.17
(b) Prepaid expenses	0.02	0.09
Total	**0.61**	**0.26**

7 Trade payables

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Trade payables		
- Total outstanding dues to micro enterprises and small enterprises	-	0.03
- Total outstanding dues to creditors other than micro enterprises and small enterprises	0.50	0.47
Total	**0.50**	**0.50**

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

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
(a) Principal amount and interest due thereon remaining unpaid to any supplier as at the end of accounting year.		
- Principal	-	0.03*
- Interest	-	-
(b) Amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with amounts of payment made to supplier beyond the appointed day during accounting year.	-	-
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

*Based on confirmation / information available with the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2021

8 Other non-financial liabilities

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Statutory payables	1.24	0.94
Total	**1.24**	**0.94**

9 Equity share capital

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Authorised		
160,925,000 (March 31, 2020: 160,925,000) equity shares of ₹2 each	321.85	321.85
460,000 (March 31, 2020: 460,000) 8% cumulative redeemable preference shares of ₹10 each	4.60	4.60
	326.45	**326.45**
Issued, subscribed and fully paid up		
155,802,865 (March 31, 2020: 155,668,665) equity shares of ₹2 each, fully paid up	311.61	311.34
	311.61	**311.34**

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

(₹ in millions)

Ordinary share capital	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	15,56,68,665	311.34	15,56,03,600	311.21
Shares issued on exercise of employee stock options	1,34,200	0.27	65,065	0.13
Shares outstanding at the end of the year	15,58,02,865	311.61	15,56,68,665	311.34

ii) Rights, preferences and restrictions

Equity shares

The Company has only one class of Equity Shares having par value of ₹ 2 per share . Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference shares

The Company has only one class of Preference shares having par value of Rs 10 per share. These shares carry a right to cumulative dividend of 8% p.a. The shares are redeemable at any time within 20 years from the date of issue at the option of the Company by giving a 48 hour prior written notice to the holders at the specified redemption price.

iii) Information regarding aggregate number of equity shares issued during the five years immediately preceding the date of Balance Sheet:

The Company has not issued shares for consideration other than cash and has not bought back any shares during the past five years.

134,200 equity shares have been issued under Employee Stock Option Plans (March, 31 2020: 65,065) for which only exercise price has been received in cash (refer note 19)

No equity shares have been forfeited.

iv) Details of shares in the Company held by each shareholder holding more than 5% shares is as follows:

Equity Shares of ₹ 2 each fully paid up: (₹ in millions)

Name of the Shareholders	No. of ordinary shares held			
	As at March 31, 2021		As at March 31, 2020	
	No of shares held	% of shares held	No of shares held	% of shares held
Horizon Impex Private Limited	4,70,11,396	30.17%	4,72,85,325	30.38%
Subh Ashish Exim Private Limited	3,34,01,707	21.44%	3,32,33,707	21.35%
ICICI Prudential Life Insurance Company Limited	1,09,35,564	7.02%	-	-
SBI Equity Hybrid Fund	1,06,83,050	6.86%	1,09,72,593	7.05%
Arisaig Partners (Asia) Pte Ltd. A/c Arisaig India Fund Limited	-	-	77,91,724	5.01%
Rajiv Himatsingka	99,65,489	6.40%	1,06,13,085	6.82%

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

v) Shares reserved for issue under options

For details of shares reserved for issue under the Employee stock option plan of the Company, refer note 19.

10. Other equity

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
Summary		
(a) Capital reserve	(2,519.61)	(2,519.61)
(b) Securities premium reserve	7,080.40	7,029.28
(c) General reserve	2.54	2.54
(d) Employee Stock Options Outstanding	44.15	61.32
(e) Retained earnings	(58.50)	(54.51)
Total	**4,548.98**	**4,519.02**
(a) Capital reserve		
Opening balance	(2,519.61)	(2,519.61)
Closing balance	**(2,519.61)**	**(2,519.61)**
(b) Securities premium reserve		
Opening balance	7,029.28	7,004.49
Additions on ESOP's exercised	28.51	9.62
Transferred from Employee stock option outstanding	22.61	15.17
Closing balance	**7,080.40**	**7,029.28**
(c) General reserve		
Opening balance	2.54	2.54
Closing balance	**2.54**	**2.54**

(₹ in millions)

	As at March 31, 2021	As at March 31, 2020
(d) Employee Stock Options Outstanding		
Opening balance	61.32	69.18
Employee Stock Options recognised at fair value	5.44	7.31
Transferred to securities premium on account on exercise of stock options	(22.61)	(15.17)
Closing balance	**44.15**	**61.32**
(e) Retained earnings		
Opening balance	(54.51)	(51.44)
(Loss) for the year	(3.99)	(3.07)
Closing balance	**(58.50)**	**(54.51)**

Notes:

(a) Capital reserve

Capital reserve was created pursuant to the composite scheme of arrangement (amalgamation of WestPoint Leisureparks Private Limited, Triple A Foods Private Limited and demerger of Westlife Development Limited) under section 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Bombay.

The excess amount of the book value of investment under the composite scheme of arrangement over its cost of investment is treated as capital reserve.

(b) Securities premium reserve

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

(c) General reserve

The general reserve is a free reserve which is used from time to time to transfer profits from / to retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

(d) Employee Stock Options Outstanding

The Company has established equity-settled share-based payment plans for certain categories of employees of subsidiary Company. Refer to Note 19 for further details on these plans.

(e) Retained earnings

Retained earnings represent the profits that the Company has earned till date, less any transfers to general reserve. Retained Earnings is a free reserve.

(f) Share Application Money Pending Allotment

Share application money pending allotment represents application money received on account of Employee Stock Option Scheme. As on April 01, 2018, the Company had received Rs 100 each per share towards allotment of 500 equity share at exercise price of ₹ 100 each and was shown under Share application money pending allotment. The Company had made the allotment on May 10, 2018.

11 Net gain on fair value changes

(₹ in millions)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Net gain on financial instruments at fair value through profit or loss		
- Investments in mutual funds	4.30	4.95
Total	**4.30**	**4.95**
Unrealised	4.30	4.95
Total	**4.30**	**4.95**

12 Other expenses

(₹ in millions)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Payment to auditors (refer note below)	0.86	0.67
Legal and professional fees	1.39	1.39
Printing and stationery	-	0.32
Director's sitting fees	4.85	3.98
Listing and membership fees	0.53	0.53
Communication costs	0.19	0.13
Travelling expenses	0.03	0.34
Advertisement expenses	0.11	0.12
Insurance	0.10	0.10
Web designing and maintenance	0.07	0.07
Miscellaneous expenses	0.14	0.35
Total	**8.27**	**8.00**
Payment to auditors		
As auditor :		
Statutory audit fees	0.81	0.62
In other capacity		
other services (certification fees)	0.03	0.03
Reimbursement of expenses	0.02	0.03
Total	**0.86**	**0.68**

13 Fair value measurement

a Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

(₹ in millions)

Particulars	Amortised cost	Fair Value Through Profit or Loss	Total carrying value
Assets:			
Cash and cash equivalents	13.61	-	13.61
Investments *	-	93.97	93.97
Other receivables	53.28	-	53.28
Total	**66.89**	**93.97**	**160.86**
Liabilities:			
Trade payables	0.50	-	0.50
Total	**0.50**	**-**	**0.50**

The carrying value and fair value of financial instruments by categories as of March 31, 2020 were as follows:

(₹ in millions)

Particulars	Amortised cost	Fair Value Through Profit or Loss	Total carrying value
Assets:			
Cash and cash equivalents	2.32	-	2.32
Investments *	-	72.18	-
Other receivables	56.16	-	56.16
Total	**58.48**	**72.18**	**58.48**
Liabilities:			
Trade payables	0.47	-	0.47
Total	**0.47**	**-**	**0.47**

* Above investment is excluding investment in subsidiary

Carrying amounts of cash and cash equivalents, other receivables and trade payables as at March 31, 2021 and March 31, 2020 approximate the fair value.

b Fair value hierarchy

This section explains the judgement and estimates made in determining the fair values of the financial instruments that are

a) recognised and measured at fair value.

b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Indian accounting standard. An explanation of each level is mentioned below :

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

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

(₹ in millions)

Particulars	As at March 31, 2021	Fair value measurement at end of the reporting year		
		Level 1	Level 2	Level 3
Assets				
Investments in mutual funds	93.97	93.97	-	-

(₹ in millions)

Particulars	As at March 31, 2020	Fair value measurement at end of the reporting year		
		Level 1	Level 2	Level 3
Assets				
Investments in mutual funds	72.18	72.18	-	-

Measurement of fair values

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

Financial instruments measured at fair value

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

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2021 and March 31, 2020.

c Financial risk management

The Company has exposure to the following risks arising from financial instruments:

• Credit risk;

• Liquidity risk; and

• Market risk

Risk management framework

In the course of its business, the Company is exposed to a number of financial risks: credit risk, liquidity risk and market risk . This note presents the Company's objectives, policies and processes for managing its financial risk and capital. The key risks and mitigating actions are also placed before the Board of Directors of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company manages the risk through the finance department that ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

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

- protect the Company's financial investments, while maximising returns."

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i. Credit risk

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

The gross carrying amount of financial assets, net of any impairment losses recognised represents the maximum credit exposure.

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred such as a breach of contract.

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

The Company has other receivables (from subsidiary) amounting to ₹ 53.28 millions as at 31 March 2020 (31 March 2020 - ₹ 56.16 millions) (Refer Note 17). There are no significant amounts due by more than 180 days and not provided for. Management believes that other receivables being amounts receivable from its wholly owned subsidiary are fully collectible based on subsidiary's ability to generate independent cash flows. These amounts can be called for by the parent at short notice.

Credit risk on cash and cash equivalent (including bank balances and fixed deposits) is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. The movement in the allowance for impairment in respect of trade receivables is as follows:

B Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions.

Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity analysis based on their contractual maturities for all derivative and non derivative financial liabilities.

(₹ in millions)

As at March 31, 2021	Carrying Amount	Contractual cash flows			
		1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Trade payables	0.50	0.50	-	-	-
Total	**0.50**	**0.50**	**-**	**-**	**-**

(₹ in millions)

As at March 31, 2020	Carrying Amount	Contractual cash flows			
		1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Trade payables	0.50	0.50	-	-	-
Total	**0.50**	**0.50**	**-**	**-**	**-**

iii. **Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any currency exposure and all its assets and liabilities as also commitments are denominated in Indian rupees (functional currency). The currencies in which the transactions are denominated is Indian Rupees.

ii) Interest rate risk is the risk that the that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any financial instrument that is exposed to interest rate risk.

iii) Other price risk is the risk that that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's investment in mutual funds is exposed to pricing risk. Other financial instruments held by the company does not possess any risk associated with trading. An increase of 5 percent in Net Assets Value (NAV) of mutual funds would decrease the loss before tax by approximately Rs 4.70 million (March 31, 2019 - Rs 3.61 million). A similar percentage decrease would have resulted equivalent opposite impact.

14 Capital Management

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

The Company monitors capital using a ratio of 'net debt' to 'equity'. For this purpose, net debt is defined as total interest bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity. The Company do not have any debt as at March 31, 2020.

15 Earnings per share

(₹ in millions)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Loss attributable to equity shareholders (basic)	(3.99)	(3.07)
Weighted average number of ordinary shares (basic - in nos.)		
Number of equity shares as at 1 April 2020	15,56,68,665	15,56,03,600
Add: Weighted average effect of share options exercised	48,546	54,286
Weighted average number of equity shares outstanding at the end of the year	15,57,17,211	15,56,57,886
Basic earnings per share (in ₹)	(0.03)	(0.02)
Loss attributable to equity shareholders (diluted)	(3.99)	(3.07)
Weighted average number of ordinary shares (diluted - in nos.)		
Weighted average number of equity shares outstanding (basic)	15,56,68,665	15,56,03,600
Add: Effect of potential equity shares under stock options (refer note below)	-	-
Weighted average number of equity shares outstanding at the end of the year	15,56,68,665	15,56,03,600
Diluted earnings per share (in ₹)	(0.03)	(0.02)

Note:
At 31 March 2021, 406,530 options (31 March 2020: 522,480) were excluded from the diluted weighted average number of equity shares calculation because their effect would have been anti-dilutive.

16 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in millions)

	As at March 31, 2021			As at March 31, 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
(a) Cash and cash equivalents	13.61	-	13.61	2.32	-	2.32
(b) Receivables						
(i) Other receivables	-	53.28	53.28	-	56.16	56.16
(c) Investments	-	4,794.81	4,794.81	72.18	4,700.84	4,773.02
Total financial assets	**13.61**	**4,848.09**	**4,861.69**	**74.50**	**4,757.00**	**4,831.50**
Financial liabilities						
(a) Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	0.03	-	0.03
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.50	-	0.50	0.47	-	0.47
Total financial liabilities	**0.50**	**-**	**0.50**	**0.50**	**-**	**0.50**

17 Related party disclosures

	Category of related parties	Names of Parties
A	Where control exists-	
	Subsidiary Company	Hardcastle Restaurants Private Limited
B	Others with whom transactions have taken place during the year	
	Key Management Personnel (KMP)	Mr. Amit Jatia (Vice Chairman)
		Mr. Pankaj Roongta (Chief Financial Officer with effect from May 04, 2020)
		Dr. Shatadru Sengupta (Company Secretary)
	Relatives of KMP	Mr. Banwari Lal Jatia (Chairman)
		Mrs. Smita Jatia (Director)
		Mr. Achal Jatia (Director)

Transactions and balances with related parties during the year (₹ in millions)

		2020-21	2019-20
(A)	**Transaction with subsidiary**		
(i)	Recovery of employee stock option cost	6.42	8.63
(B)	**Transactions with KMP #**		
(i)	Director's sitting fees		
	Mr. Banwari Lal Jatia	0.15	0.13
	Mr. Amit Jatia	0.73	0.45
	Mrs. Smita Jatia	0.58	0.45
	Mr. Achal Jatia	0.15	0.15
(C)	**Outstanding balance included in other receivables**	53.28	56.16

There is no managerial remuneration paid to the directors, Company Secretary and Chief Financial Officer

All transactions with these related parties are on an arm's length basis.

18 Contingent Liabilities:

Contingent liabilities as at March 31, 2021 ₹ Nil (March 31, 2020 ₹ Nil)

19 Employee stock option plan

a) The Company provides share-based payment scheme to its certain eligible employees of the subsidiary Company. During the year ended March 31, 2021, an employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below.

On September 18, 2013, the board of directors approved the Equity Settled ESOP Scheme 2013 (Scheme 2013) for issue of stock options to the key employees and directors of the Company and its subsidiary company. According to the Scheme 2013, the employee selected by the Nomination and Remuneration Committee from time to time will be entitled to options, subject to satisfaction of the prescribed vesting conditions. The contractual life (comprising the vesting period and the exercise period) of options granted is 9 years. The other relevant terms of the grant are as below:

Vesting period	Graded vesting – 20% every year (granted upto 2013)
	Graded vesting – 25% every year (granted post 2013)
Exercise period	9 years

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

Vesting period	As at March 31, 2021		As at March 31, 2020	
	No of Options	Weighted average exercise price (₹)	No of Options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	5,22,480	211.83	6,07,045	206.43
Granted during the year	65,000	345.57	-	-
Forfeited during the year	46,750	230.48	19,500	245.92
Exercised during the year	1,34,200	214.47	65,065	147.81
Expired during the year	-	-	-	-
Outstanding at the end of the year	4,06,530	230.43	5,22,480	211.83
Exercisable at the end of the year	2,99,530	204.38	3,78,105	200.79

For options exercised during the year, the weighted average share price at the exercise date was ₹ 402.87 per share (March 31, 2020: Rs 392.98 per share).

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2021 is 3.86 years (March 31, 2020: 4.66 years). The range of exercise prices for options outstanding at the end of the year was ₹ 100 to ₹ 400 (March 31, 2020: Rs.100 to ₹ 300).

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

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2020
Total employee compensation cost pertaining to share option plans*	-	-

*During the year, the Company has recovered ₹ 6.42 million (inclusive of taxes) (March 31, 2020 ₹ 8.63 million (inclusive of taxes)) from its subsidiary towards compensation cost pertaining to the share based payment.

Particulars	As at March 31, 2021	As at March 31, 2020
Liability for employee stock options outstanding at year end	44.15	61.32

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102. The Company has granted all of its options to the employees of its subsidiary company and the related expenses are recovered from the subsidiary company.

Particulars	As at March 31, 2021	As at March 31, 2020
Amount recoverable for employee stock option plan inclusive of taxes	6.42	8.63

d) Options granted but not eligible for exercise at end of the year is 107,000 (March 31, 2020: 144,375)

e) The fair values are measured based on the Black-Scholes formula. Expected volatility, an input in this formula, is estimated by considering historic average share price volatility. The inputs used in the measurement of grant-date fair values are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Dividend yield (%)	0%	0%
Expected volatility (%)	40.75%	54.49%
Risk-free interest rate (%)	5.85%	6.64%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Particulars	As at March 31, 2021	As at March 31, 2020
Weighted average share price (Rs)	346	238
Exercise Price (Rs)	346	238
Expected life of options granted in years	5.64	5.76

20 Segment reporting

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

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

There is no revenue from external customers during the year ended 31 March 2021 (31 March 2020: Nil)

21 COVID-19

The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, receivables, advances, intangibles etc. as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information. Having reviewed the underlying data and based on current estimates, the Company does not expect any material impact on the carrying amount of these assets & liabilities. The impact of COVID-19 on the Company's standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions. The Company has also evaluated the impact of the same on the aforementioned risks i.e. credit risk, liquidity risk, market risk, currency risk and interest risk and does not foresee any material impact on account of the same.

22 Subsequent events

The Company has evaluated subsequent events from the balance sheet date through May 13, 2021, the date at which the financial statements were available to be issued, and determined that there are no items to report.

23 Specified bank notes

The disclosures regarding details of specified bank notes held and transacted during the 8 November 2016 to 30 December 2016 has not been made in these Standalone Financial Statements since the requirement does not pertain to the financial year ended 31 March 2021.

As per our report of even date attached

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

Shabbir Readymadewala
Partner
Membership No: 100060

Mumbai
May 13, 2021

For and on behalf of the Board of Directors of Westlife Development Limited
CIN: L65990MH1982PLC028593

Amit Jatia
Vice-Chairman and Chief Executive Officer

Smita Jatia
Director
DIN: 03165703

Pankaj Roongta
Chief Financial Officer

Dr. Shatadru Sengupta
Company Secretary
Membership No: F4583

Mumbai
May 13, 2021

NOTES

NOTES

A TRISYS PRODUCT
info@trisyscom.com

OUR JOURNEY TOGETHER.
FOR GOOD.

FOOD SOURCING PLANET PEOPLE COMMUNITY

Westlife Development Ltd.
1001, Tower-3, 10th Floor
Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Road,
Mumbai – 400013

T: +91 22 49135000 F: +91 22 49135001

www.westlife.co.in

westlife