

VIDLI RESTAURANTS LIMITED

Date: 13th July, 2018

To,
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001.

Scrip Code: 539659
Scrip ID: VIDLI

Dear Sir/Madam,

Sub: Disclosure pursuant to Regulation 30 read with Para A, Part A of Schedule – III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is to inform that the Company has completed the dispatch of the Annual Report for the financial year 2017-18 along with the notice of 11th Annual General Meeting of the Company scheduled to be held on Friday, 10th August, 2018 at 11.00 a.m. at T-24 Hotel, Church Road, Near Airport Road Marol Station, Vijay Nagar Colony, Andheri East, Mumbai – 400059, attendance slip and proxy form to the members on 12th July, 2018 through courier and to such members of the Company whose email addresses are registered with the Company/ depository participants on 12th July, 2018 through email.

A copy of the said Annual report is enclosed herewith.

Kindly take the same in your records.

Thanking You
For Vidli Restaurants Limited

Vibha D. Mehta

Vibha D. Mehta
Company Secretary
Membership No.: 40143
Encl: a/a



Vidli Restaurants Limited (Formerly known as Vidli Restaurants Private Limited)

Reg. Office: Office No. 501, 5th Floor, Jay Antariksh, Makwana Road, Marol, Andheri (East), Mumbai - 400059

T: +91-22-64649797 • W: www.kamatsindia.com • E: cs@kamatsindia.com

VIDLI RESTAURANTS LIMITED

11th Annual Report (FY 2017-18)

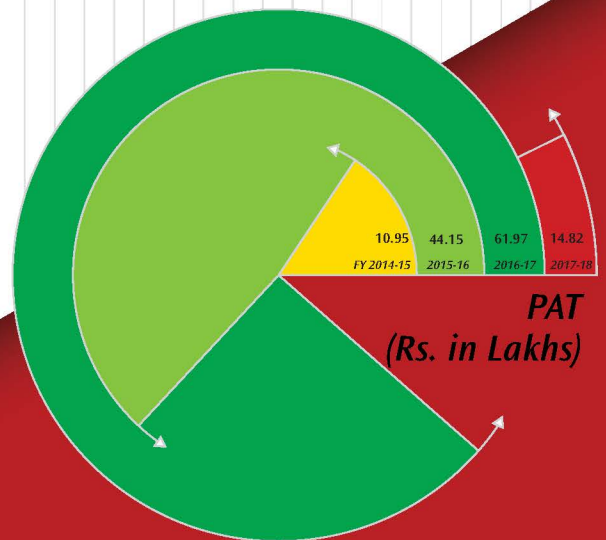
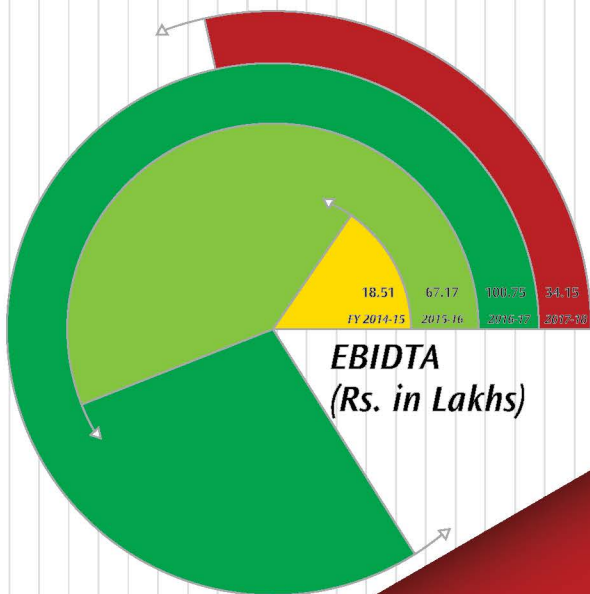
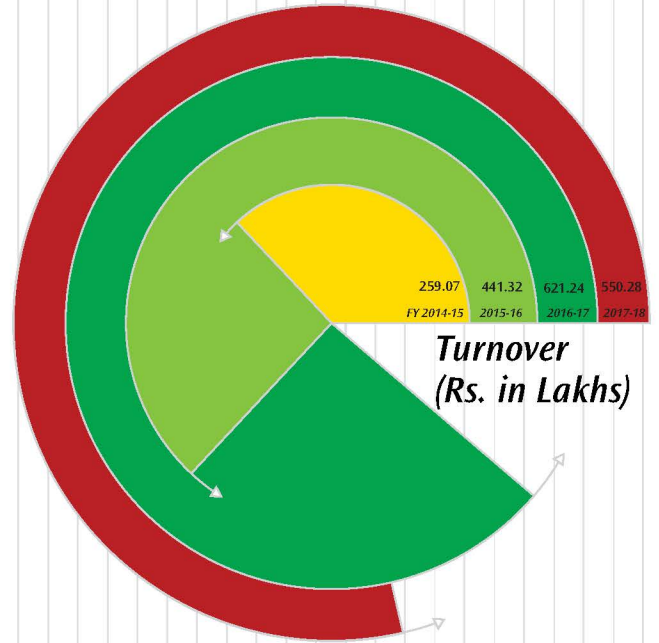
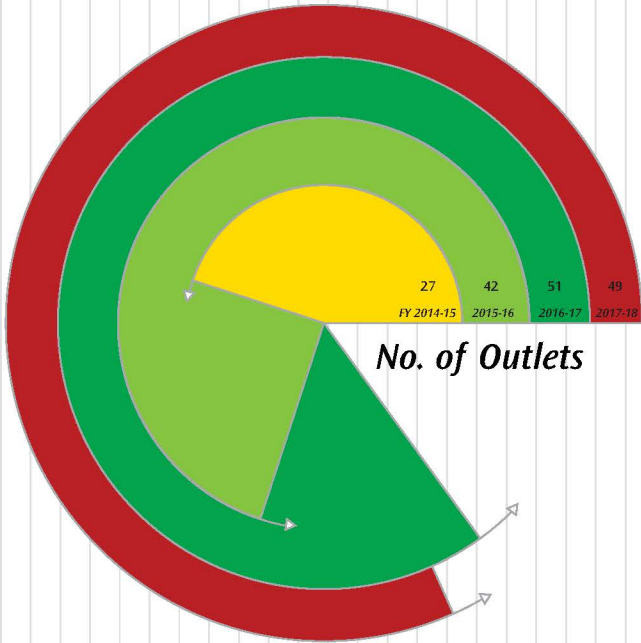


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VIDLI RESTAURANTS LIMITED

11th Annual Report (FY 2017-18)

Financial Highlights



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Board of Directors

Mr. Ramnath Pradeep – Chairman
 Ms. Vidhi V. Kamat – Managing Director
 Mr. Arun Jain – Director
 Mr. Kurian Chandy – Director
 (w.e.f. 5th May, 2017)

Company Secretary and Compliance Officer

Ms. Payal Barai
 (till 29th May, 2017)
 Ms. Vibha D. Mehta
 (w.e.f. 24th August, 2017)

Chief Financial Officer

Mr. Ravindra Shinde

Statutory Auditors

M/s. P. D. Saraf & Co.
 1103, Arcadia Building, 195,
 NCPA Marg, Nariman Point,
 Mumbai 400021.

Internal Auditors

M/s. VBG & Co.
 6, Shantilal Compound, Jawahar Nagar,
 Khar- (East), Mumbai 400 055.

Bankers

HDFC Bank
 YES Bank
 Kotak Mahindra Bank Limited
 IDBI Bank
 Bank of India

Registered Office

Office No. 501, 5th Floor, Jai Antariksh,
 Makwana Road, Marol, Andheri (East),
 Mumbai - 400059.
 (w.e.f. 15th September, 2017)
 Tel No.: 022 - 4970 8389
 Email : cs@kamatsindia.com
 Website : www.kamatsindia.com

Registrars and Share Transfer Agents

Bigshare Services Private Limited
 1st Floor, Bharat Tin Works Building,
 Opp. Vasant Oasis, Makwana Road,
 Marol, Andheri East, Mumbai - 400059.
 Tel No. +91-22-62638200
 Fax: +91-22-62638299
 Email: investor@bigshareonline.com
 Website: www.bigshareonline.com

NOTICE

Notice is hereby given that the 11th Annual General Meeting of the members of Vidli Restaurants Limited will be held on Friday, the 10th day of August, 2018 at T-24 Hotel, Church Road, Near Airport Road Metro Station, Vijay Nagar Colony, Andheri East, Mumbai 400059 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited financial statements of the Company for the year ended on 31st March, 2018 and Reports of the Board and the Auditors thereon.
- 2) To appoint a Director in place of Mr. Kurian Chandy (DIN: 00855226) who retires by rotation and being eligible offers himself for re-appointment.
- 3) To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Ordinary Resolution passed by the members at the 9th Annual General Meeting of the Company held on 25th June, 2016, the appointment of M/s. P. D. Saraf & Co., Chartered Accountants, Mumbai (Firm Registration No. 109241W), as Statutory Auditors of the Company to hold the office till the conclusion of the 14th Annual General Meeting to be held in the year 2021 be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix their remuneration in consultation with the Auditors.”

SPECIAL BUSINESS:

- 4) To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), the Companies (Meetings of Board and its Powers) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and any other applicable rules, regulations, laws, circulars, notifications and also pursuant to the approval of the Audit Committee and the Board of Directors of the Company vide resolutions passed at their respective meetings, the consent of the members of the Company be and is hereby accorded to the Related Party Transactions entered into by the Company as set out in the statement annexed to this notice.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps perform or execute or do such acts, deeds, matters and things including delegation of authority under this resolution to any Director or Officer as it may deem necessary or expedient for the purpose of giving effects to this Resolution.”

**By order of the Board of Directors
For Vidli Restaurants Limited**

**Place: Mumbai
Date: 12th May, 2018**

Registered Office:

Office No. 501, 5th Floor, Jai Antariksh,
Makwana Road, Marol, Andheri (East),
Mumbai - 400059

**Vibha D. Mehta
Company Secretary
Membership No: 40143**

NOTES:

- 1) (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (b) A person appointed as proxy shall act as a proxy on behalf of such member or number of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 2) The instrument appointing a proxy must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

Every member entitled to vote at a meeting of the Company or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the 11th Annual General Meeting and ending with the conclusion of the said Annual General Meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days of notice in writing of the intention so to inspect is given to the Company.

- 3) A Statement pursuant to Section 102 of the Companies Act, 2013 in relation to the special business of the meeting is annexed as Annexure I to the Notice.
- 4) Mr. Kurian Chandy, retires by rotation and being eligible offers himself for re-appointment. The details pertaining to the aforesaid director as required under Clause 1.2.5 of Secretarial Standards on General Meeting and Regulation 26(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is furnished in Annexure II to the Notice.
- 5) The route map and prominent landmark of the venue of the 11th Annual General Meeting as required under Clause 1.2.4 of the Secretarial Standards on the General Meeting is annexed herewith as Annexure III to the Notice.
- 6) The members or proxies are requested to bring with them the Annual Report, as extra copy of the same will not be supplied at the meeting as per usual practice.
- 7) The Shareholders are requested to notify changes, if any, in their address to their depository participants in respect of their holding in electronic form and to the Registrars and Share Transfer Agents of the Company, M/s. Bigshare Services Private Limited having office at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai, Maharashtra 400059, Tel No. +91-22-62638200 Fax: +91-22-62638299, Email: investor@bigshareonline.com Website: www.bigshareonline.com in respect of their holding in physical form.
- 8) The record date for the purpose of Annual General Meeting will be Friday 3rd August, 2018.
- 9) In view of various advantages, the members are requested to avail the facility of dematerialization of the Company's shares.
- 10) The members of the Company holding their shares in physical form or in dematerialized form, who have not registered their e-mail ID and Mobile number with the Company or Depository Participant, to receive documents like Notice, Annual Reports and alike correspondence through electronic mode are requested to send their e-mail IDs and Mobile number either to the Company's ID : cs@kamatsindia.com or Registrars and Share Transfer Agents email id: investor@bigshareonline.com or to Depository Participant.
- 11) Annual Report 2017-18 are being sent by electronic mode, only to those members who have registered their email addresses with the Company/ Depository Participant, unless any member has requested for a physical copy of the same. Annual Report 2017-18 are being sent by physical mode to those members who have not registered their email addresses with the Company/ Depository Participant. Members may please note that the Annual Report 2017-18 is available on the website of the Company viz. www.kamatsindia.com
- 12) The members are requested to handover the enclosed attendance slip duly signed as per their specimen signature(s) registered with the Company for admission to the meeting hall.
- 13) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Registrars and Share Transfer Agents, M/s. Bigshare Services Private Limited.
- 14) E-VOTING:
 - I) Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to announce that the Company is providing facility to the members to cast their votes on all the business mentioned in the Notice through electronic means. It may please be noted that the e-voting is optional.
 - II) For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating e- voting to enable the shareholders of the Company to cast their votes electronically.
 - III) The Board of Directors of the Company has appointed M/s. Pooja Sawarkar & Associates, Practicing Company Secretary, Mumbai, as scrutinizer to conduct and scrutinize the remote e-voting and voting at the 11th Annual General Meeting in a fair and transparent manner.
 - IV) The details of the process and manner for remote e-voting are explained herein below:
 - Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>
 - Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 108586 then user ID is 108586001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
 - i. If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - ii. If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the “initial password” or have forgotten your password:

- a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
- b) “Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, click on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" (E-Voting Event Number) 108586 of Vidli Restaurants Limited.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to cs@kamatsindia.com with a copy marked to evoting@nsdl.co.in
 2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- V) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
- VI) The remote e-voting period commences on Tuesday, 7th August, 2018 (9:00 AM) and closes on Thursday, 9th August, 2018 (5:00 PM). At the end of the remote e-voting period, the portal where votes are cast shall forthwith be blocked.
- VII) The Cut of date: 3rd August, 2018.

Persons who have become members of the Company after the date of dispatch of notice by the Company, may apply to NSDL for receiving their User ID and Password required for remote e-voting.

Persons whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting.

- VIII) M/s. Pooja Sawarkar & Associates, Practicing Company Secretary, Mumbai, the scrutinizer will unblock the votes in presence of at least two witnesses not in the employment of the Company and make a scrutinizer's report of the votes cast in favor or against, if any and submit the same to Mr. Ramnath Pradeep, Chairman of the Company on or before 12th August, 2018.
- IX) The results along with the scrutinizer's report shall be placed on the website of the Company immediately after the same is declared.
- X) Subject to receipt of sufficient votes, the resolution shall be deemed to be passed on the date of 11th Annual General Meeting.
- XI) Remote e-voting facility shall not be available beyond 9th August, 2018 (5:00 PM).
- XII) Company shall provide voting facility at the meeting by way of Polling Paper.
- The members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- The members who have already exercised their vote by way of remote e-voting shall be entitled to participate in the meeting but shall not be allowed to vote.
- XIII) Names of the members appearing in the Register of Members as on 3rd August, 2018 shall only be entitled to vote.
- XIV) Members are requested to address the grievance connected with facility for voting by electronic means to the Compliance officer of the Company. Email ID: cs@kamatsindia.com Tel No: 022 - 4970 8389.

XV) Public Notice under Rule 20(4)(V) of the Companies (Management and Administration) Rules, 2014 as amended, will be placed on the website of the Company.

XVI) Members holding shares, both physical and demat, are entitled to vote through remote e-voting.

**By order of the Board of Directors
For Vidli Restaurants Limited**

Place: Mumbai

Date: 12th May, 2018

Registered Office:

Office No. 501, 5th Floor, Jai Antariksh,
Makwana Road, Marol, Andheri (East),
Mumbai - 400059

**Vibha D. Mehta
Company Secretary
Membership No: 40143**

ANNEXURE I TO THE NOTICE

STATEMENT SETTING OUT THE MATERIAL FACTS AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4:

The Company has, inter alia, entered into following transactions over a period of time with Related Parties falling under preview of Section 188 of the Companies Act, 2013.

Sr. No.	Name(s) of Related Party & Nature of Relationship	Nature of Contract/ Arrangement/ Transactions	Material Terms	Duration of Contract/ Arrangement/ Transactions	Date of approval by Board / Committee
1	Dr. Vithal V. Kamat Nature of relationship: Relative of Ms. Vidhi V. Kamat, Managing Director of the Company.	Use of the Trade Mark	Use of registered copy rights/ marks/ trade mark/ logos viz: "VITHAL KAMATS" by the Company for consideration of royalty @ 1% of gross turnover.	15 years	12.10.2013, 30.01.2016
2	Kamats Holiday Resorts (Silvassa) Limited Nature of relationship: Mr. Vikram V. Kamat, Director of Kamats Holiday Resorts (Silvassa) Limited is relative (husband) of Ms. Vidhi V. Kamat, Managing Director of the Company.	Use of the Trade Mark	Use of the Trade Mark and the Copyright in the artwork of "KAMATS" by the Company for consideration of royalty equivalent to 0.75% of the total sales turnover.	15 years	24.10.2015
3	Conwy Hospitality Private Limited Nature of relationship: i) Common directorship and shareholding by Ms. Vidhi V. Kamat and ii) Mr. Vikram V. Kamat, Director of Conwy Hospitality Private Limited is relative (husband) of Ms. Vidhi V. Kamat, Managing Director of the Company.	Sale/ supply of goods or materials	Supply of food premix, ready to eat food products of the Company for consideration which will be up to 1% above the regular sale price of the products, as charged to Franchisees of the Company.	2 years	27.05.2017
4	Vitzen Hotels Limited Nature of relationship: i) Common directorship and shareholding by Ms. Vidhi V. Kamat and ii) Mr. Vikram V. Kamat, Whole-time Director of Vitzen Hotels Limited is relative (husband) of Ms. Vidhi V. Kamat, Managing Director of the Company.	Sale/ supply of goods or materials	Supply of food premix, ready to eat food products of the Company for consideration which will be up to 10% above the regular sale price of the products, as charged to Franchisees of the Company.	2 years	14.12.2017, 10.03.2018

The said Transactions with Related Parties (RPTs) had been duly approved by the Board and the Audit Committee at their respective meetings mentioned above as per the provisions of Section 188(1) and 177 of the Companies Act, 2013. No advances were received by the Company in any transaction before the approval of the Board and the Audit Committee.

None of the RPTs of the Company as mentioned above, presently, exceed the limits prescribed under Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and hence approval of members of the Company was earlier not required/ obtained.

However, the transaction values during the remaining tenure of the respective agreements with RPTs are likely to exceed the prescribed limits under Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, hence, your approval is sought under the first proviso of Section 188(1) of the Companies Act, 2013.

First proviso to Section 188(1) of the Companies Act, 2013, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, inter alia, prescribes that prior approval of the company by a resolution is required, where the transaction(s) to be entered into as contracts or arrangements with respect to sale, purchase or supply of any goods or materials is amounting to ten per cent or more of the turnover of the company or rupees one hundred crore, whichever is lower. The RPTs are contract/ arrangement for sale/ supply of goods or material or use of trademarks and values of such RPTs are likely to exceed lower of ten percent of the turnover of the company or rupees one hundred crore, and hence your approval is sought.

The Board is of the opinion that the aforesaid RPTs are in the best interests of the Company.

The Directors recommend the passing of the resolution set out in the accompanying Notice as an Ordinary Resolution.

All the agreements/ documents related to RPTs mentioned above are open for inspection of members on all working days, except Sundays and public holidays from 11 a.m. to 5 p.m. till 9th August, 2018 at the registered office of the Company.

Except for Ms. Vidhi V. Kamat, there is no concern or interest, financial or otherwise of any director, key managerial personnel of the Company or their relatives in the said resolution.

ANNEXURE II TO THE NOTICE

Details of the directors proposed to be appointed/ re-appointed as per point 1.2.5 of Secretarial Standards on General Meeting and Regulation 26(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name	Mr. Kurian Chandy
Age	53 years
Qualifications	B.com, Chartered Accountant from Institute of Chartered Accountant of India
Experience	Mr. Kurian Chandy has rich experience of 29 years in Strategic Planning, setting up and monitoring systems and processes, Financial Management, Corporate Accounting.
Terms and conditions of appointment including details of remuneration	<p>Mr. Kurian Chandy holds the office of Director in the category of Non-Executive Non-Independent Director with effect from 5th May, 2017.</p> <p>He will be entitled for remuneration as per the provisions of the Companies Act, 2013 and as may be decided by the Board of Directors and approved by the members of the Company from time to time.</p> <p>He will be liable to retire by rotation.</p> <p>Other terms and conditions are mentioned in the letter of appointment which is available for inspection by members on all working days except holidays from 11.00 a.m. to 5.00 p.m. till 9th August, 2018 at the registered office of the Company.</p>
Last drawn remuneration	No remuneration was drawn except for the sitting fees paid for attending the meetings of the Board and Committees of the Company.
Date of first appointment by the Board of Directors of the Company	5 th May, 2017
Shareholding in the Company	1,40,000 Equity Shares
Relationship with other directors and Key Managerial Personnel of the Company	None
Number of meetings attended during the financial year 2017-18	5 (five)
Other directorship, membership/ chairmanship of committees of other board	<p>Director in: NIL</p> <p>* Membership/ Chairmanship in committees:</p> <p>Chairman - NIL</p> <p>Membership -</p> <ol style="list-style-type: none"> 1. Audit Committee of Vidli Restaurants Limited 2. Stakeholder Relationship Committee of Vidli Restaurants Limited.
Justification for appointment of Director	The Company will benefit from the qualification, expertise and experience.

* For the purpose of disclosure of Membership/ Chairmanship only Audit Committee and Stakeholder Relationship Committee are considered.

ANNEXURE III TO THE NOTICE

ROUTE MAP AND PROMINENT LANDMARK OF THE VENUE OF THE ANNUAL GENERAL MEETING

ROUTE MAP:



LANDMARK : Near Airport Road Metro Station

BOARD'S REPORT

To,
The Members,
Vidli Restaurants Limited

Your Directors are pleased to present the 11th Annual Report together with the Audited Financial Statement of the Company for the year ended 31st March, 2018.

FINANCIAL SUMMARY

The financial summary for the year under review is as below:

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Total Income	5,50,27,947	6,21,23,919
Profit Before Interest, Depreciation & Taxation	34,15,819	1,00,74,824
Less: Interest and Finance Charges (net)	5,64,951	-
Less: Depreciation	14,22,459	6,00,843
Profit Before Tax	14,28,409	94,73,981
Less: Provision for current tax	2,02,000	31,79,077
Add: MAT Credit Entitlement	1,98,000	-
Add / (Less): Deferred tax	57,240	(97,537)
Profit After Tax	14,81,649	61,97,367
Less: Proposed Dividend / Interim Dividend including tax on dividend	-	26,18,022
Add / (Less) : Surplus Brought Forward from previous year	50,72,153	14,92,808
Transfer to reserves	NIL	NIL
Balance carried to Balance Sheet	65,53,802	50,72,153

STATE OF THE COMPANY'S AFFAIRS

During the year under review, your Company registered turnover of ₹4,91,47,462/- as compared to ₹5,60,65,557/- in the previous year. Further, the Company has earned profit before tax of ₹14,28,409/- as compared to ₹94,73,981/- in the previous year.

The Company's business is that of Hospitality. The core business of the Company is to grant franchises under the Trade Mark "Vithal Kamats"/ "Kamats" to restaurants for serving hygienic and standardized vegetarian food. The franchising of the restaurants is arranged under 3 (three) models i.e. family dining, food court and Vidli Vada! by Kamats (Kiosk). Your Company has developed a new concept of Vidli Vada! which is a kiosk model in malls, in which novel variety of vadas, idlis, exotic southern Indian items and quick bites are served. Selection of food gravies, sweets is also under process of being introduced for enhanced menu and dine-in experience.

In addition, the Company is exploring new models and brands to be developed to cater to the urban demand which has different requirement from the existing highway restaurants.

The Company has range of franchise outlets located majorly at National and State highways. As on March 31, 2018, there were 49 Franchise outlets in operations. In view of non implementation of the prescribed standards, low sales/ high expenditure, 8 franchise units of the Company were closed during the financial year ended March 31, 2018.

During the year under review, there has been no change in the nature of the business of the Company. Further, there were no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

RISK MANAGEMENT AND INTERNAL CONTROL

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner.

The Board of the Company at regular intervals monitors the financial, operational, legal risk to the Company. There is no risk, which in the opinion of the Board may threaten the existence of the Company.

The internal financial controls are adequate and are monitored at regular intervals.

DIVIDEND

In order to reserve the resources of the Company and for long term requirement of funds, the Board of Directors has not recommended any dividend for the financial year ended March 31, 2018.

SHIFTING OF REGISTERED OFFICE ADDRESS

To have better office facility, the registered office address of the Company was shifted from Office No. 704, 7th Floor, Jai Antariksh, Makwana Road, Marol, Andheri (East), Mumbai – 400059 to Office No. 501, 5th Floor, Jai Antariksh, Makwana Road, Marol, Andheri (East), Mumbai 400059 w.e.f. 15th September, 2017.

USE OF PROCEEDS

The entire proceeds from the issue of the Company vide prospectus dated 28th January, 2016 have been utilized for the objects of the issue as stated in the prospectus dated 28th January, 2016. There was no deviation or variation in the utilization of proceeds from the objects stated in the prospectus.

DEPOSITS

There was no deposit accepted by the Company within the meaning of Section 73 and 76 of the Companies Act, 2013 and Rules made there under at the beginning of the year. The Company has not invited or accepted deposit during the year and there was no deposit which remained unpaid or unclaimed at the end of the financial year March 31, 2018.

SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATE COMPANIES

As on 31st March, 2018, the Company did not have any subsidiaries/ joint ventures companies/ associate companies.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, Mr. Kurian Chandy was appointed as an Additional Director by the Board of Directors pursuant to Section 161 of the Companies Act, 2013 to hold the office of Non-Executive Non-Independent Director of the Company w.e.f. 5th May, 2017 until the date of 10th Annual General Meeting.

The appointment of Mr. Kurian Chandy as Non-Executive Non-Independent Director of the Company was regularized at the 10th Annual General Meeting of the Company held on Friday, 29th September, 2017 pursuant to the provisions of Section 152 and 161 of the Companies Act, 2013.

During the year, Ms. Payal Barai resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f. 29th May, 2017 and Ms. Vibha D. Mehta was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 24th August, 2017.

As per Section 152(6) of the Companies Act, 2013, Mr. Kurian Chandy retires by rotation and being eligible offers himself for re-appointment as the Director of the Company.

COMPOSITION OF BOARD AND STATUTORY COMMITTEES FORMED THEREOF

Board of Directors:

Sr. No	Name	Nature of Directorship
1	Mr. Ramnath Pradeep	Chairman and Independent Director
2	Ms. Vidhi V. Kamat	Managing Director
3	Mr. Arun Jain	Independent Director
4	Mr. Kurian Chandy (w.e.f. 5 th May, 2017)	Non-Executive Non-Independent Director

Audit Committee:

Sr. No	Name	Nature of Directorship
1	Mr. Ramnath Pradeep	Chairman
2	Mr. Kurian Chandy (w.e.f. 5 th May, 2017)	Member
3	Mr. Arun Jain	Member

Nomination and Remuneration Committee:

Sr. No	Name	Nature of Directorship
1	Mr. Arun Jain	Chairman
2	Mr. Ramnath Pardeep	Member
3	Mr. Kurian Chandy (w.e.f. 5 th May, 2017)	Member

Stake Holders Relationship Committee:

Sr. No	Name	Nature of Directorship
1	Mr. Arun Jain	Chairman
2	Mr. Kurian Chandy (w.e.f. 5 th May, 2017)	Member
3	Ms. Vidhi V. Kamat	Member

NUMBER OF MEETINGS OF THE BOARD

During the financial year 2017-18, 5 (five) meetings of the Board of Directors were held on 5th May, 2017, 27th May, 2017, 24th August, 2017, 13th November, 2017 and 10th March, 2018.

The details of attendance of Board Meetings by the directors are as under:

Dates of Board Meeting	Name of the Director			
	Mr. Ramnath Pradeep	Ms. Vidhi V. Kamat	Mr. Arun Jain	Mr. Kurian Chandy (w.e.f. 5 th May, 2017)
5 th May, 2017	Yes	Yes	Yes	Yes
27 th May, 2017	Yes	Yes	Yes	Yes
24 th August, 2017	Yes	Yes	Yes	Yes
13 th November, 2017	Yes	Yes	Yes	Yes
10 th March, 2018	Yes	Yes	Yes	Yes

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declaration from Mr. Arun Jain and Mr. Ramnath Pradeep, Independent Directors of the Company as required under Section 149(7) of the Companies Act, 2013 to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and that they will abide by the provisions specified in Schedule IV to the Companies Act, 2013. The Board has taken on record the declarations received from Mr. Arun Jain and Mr. Ramnath Pradeep.

EVALUATION

The formal evaluation of the Board as a whole, Independent and Non-Independent Director of the Company was done at the respective meetings of Independent Directors and Board of Directors each held on 10th March, 2018.

The performance of Non-Executive Independent Director was evaluated on the criteria like endeavor to understand the nature and role of Independent Director, rendering advice to management, providing recommendations professionally as per domain knowledge and experience, heading the Committees constituted by the Board, participation including attendance in Board Meetings/ Committee Meetings, maintenance of confidentiality of information of the Company obtained in capacity of Independent Director, initiative to maintain integrity, ethics and professional conduct, initiative to check conflict of interest and maintenance of independence.

The evaluation of Non-Independent Directors was done mainly on factors like participation and preparedness at Board/ Committee Meetings, time and efforts devoted, performance and behaviour, managing relationships with fellow Board members and senior management, knowledge of governance, regulatory, financial, fiduciary and ethical requirements, expression of views and acceptance of views of other Board Members, integrity, etc.

The evaluation of Board as a whole was done on factors like Board and Committee structure/ composition, diversity, frequency of meeting, dynamics and functioning of the Board, Board's role in Company's strategy and business plans at appropriate time, monitoring of policies, transparency and timeliness of the information provided, quality of discussion/ perusal on agenda item, interactions and communication with senior executives, financial reporting, risk management and mitigations, emphasis on corporate governance, initiatives taken to ensure regulatory compliance.

FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

The Company has conducted Familiarization Programme to acquaint the Independent Directors of the Company inter alia, about the nature of the industry in which the Company operates including the changes incurred during the financial year ended March 31, 2018, current business model of the Company, roles, rights, responsibilities of Independent Directors.

NOMINATION AND REMUNERATION POLICY

In terms of Section 178(3) of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has a Nomination and Remuneration Policy on Director's and Senior Management Employee's appointment and remuneration including criteria for determining their qualifications, positive attributes, independence and other prescribed matters in place. The said policy is annexed as Annexure 'A' to the Board's Report. The said policy is also posted on the website of the Company www.kamatsindia.com. Currently, no compensation is paid to the Non-Executive Directors of the Company except for the sitting fees as per provisions of the Companies Act, 2013.

COMMITTEE AND POLICY UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION PROHIBITION AND REDRESSAL) ACT, 2013

The Company has a duly constituted Internal Complaints Committee under and as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, no instance of complaint or report under the said Act was registered in any of the units including the head office of the Company.

VIGIL MECHANISM

The Company has established a Vigil Mechanism for directors and employees to report genuine concerns. The vigil mechanism provide for adequate safeguards against victimization of person who use Vigil Mechanism and also provide for direct access to the Chairman of the Audit Committee.

The details of Vigil Mechanism are displayed on the website of the Company www.kamatsindia.com

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Following are the particulars of loans, guarantees and investments under Section 186 of the Companies Act, 2013 of the Company:

(A) Loans provided:

(Amount in ₹)

Sr. No.	Name	Opening Balance	Amount of Loans Given During The Year	Amount Of Repayment	Closing Balance
1	Kamat Holiday Resorts (Silvassa) Limited	3,23,65,000	-	13,00,000	3,10,65,000

(B) Guarantees:

No Guarantees were given during the year under review.

(C) Investments made:

(Amount in ₹)

Nature of Investments	Opening Balance	Amount Invested during the year	Amount Redeemed	Closing Balance
Mutual Funds, Equity Shares, Bonds and Fixed Deposits with Banks	1,46,26,927	2,29,36,988	2,97,06,370	78,57,545

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY REFERRED TO IN SUB SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013

The particulars of contract or arrangement in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed to this Board Report as Annexure 'B'. The Company does not have any holding or subsidiary company. Hence, the disclosure under A of Schedule V read with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

PARTICULARS OF EMPLOYEES

There was no employee who was employed throughout the year or part thereof and in receipt of remuneration aggregating to ₹ 1,02,00,000/- p.a. or more or who was employed for part of the year and in receipt of remuneration aggregating to ₹ 8,50,000/- p.m. or more.

PARTICULARS AS PER RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The details related to employees and their remuneration as required under Section 197(12) and Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are mentioned in Annexure 'C' to this Board's Report.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 134 (5) of the Companies Act, 2013 the Directors hereby confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
2. That the selected accounting policies were applied consistently and the Directors 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 as at 31st March, 2018 and of the profit of the Company for the financial year ended on that date.
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities to the best of the Directors' knowledge and ability.
4. That the annual accounts have been prepared on a going concern basis.
5. That internal financial controls have been laid down, and are followed by the Company and the said internal financial controls are adequate and are operating effectively and;
6. That proper system have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

It is hereby declared that during the year 2017-18, the Company has complied with the Secretarial Standards as amended and applicable to the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A) Conservation of Energy

(i)	the steps taken or impact on conservation of energy;	The Company continued energy conservation efforts during the year. It has closely monitored power consumption and running hours on day-to-day basis, thus resulting in optimum utilization of energy.
(ii)	the steps taken by the company for utilizing alternate sources of energy;	NIL
(iii)	the capital investment on energy conservation equipment.	NIL

B) Technology Absorption

(i)	the efforts made towards technology absorption;	The activities of the Company at present do not involve technology absorption and research and development.
(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) - (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NIL
(iv)	the expenditure incurred on Research and Development.	NIL

C) Foreign Exchange Earning and Outgo

The Foreign Exchange earned in terms of actual inflows during the year;	NIL
The Foreign Exchange outgo during the year in terms of actual outflows.	₹ NIL (Previous year: ₹ 85,604/-)

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	Number of shareholders to whom shares were transferred from suspense account during the year	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year
NIL	NIL	NIL	NIL

Declaration that the voting rights on shares in the suspense account shall remain frozen till the rightful owner of such shares claims the shares – Not Applicable

EXTRACT OF THE ANNUAL RETURN

Extract of the Annual Return in Form MGT-9 as required under Section 134(3)(a) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is Annexed to this Board Report as Annexure 'D'.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as Annexure 'E' of this Board's Report.

STATUTORY AUDITOR

M/s. P. D. Saraf & Co., Chartered Accountants, Mumbai were appointed as the Statutory Auditors of the Company at the 9th Annual General Meeting for a period of five consecutive years. The appointment of Statutory Auditors is proposed to be ratified by the members. The Directors recommend the ratification of appointment of M/s. P. D. Saraf & Co. Chartered Accountants, Mumbai as the Statutory Auditors of the Company.

SECRETARIAL AUDITOR

M/s. Pooja Sawarkar and Associates, Practising Company Secretary, Mumbai was appointed as the Secretarial Auditor of the Company for the Financial Year 2017-18.

In terms of Section 204(1) of the Companies Act, 2013, a Secretarial Audit Report is annexed as Annexure 'F' of this Board's Report.

CORPORATE GOVERNANCE

The Company being listed on the Small and Medium Enterprise platform is exempted from provisions of Corporate Governance as per Regulation 15 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, no Corporate Governance Report is disclosed in this Annual Report. Although the Company follows major of the provisions of the Corporate Governance voluntarily.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135(1) and 135(5) of the Companies Act, 2013 regarding constitution of Corporate Social Responsibility (CSR) Committee and spending of at least 2% of average net profit are not applicable to the Company.

EMPLOYEE RELATIONS

The relations of the management with staff and workers remained cordial during the entire financial year.

ACKNOWLEDGEMENTS

The Directors place on record their appreciation for the sincere and whole hearted co-operation extended by all concerned, particularly Company's bankers, BSE Limited, the Government of Maharashtra, the Central Government, suppliers, clientele and the staff of the Company and look forward to their continued support. The Directors also thank the members for continuing their support and confidence in the Company and its management.

**On behalf of the Board of Directors
Vidli Restaurants Limited**

**Place: Mumbai
Date: 12th May, 2018**

**Ramnath Pradeep
Chairman and Independent Director
DIN: 02608230**

**Vidhi V. Kamat
Managing Director
DIN: 07038524**

ANNEXURE 'A' TO THE BOARD'S REPORT

NOMINATION AND REMUNERATION POLICY

Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated.

Objective and purpose of the Policy:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustain ability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee.

Effective Date:

This policy shall be effective from 1st January, 2016.

Definitions

- **Board** means Board of Directors of the Company.
- **Directors** mean Directors of the Company.
- **Committee** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- **Company** means Vidli Restaurants Limited.
- **Independent Director** means a director referred to in Section 149(6) of the Companies Act, 2013.
- **Key Managerial Personnel (KMP)** means-
 - (i) Executive Chairman and / or Managing Director;
 - (ii) Whole-time Director;
 - (iii) Chief Financial Officer;
 - (iv) Company Secretary;
 - (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
- **Senior Management** means personnel of the Company occupying the position of Chief Executive Officer (CEO), if any, of any unit / division or Vice President, if any, of any unit / division of the Company.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Applicability

The Policy is applicable to

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

General

This Policy is divided in three parts: Part – A covers the matters to be dealt with and recommended by the Committee to the Board, Part – B covers the appointment and nomination and Part – C covers remuneration and perquisites etc.

PART - A

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

PART - B

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term/Tenure:1. **Managing Director/Whole-time Director:**

- The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. **Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART - C**POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL****General:**

1. The remuneration/ compensation/ commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee based on the performance, experience and expertise and will be recommended to the Board for its approval. The remuneration/ compensation/ commission etc. shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage/ slabs/ conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made there under.
3. Increments to the existing remuneration / compensation structure, based on the performance may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
4. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Whole-time/ Executive/ Managing Director, KMP and Senior Management Personnel:1. **Fixed pay:**

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

3. Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration to Non- Executive/ Independent Director:

1. Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made there under.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

- X - X - X -

ANNEXURE 'B' TO THE BOARD'S REPORT**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 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 transactions under third proviso thereto

1.	Details of contracts or arrangements or transactions not at arm's length basis	NIL
a)	Name(s) of the related party and nature of relationship	-
b)	Nature of contracts / arrangements / transactions	-
c)	Duration of the contracts/arrangements /transactions	-
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions	-
f)	Date(s) 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 material contracts or arrangement or transactions at arm's length basis	1.	2.	3.	4.	5.	6.	7.	8.
a)	Name(s) of the related party and nature of relationship	<u>Name:</u> Dr. Vithal V. Kamat <u>Nature of relationship:</u> Relative of Ms. Vidhi V. Kamat, Managing Director of the Company.	<u>Name:</u> Kamat Holiday Resorts (Silvassa) Limited <u>Nature of relationship:</u> Mr. Vikram V. Kamat, Director of Kamat Holiday Resorts (Silvassa) Limited is relative (husband) of Ms. Vidhi V. Kamat, Managing Director of the Company.		<u>Name:</u> Vitizen Hotels Limited (Formerly known as Idlinow Eventure (India) Limited). <u>Nature of relationship:</u> i) common directorship and shareholding by Ms. Vidhi V. Kamat and ii) Mr. Vikram V. Kamat, Whole-time Director of Vitizen Hotels Limited is relative (husband) of Ms. Vidhi V. Kamat, Managing Director of the Company.		<u>Name:</u> Conwy Hospitality Private Limited (Formerly known as Conwy Finance and Leasing Private Limited <u>Nature of relationship:</u> i) Common directorship and shareholding by Ms. Vidhi V. Kamat and ii) Mr. Vikram V. Kamat, Director of Conwy Hospitality Private Limited is relative (husband) of Ms. Vidhi V. Kamat, Managing Director of the Company.		<u>Name:</u> Mr. Vikram V. Kamat <u>Nature of relationship:</u> Husband of Ms. Vidhi V. Kamat, Managing Director of the Company.
b)	Nature of contracts/ arrangements / transactions	Use of registered copy rights/ marks/ trade mark/ logos viz: "VITHAL KAMATS"	Loan Agreement	Use of the Trade Mark and the Copyright in the artwork of "KAMATS"	To Promote each other Company's Brand (Co-branding)	Supply of food premises ready to eat food products by the Company	Supply of food premises ready to eat food products by the Company	To Promote each other Company's Brand (Co-branding)	Purchase of Trademark "VIDLI"
c)	Duration of the contracts / arrangements / transactions	15 years	7 years	15 years	On Going	2 years	2 years	On Going	One Time
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Consideration is royalty of 1% of gross turnover	Provision of loan upto Rs. 10 Crores in tranche for an interest @10% per annum	Consideration is royalty equivalent to 0.75% of the total sales turnover	No consideration	Consideration will be up to 10% above the regular sale price of the products, as charged to Franchisees of the Company.	Consideration will be up to 1% above the regular sale price of the products, as charged to Franchisees of the Company.	No consideration	Consideration of a sum of ₹ 1/- (Rupee One only)
e)	Date(s) of approval by the Board, if any:	12 th October, 2013 and 30 th January, 2016	3 rd April, 2014	24 th October, 2015	24 th August, 2017	10 th March, 2018	27 th May, 2017	24 th August, 2017	24 th August, 2017
f)	Amount paid as advances, if any:	-	-	-	-	-	-	-	-

On behalf of the Board of Directors
Vidli Restaurants Limited

Ramnath Pradeep
Chairman and Independent Director
DIN: 02608230

Vidhi V. Kamat
Managing Director
DIN: 07038524

Place: Mumbai
Date: 12th May, 2018

ANNEXURE 'C' TO THE BOARD'S REPORT**DISCLOSURES REGARDING REMUNERATION REQUIRED UNDER SECTION 197(12)
OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- i. Ratio of the remuneration of each director to the median remuneration of the employees of the Company –

Managing Director	Ratio to median remuneration of the employees
Vidhi V. Kamat : median remuneration	1 : 0.92

- ii. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year –
There is no increase in remuneration of director, Chief Financial Officer and Company Secretary.
- iii. Percentage increase in the median remuneration of employees in the financial year –
47.62%. There was no increase in the salaries of any employees of the Company. The percentage increase in the median remuneration of employee is due to change in number of employees and consequently the median employee thereof.
- iv. Number of permanent employees on the rolls of company –
As on 31st March, 2018 there are total 37 employees on the pay roll of the Company out of which 3 are Key Managerial Personnel.
- v. 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 –
There was no increase in the salaries of any employees of the Company.
- vi. Key parameters for any variable component of remuneration availed by the directors –
There are no variable components in remuneration to the Directors.
- vii. Affirmation that the remuneration is as per the remuneration policy of the company –
Yes, Affirmed.

Details as per rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the top ten employees in terms of remuneration drawn.

Sr. No.	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
Name	Jatinkumar Jajal	Kketan Prabhudas Gohil	Harshad Sonavale	Raju Shamrawji Bawane	Asha Rajaram Gurav	Kishor Talekar	Subroto Hathi	Manoj Kumar Maurya	Yogesh Gothad	Nishikant Bamugade
Designation of the employee	General Manager - Operations	Sr. Manager- Logistic	DGM- Business Development	Corporate Chef	Asst. Manager - Accounts	Manager - Accounts and Finance	Corporate Chef	Assitant Manager - OTA	Asst. Manager Accounts	Business Development
Remuneration received / to be received p.a (In Rupees)	13,00,000	10,08,954	7,79,172	7,48,996	7,37,940	6,45,172	6,00,000	5,94,172	4,80,772	4,80,372
Nature of employment, whether contractual or otherwise	Permanent/ Full time	Permanent/ Full time	Permanent/ Full time	Permanent/ Full time	Permanent/ Full time	Permanent/ Full time	Permanent/ Full time	Permanent/ Full time	Permanent/ Full time	Permanent/ Full time
Qualifications and experience of the employee	Diploma in Hotel Management	Bcom+Diploma in Business Management	Bcom	Hotel Management	Bcom+ Computer Programmer	Mcom+Inter CA	Hotel & Tourism Management	MCA	Bcom + Chartered Financial Analysis	Bcom+Diploma in Hotel Management
Date of commencement of employment	05.03.2018	01.12.2016	19.03.2018	01.06.2017	01.03.2016	12.02.2018	03.07.2017	22.02.2018	23.11.2017	12.03.2018
The age of such employee	39yrs	48yrs	34yrs	44yrs	45yrs	45yrs	31yrs	31yrs	35yrs	33yrs
The last employment held by such employee before joining the company	Red Bricks Restaurants	Greenways Food & Beverages Pvt. Ltd.	Kgroup	Acres Club	Stay sharp Pvt. Ltd.	M/s Makwell Organics Pvt. Ltd.	Gritty Food Pvt. Ltd.	Blanket Hospitality Venture Pvt. Ltd.	JM Mehta Travel & Tour Co. Pvt. Ltd.	Golden Fast Food Pvt. Ltd.
The percentage of equity shares held by the employee in the company	00	0.07	00	0.02	0.05	00	00	00	00	00
Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	No									

ANNEXURE 'D' TO THE BOARD'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31 March, 2018
[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 DETAILS

i)	CIN	L55101MH2007PTC173446
ii)	Registration Date [DDMMYYYY]	24/08/2007
iii)	Name of the Company	Vidli Restaurants Limited
iv)	Category / Sub-Category of the Company	Public Limited Company
v)	Address of the Registered office and contact details	Registered office: Office No. 501, 5th Floor, Jai Antariksh, Makwana Road, Marol, Andheri East, Mumbai 400059. Email: cs@kamatsindia.com Ph: 022 4970 8389
vi)	Whether listed company	Yes / No
vii)	Name, Address and contact details of Registrar & Transfer Agents, if any	Bigshare Services Pvt Ltd 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059. Tel No. +91-22-62638200 Fax: +91-22-62638299 Email: investor@bigshareonline.com

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:-

S.No	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Restaurants and Mobile Foods Service activities	5610	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	-	-	-	-	-

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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	5,42,000	-	5,42,000	12.52	5,42,000	-	5,42,000	12.52	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	19,70,000	-	19,70,000	45.49	19,70,000	-	19,70,000	45.49	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	25,12,000	-	25,12,000	58.01	25,12,000	-	25,12,000	58.01	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	25,12,000	-	25,12,000	58.01	25,12,000	-	25,12,000	58.01	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	1,13,851	-	1,13,851	2.63	1,24,000	-	1,24,000	2.86	0.23
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital uptoRs. 1 lakh	3,15,000	9,000	3,24,000	7.48	2,93,000	4,000	2,97,000	6.86	(0.62)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	13,28,149	-	13,28,149	30.67	13,59,000	-	13,59,000	31.39	0.71
c) Others (specify)	-	-	-	-	-	-	-	-	-
Clearing Members	48,000	-	48,000	1.11	27,000	-	27,000	0.62	(0.48)
Non Resident Indians (NRI)	4,000	-	4,000	0.09	11,000	-	11,000	0.25	0.16
Sub-total (B)(2):-	18,09,000	9,000	18,18,000	41.99	18,14,000	4,000	18,18,000	41.99	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	18,09,000	9,000	18,18,000	41.99	18,14,000	4,000	18,18,000	41.99	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	43,21,000	9,000	43,30,000	100.00	43,26,000	4,000	43,30,000	100.00	-

ii) Shareholding of Promoter-

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	VITS Hotels Worldwide Private Limited	7,75,000	17.90	-	7,75,000	17.90	-	-
2	Conwy Hospitality Private Limited	11,95,000	27.60	-	11,95,000	27.60	-	-
3	Ms. Vidhi V. Kamat	5,42,000	12.52	-	5,42,000	12.52	-	-

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

Sr. No	Name of Promoter Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	VITS Hotels Worldwide Private Limited				
	At the beginning of the year	7,75,000	17.90		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year			7,75,000	17.90
2	Conwy Hospitality Private Limited				
	At the beginning of the year	11,95,000	27.60		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year			11,95,000	27.60

Sr. No	Name of Promoter Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	Ms. Vidhi V. Kamat				
	At the beginning of the year	5,42,000	12.52		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year			5,42,000	12.52

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

Sr. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Kurian Chandy				
	At the beginning of the year	1,40,000	3.23		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)			1,40,000	3.23
2	Ms. Tanvi Jignesh Mehta				
	At the beginning of the year	1,26,000	2.91		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): I) (1,000) Equity Shares by Market Sale (26/05/2017)			1,25,000	2.89
	At the end of the year (or on the date of separation, if separated during the year)			1,25,000	2.89
3	Mr. Nirbhay Mahawar				
	At the beginning of the year	1,04,000	2.40		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): i) 27,000 Equity Shares by Market Purchase (23/06/2017) ii) 2,000 Equity Shares by Market Purchase (30/06/2017)			1,31,000 1,33,000	3.03 3.07
	At the end of the year (or on the date of separation, if separated during the year)			1,33,000	3.07

Sr. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	Mr. Mahesh Kandoi				
	At the beginning of the year	78,000	1.80		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)			78,000	1.80
5	Mr. Amit Subhash Mehta				
	At the beginning of the year	76,000	1.76		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)			76,000	1.76
6	Kalpita Agencies Private Limited				
	At the beginning of the year	30,000	0.69		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): I) 28,000 Equity Shares by Market Purchase (12/05/2017) ii) 12,000 Equity Shares by Market Purchase (21/07/2017)			58,000 70,000	1.34 1.62
	At the end of the year (or on the date of separation, if separated during the year)			70,000	1.62
7	Mr. Vijit Ramavat				
	At the beginning of the year	42,000	0.97		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): I) 6,000 Equity Shares by Market Purchase (26/05/17) ii) 1,000 Equity Shares by Market Purchase (16/06/2017) iii) 14,000 Equity Shares by Market Purchase (23/06/2017)			48,000 49,000 63,000	1.11 1.13 1.46
	At the end of the year (or on the date of separation, if separated during the year)			63,000	1.46

Sr. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	Mr. Rahul Mahawar				
	At the beginning of the year	50,000	1.15		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): I) 4,000 Equity Shares by Market Purchase (19/05/17) ii) 2,000 Equity Shares by Market Purchase (26/05/17) iii) 5,000 Equity Shares by Market Purchase (09/06/17) iv) 2,000 Equity Shares by Market Purchase (23/06/17)			54,000 56,000 61,000 63,000	1.25 1.29 1.41 1.46
	At the end of the year (or on the date of separation, if separated during the year)			63,000	1.46
9	Mr. Mohit Ramgopal Agrawal				
	At the beginning of the year	34,000	0.79		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): i) 6172 Equity Shares by Market Purchase (23/06/2017) ii) 828 Equity Shares by Market Purchase (30/06/2017) iii) (41,000) Equity Shares by Market Sale (22/09/2017) iv) 47,000 Equity Shares by Market Purchase (23/03/2018)			40,172 41,000 0 47,000	0.93 0.95 0 1.09
	At the end of the year (or on the date of separation, if separated during the year)			47,000	1.09
10	Mr. Chandrakant Shetty				
	At the beginning of the year	40,000	0.92		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	—
	At the end of the year (or on the date of separation, if separated during the year)			40,000	0.92
11	Mr. Kaushik Daga				
	At the beginning of the year	40,000	0.92		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	—
	At the end of the year (or on the date of separation, if separated during the year)			40,000	0.92

Sr. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
12	Mr. Sushila Paraskumar Daga				
	At the beginning of the year	40,000	0.92		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	–	–	–	–
	At the end of the year (or on the date of separation, if separated during the year)			40,000	0.92
13	Mr. Vinodkumar Harakchand Daga				
	At the beginning of the year	40,000	0.92		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	–	–	–	–
	At the end of the year (or on the date of separation, if separated during the year)			40,000	0.92
14	Mr. Kanchan Pramodkumar Daga				
	At the beginning of the year	40,000	0.92		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	–	–	–	–
	At the end of the year (or on the date of separation, if separated during the year)			40,000	0.92

v) **Shareholding of Directors and Key Managerial Personnel:**

Sr. No	For each of the Director and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Ms. Vidhi V. Kamat				
	At the beginning of the year	5,42,000	12.52		
	Date wise Increase / Decrease during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	—
	At the end of the year			5,42,000	12.52
2	Mr. Kurian Chandy*				
	At the beginning of the year	1,40,000	3.23		
	Date wise Increase / Decrease during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	—	—	—	—
	At the end of the year			1,40,000	3.23
3	Ms. Payal Barai**				
	At the beginning of the year	—	—		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	—	—	—	—
	At the end of the year			—	—
4	Ms. Vibha D. Mehta***				
	At the beginning of the year	—	—		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	—	—	—	—
	At the end of the year			—	—
5	Mr. Ravindra Shinde				
	At the beginning of the year	2,000	0.05		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) (2,000) Equity Shares by Market Sale (12/05/2017)	—	—	2,000	0.05
	At the end of the year			—	—

Except for Ms. Vidhi V. Kamat and Mr. Kurian Chandy no other director holds shares in the Company.

* Appointed as a Non-Executive Non Independent Director on the Board of the Company w.e.f. 05th May, 2017.

** Resigned from the post of Company Secretary and Compliance officer of the Company w.e.f. 29th May, 2017.

*** Appointed as a Company Secretary and Compliance officer of the Company w.e.f. 24th August, 2017.

V) INDEBTEDNESS

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

	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	1,03,07,166	-	-	1,03,07,166
* Reduction	(21,52,886)	-	-	(21,52,886)
Net Change	81,54,280	-	-	81,54,280
Indebtedness at the end of the financial year				
i) Principal Amount	81,54,280	-	-	81,54,280
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	81,54,280	-	-	81,54,280

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Amount in ₹

S No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Ms. Vidhi V. Kamat	N.A	N.A	
1	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,60,000	-	-	3,60,000
	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 (Providend Fund)	14,112	-	-	14,112
6	Total (A) *	3,74,112	-	-	3,74,112
7	Ceiling as per the Act	50,917	-	-	50,917

*In view of inadequacy of profit during the year 2017-18, Ms. Vidhi V. Kamat is liable to refund the excess remuneration of ₹ 3,23,195/- paid to her unless refund of excess remuneration is waived by the Central Government as per existing Section 197(10) of the Companies Act, 2013 on application which may be made by the Company or the payment of excess remuneration is approved by Special Resolution passed by the members of the company within stipulated time as specified in amended Section 197(10) of Companies (Amendment) Act, 2017 which is to be notified.

B. Remuneration to the other Directors:

Amount in ₹

S No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Ramnath Pradeep	Mr. Arun Jain	Mr. Kurian Chandy	
1	Independent Directors				
	a) Fee for attending board committee meetings	45,000	42,500	-	87,500
	b) Commission	-	-	-	-
	c) Others, please specify	-	-	-	-
	Total (1)	45,000	42,500	-	87,500
2	Other Non-Executive Directors				
	a) Fee for attending board committee meetings	-	-	45,000	87,500
	b) Commission	-	-	-	-
	c) Others, please specify	-	-	-	-
	Total (2)	-	-	45,000	45,000
	Total (1) + (2)	45,000	42,500	45,000	1,32,500
	Total Managerial Remuneration	45,000	42,500	45,000	1,32,500
	Overall Ceiling as per the Act	N.A	N.A	N.A	N.A

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S No.	Particulars of Remuneration	Key Managerial Personnel				Total Amount
		CEO	CS Payal Barai*	CS Vibha D. Mehta**	CFO Ravindra Shinde	
1	Gross salary	N.A				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	43,935	2,01,812	2,56,908	5,02,655
	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	-	-	-	-	-
	1) Provident Fund	-	2,253	7,630	12,960	48,570
	2) Leave Encashment	-	25,727	-	-	-
	Total	-	71,915	2,09,442	2,69,868	5,51,225

* Resigned from the post of Company Secretary and Compliance officer of the Company w.e.f. 29th May, 2017.

** Appointed as a Company Secretary and Compliance officer of the Company w.e.f. 24th August, 2017.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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 'E' TO THE BOARD'S REPORT MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry structure, development and outlook

India has undergone major structural reforms which will benefit in a long run to various business sectors. Numerous initiatives of the Government of India and program including ease of doing business aims to boost various sectors. Apart from the increase in Foreign Direct Investments (FDI), number of foreign companies are also setting up their facilities in India on account of government initiatives. The 'Transform, Energise and Clean India', an agenda of government is to look forward to.

India is known for its rich diversity and food is embodied to be one of the core part of this diverse landscape. The Food and Beverage (F&B) industry is one of the largest sector in manufacturing. The Indian food processing sector received large amount of FDI due to the liberalised foreign direct investment policy. The demand in F&B segments are due to factors like affluence of working population with increase in disposable income, rising urbanization leading to changing lifestyles, changes in taste and preference of the consumers, demand for ready-to-eat meals during travel, innovative advertisements. Brands/ chains of both Indian and MNC brand are still less penetrated and there exists a large opportunity in this space to create a bigger restaurant chain. The F & B market was dominated by unorganised segment, although it may have been reduced to an extent.

The progressive measures and reforms by the government reflects the government's positive outlook, and a clear intent to develop the F&B industry.

Opportunities and Threats, Risks and concerns

Bold and exotic flavours, snacking, health and wellness are all at the forefront for consumer food preferences and the millenary generation is frequently driving those choice options with their adventurous palates. Coping up with shifting lifestyles and preferences has become essential for food and beverages companies.

Food delivery has evolved over a period of time. Demand for convenience is fueling continued growth in carry-out and home delivery. The biggest challenge for restaurant operators is creating menu items that travel well, has convenient packaging while also managing the margin impact and the potential cannibalization of their actual restaurant business.

E-commerce, technological advancement has played a pivotal role across various facets which has helped restaurant industry in various field. New range of web tools and mobile application has pushed the boundaries of convenience farther and have helped restaurant in increase in sales volume. In the digital age, the guests routinely share their experiences through social media, which can quickly have a negative or positive impact depending on the experience. Programs to monitor social media or keep a tap on them is essential to avoid any downfall.

Variation in raw material price, labour cost, competition, ever changing customer choice, food and fire safety, multiple approvals/ licenses are the concerns in restaurant industry. The major risks associated with franchisee model of the business are less control, misuse of brand, lack of experienced/ trained manpower and litigation cost for infringement of copy right/ trademark of the brand.

Risk assessment and risk mitigation is an important process of an organization. The Board of Directors periodically assesses various risk associated to the Company and wherever required, develop mechanism to mitigate the same.

Segment-wise or product-wise performance

The Company is presently operational in only one segment i.e. restaurants.

Internal control systems and their adequacy

Internal control system plays a vital role in detecting and preventing fraud and protecting the organization's resources; it can also be used to systematically improve business, particularly in regard to effectiveness and efficiency. The Company cognizes the significance of internal control system which leads to the consistency of financial reporting, compliances with the existing and changing laws, rules, regulations, policies of various regulatory authorities, periodic feedback on the accomplishment of operational and strategically performance.

Our Company has developed a set of rules, systems, policies and procedures to ensure the reliability of financial reports, the effectiveness of the operations and its activities, comply with applicable laws, rules, regulations and code of conduct. The Board of directors, management team and other connected personnel of the Company are integral part of the internal control system with numerous and regular changes there are challenges of ensuring upto date compliance at all levels which is ensuring.

The Company had appointed M/s. VBG & Co, Chartered Accountant firm to carry out the internal audit of the Company for the financial year 2017-18. The Audit Committee of the Company reviews the internal audit report submitted by the internal auditor and provides suggestion, if any. They also review Information Technology Controls, which relate to the IT systems of the organization.

Discussion on financial performance with respect to operational performance

The net worth of the Company is ₹ 4.98 Crores as compared to ₹ 4.83 Crores over previous year. The Secured loans are ₹ 81,54,280 as compared to nil in the previous year. The turnover of the Company was ₹4,91,47,462/- as compared to ₹ 5,60,65,557/- in the previous year. Further, the Company has earned profit before tax of ₹14,28,409/- as compared to ₹94,73,982/- in the previous year. The operational performance is illustrated in detail in the financial statement.

Material developments in Human Resources / Industrial Relations front, including number of people employed.

Human resource is the manpower who make up the workforce of an organization and is the most important and valuable asset of any organisation. Human resource plays a pivotal role in growth and success of the Company. The total number of employees of the Company as on 31st March, 2018 is 37. The performance of the human resource of the Company is largely driven by working condition and the work atmosphere. Your Company always ensures the best working condition and healthy environment to the people of the Company. The company has been paying special attention to improve the skill set of the employees through various training programs. Your Company has framed adequate human resource policy to retain the most efficient manpower for betterment of the Company. The performance driven culture has been created to ensure successful business results. We are focusing on large portion of training and development of people in addition to programmes like management to franchise owner.

We have also taken part in various skill India programmes.

Disclaimer: Statements mentioned in this report are forward looking statements and based on certain assumptions and expectations of future events which are out of control of the Company and the actual results can differ materially from those reflected herein. The Company assumes no responsibility to publicly amend, modify or revise any statement on basis of any development, information, event.

**ANNEXURE 'F' TO THE BOARD'S REPORT
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,
The Members,
Vidli Restaurants Limited
Office No. 501, 5th Floor, Jai Antariksh,
Makwana Road, Marol,
Andheri (East), Mumbai - 400059.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by Vidli Restaurants 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, 2018 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, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under as amended from time to time;
- (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; - **Not Applicable**
- (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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **Not Applicable**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable**
 - (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** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable**
- (vi) Laws applicable specifically to the Company as per its business activity:
 - 1) The Food Safety and Standards Act, 2006 and Rules made there under;
 - 2) The Environment (Protection) Act, 1986;
 - 3) The Bombay Shops & Establishments Act, 1948 and the Maharashtra Shop and Establishment Act, 1948;
 - 4) The Mumbai Municipal Corporation Act, 1888;
 - 5) Maharashtra Fire Prevention and Life Safety Measures Act, 2006;
 - 6) Standard of Weights and Measures Act 1976;
 - 7) The Minimum Wages Act, 1948;
 - 8) The Child Labour (Prohibition and Regulation) Act, 1986;
 - 9) The Trade Marks Act, 1999 and the Rules made there under;
 - 10) Copy Right Acts, 1957;
 - 11) Bombay Electricity Duty Act, 1958;
 - 12) The Employees Provident Fund & Miscellaneous Provisions Act, 1952;
 - 13) Payment of Gratuity Act, 1972;
 - 14) The Payment of Bonus Act, 1965;
 - 15) The Central Sales Tax Act, 1956 & other applicable state Sales Tax Acts;
 - 16) The State Goods and Service Tax, 2017 and the amendments made there under, if any
 - 17) The Professional Tax Act, 1975;
 - 18) The Income Tax Act, 1961;
 - 19) The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

I further report that during the audit period the company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above.

**For M/s. Pooja Sawarkar & Associates
Company Secretary**

**Pooja Sawarkar
Proprietor**

**Membership No: ACS 25741
COP: 15085**

Place: Mumbai

Date: 12th May, 2018

Note: This report is to be read with our letter of even date that is annexed as Annexure I and forms an integral part of this report.

'Annexure I' to Secretarial Audit Report

To,
The Members,
Vidli Restaurants Limited
Office No. 501, 5th Floor, Jai Antariksh,
Makwana Road, Marol,
Andheri (East), Mumbai - 400059.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report 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.

**For M/s. Pooja Sawarkar & Associates
Company Secretary**

**Pooja Sawarkar
Proprietor**

**Membership No: ACS 25741
COP: 15085**

Place: Mumbai

Date: 12th May, 2018

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF VIDLI RESTAURANTS LIMITED****Report on the Financial Statements:**

We have audited the accompanying standalone financial statements of **VIDLI RESTAURANTS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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 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 31st March, 2018, and its profit and its Cash Flow for the year ended on that date.

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 sub-section (11) of section 143 of the Companies Act, 2013, 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. 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 Balance Sheet, the Statement of Profit and Loss and the Cash Flow 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”.
- g) With respect to the other matters to be included in the Auditor's 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For P.D.Saraf & Co.
Chartered Accountants
Firm's Registration No.109241W

Place: Mumbai
Date: 12th May, 2018

Madhusudan Saraf
Partner
Membership No. 41747

“ANNEXURE A” TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

- (i) In respect of the Company's fixed assets
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets installed at its various units.
 - b) According to the information and explanations given to us, some of the fixed assets have been physically verified during the year by the management in accordance with a phased programme of verification, which in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. No material discrepancies were noticed on such verification.
 - c) According to the information and explanations given by the management, the title deeds of immoveable properties included in fixed assets, are held in the name of the Company.
- (ii) In respect of its Inventories
 - a) As explained to us, physical verification of inventories has been conducted by the management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) On the basis of our examination of the Inventory records of the company, we are of the opinion that the company is maintaining proper records of its inventories. Discrepancies, which were noticed on physical verification of inventory as compared to book records, were not material and have been properly dealt with in the books of accounts.
- (iii) In respect of the loans, secured or unsecured granted to companies, firms, Limited Liability Partnership or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. The company has granted an unsecured loan of ₹3,10,65,000/- (maximum balance ₹3,23,65,000/-) to one of the companies in which director is interested viz, Kamat Holiday Resorts (Silvassa) Limited.
 - a) In our opinion and according to the information and explanations given to us, the terms and conditions of such loans are not prejudicial to the companies' interest.
 - b) The above loan is not due for refund during the year and accordingly our comments on the regularity of receipt of principal amount of the said loan are not given. Interest on the said loan is charged and is not due for recovery during the year and accordingly our comments on the regularity of receipt of interest of the said loan are not given.
 - c) There was no overdue amount in respect of principal amount and interest.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) The company has not accepted deposits from the public, within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Hence, the clause (v) of the Order is not applicable to the company.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the central government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for any services rendered by the Company.
- (vii) (a) The company has *generally* been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
(b) According to the information and explanations given to us and on the basis of our examination of the documents and records, there are no cases of non deposit with appropriate authorities of disputed dues of income tax, sales-tax, , service tax, customs duty, excise duty, value added tax, cess.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank or government. The Company has not issued any debentures and hence default or otherwise on payments to debenture holders is not applicable.

- (ix) According to the information and explanations given to us, the money raised by way of Initial Public offer amounting to ₹ 1,31,00,000/- during the Year Ended 31st March 2016, The entire amount of ₹ 1,31,00,000/- was applied for the purpose for which the same was raised.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) Based upon the audit procedures performed and the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable.
- (xv) Based upon the audit procedures performed and the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable.
- (xvi) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the order are not applicable to the company.

For P.D.Saraf & Co.
Chartered Accountants
Firm's Registration No.109241W

Place: Mumbai
Date: 12th May, 2018

Madhusudan Saraf
Partner
Membership No. 41747

**“ANNEXURE B” TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE
STANDALONE FINANCIAL STATEMENTS OF VIDLI RESTAURANTS LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Vidli Restaurants Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and on the basis of the internal audit report given by the internal auditors, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting 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.

For P.D.Saraf & Co.
Chartered Accountants
Firm's Registration No.109241W

Place: Mumbai
Date: 12th May, 2018

Madhusudan Saraf
Partner
Membership No. 41747

BALANCE SHEET AS AT 31ST MARCH, 2018

PARTICULARS	NOTE	Amount in ₹	
		AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<u>EQUITY AND LIABILITIES:</u>			
Shareholders' Funds:			
(a) Share Capital	3	4,33,00,000	4,33,00,000
(b) Reserves and Surplus	4	65,53,802	50,72,153
		4,98,53,802	4,83,72,153
Non-Current Liabilities:			
(a) Long Term Borrowings	5	78,72,959	-
(b) Deferred Tax Liabilities (Net)	6	1,00,934	1,57,679
(c) Other Long Term Liabilities	7	1,98,00,934	1,93,61,083
(d) Long Term Provisions	8	4,71,660	29,82,857
		2,82,45,992	2,25,01,619
Current Liabilities:			
(a) Trade Payables	9	41,71,273	61,29,618
(b) Other Current Liabilities	10	49,41,239	51,40,484
(c) Short Term Provisions	11	21,497	26,60,593
		91,34,009	1,39,30,695
Total		8,72,33,803	8,48,04,467
<u>ASSETS:</u>			
Non-Current Assets:			
(a) Fixed Assets:			
(i) Tangible Assets	12	2,59,56,781	83,54,006
(ii) Intangible Assets	12	12,52,037	5,39,651
		2,72,08,818	88,93,657
(iii) Capital Work in Progress	12	-	1,12,662
		2,72,08,818	90,06,319
(b) Non-Current Investments	13	10,00,000	30,00,000
(c) Other Non-Current Assets	14	3,95,35,596	4,32,39,179
		6,77,44,414	5,52,45,498
Current Assets:			
(a) Current Investments	15	49,72,545	1,15,41,927
(b) Inventories	16	17,12,544	29,19,349
(c) Trade Receivables	17	30,83,296	25,47,085
(d) Cash and Bank Balances	18	44,62,373	62,84,208
(e) Other Current Assets	19	52,58,631	62,66,400
		1,94,89,389	2,95,58,969
Total		8,72,33,803	8,48,04,467

SIGNIFICANT ACCOUNTING POLICIES

2

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

1 to 34

As per our report of even date

For P.D. Saraf & Co.

Chartered Accountants

Firm's Registration Number: 109241W

Madhusudan Saraf

Partner

Membership Number: 41747

Mumbai: 12th May, 2018

For and on behalf of Board of Directors

Vidli Restaurants Limited

Ramnath Pradeep

DIN: 02608230

Chairman and Independent Director

Vidhi V. Kamat

DIN: 07038524

Managing Director

Ravindra Shinde

Chief Financial Officer

Vibha D. Mehta

Company Secretary
Membership Number: 40143

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

PARTICULARS	NOTE	Amount in ₹	
		YEAR ENDED	
		31ST MARCH, 2018	31ST MARCH, 2017
INCOME:			
Revenue from Operations	20	4,91,47,462	5,60,65,557
Other Income	21	58,80,485	60,58,362
Total Revenue		5,50,27,947	6,21,23,919
EXPENSES:			
Cost of Traded Goods	22	1,37,03,970	1,19,30,268
Cost of Food and Beverages Consumed	23	27,07,300	23,06,243
Employee Benefits Expense	24	1,24,90,783	1,20,54,043
Other Expenses	25	2,27,10,075	2,57,58,541
Finance Cost	26	5,64,951	-
Depreciation and Amortisation Expenses	12	14,22,459	6,00,843
Total Expenses		5,35,99,538	5,26,49,938
Profit / (Loss) Before Tax		14,28,409	94,73,981
Tax Expense:			
Prior Period Adjustment- Income Tax		-	19,077
Current Tax		2,02,000	31,60,000
Deferred Tax		(57,240)	97,537
		1,44,760	32,76,614
(Less) Mat Credit Entitlement		(1,98,000)	-
Total Tax Expense (Credit)		(53,240)	32,76,614
Profit for the year		14,81,649	61,97,367
Earning Per Equity Share of face value of ₹10/- each:			
Basic and Diluted (in Rupees)	28	0.34	1.43

SIGNIFICANT ACCOUNTING POLICIES

2

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

1 to 34

As per our report of even date

For P.D. Saraf & Co.
Chartered Accountants
Firm's Registration Number: 109241W

Madhusudan Saraf
Partner
Membership Number: 41747

Mumbai: 12th May, 2018

For and on behalf of Board of Directors
Vidli Restaurants Limited

Ramnath Pradeep
DIN: 02608230
Chairman and Independent Director

Vidhi V. Kamat
DIN: 07038524
Managing Director

Ravindra Shinde
Chief Financial Officer

Vibha D. Mehta
Company Secretary
Membership Number: 40143

CASH FLOW STATEMENT

Amount in ₹

PARTICULARS	YEAR ENDED	
	31st March 2018	31st March 2017
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit / (loss) before tax	14,28,409	94,73,982
Adjustment for:		
Depreciation	14,22,459	6,00,843
Profit on Sale of Investments	(13,70,722)	(19,16,653)
Profit/(Loss) on Discard/Sale of Fixed Assets	(62,255)	(14,665)
Liabilities and Provisions written Back	(2,58,685)	(39,518)
Provision for Employee Benefits	75,932	5,17,070
Provision for Doubtful Debtors (Including Bad Debts written off)	6,12,515	11,59,116
Preliminary Expenses Written Off	-	1,720
Amortisation of Share Issue Expenses	9,71,000	9,71,000
Interest income	(34,27,722)	(35,22,112)
Dividend income	(3,16,642)	(9,097)
Interest Expense	5,64,951	-
Operating profit / (loss) before working capital changes	(3,60,760)	72,21,687
Trade and other receivables	19,84,633	(43,90,024)
Inventories	12,06,805	(26,06,881)
Trade Payables	(17,17,739)	(1,56,30,726)
Cash inflow / (outflow) generated from operations	11,12,939	(1,54,05,944)
Direct taxes paid (Net of refunds)	(32,23,568)	(12,06,269)
Net cash inflow / (outflow) from operating activities	(21,10,629)	(1,66,12,213)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(2,00,96,820)	(72,73,345)
Sale Proceeds of Fixed Assets	5,34,118	2,29,694
Sale of Non Trade Investment	20,00,000	-
Investments made during the year	-	(9,81,32,479)
Investments sold during the year	79,40,104	11,05,56,205
Fixed Deposits made during the year	(1,33,00,000)	-
Fixed Deposits Redeemed during the year	1,15,00,000	-
Loans Given during the year	-	(25,00,000)
Loans Received Back During the Year	13,00,000	32,00,000
Dividend Received	3,16,642	9,097
Interest Received	36,04,765	28,91,391
Net cash inflow / (outflow) used in investing activities	(62,01,191)	89,80,563

CASH FLOW STATEMENT (Contd.)

PARTICULARS	NOTE	Amount in ₹	
		YEAR ENDED	
		31st March 2018	31st March 2017
C CASH FLOW FROM FINANCING ACTIVITIES:			
Secured Loan taken from Bank		1,03,07,166	-
Repayment of Secured Loan		(24,34,207)	-
Dividend paid (Including Dividend Distribution Tax)		(26,18,022)	(13,02,872)
Interest paid		(5,64,951)	-
Net cash used in financing activities		46,89,986	(13,02,872)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:		(36,21,834)	(89,34,522)
CASH AND CASH EQUIVALENTS AS AT 01.04.2017 (Opening Balance)		61,99,208	1,51,33,729
CASH AND CASH EQUIVALENTS AS AT 31.03.2018 (Closing Balance)		25,77,373	61,99,208
Components of Cash and Cash Equivalents			
- Balance with Banks in current account		25,70,037	58,23,452
- Cash on hand		7,336	17,496
- Cheques in Hand		-	3,58,260
		25,77,373	61,99,208

SIGNIFICANT ACCOUNTING POLICIES

2

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS

1 to 34

As per our report of even date

For P.D. Saraf & Co.
Chartered Accountants
Firm's Registration Number: 109241W

Madhusudan Saraf
Partner
Membership Number: 41747

Mumbai: 12th May, 2018

**For and on behalf of Board of Directors
Vidli Restaurants Limited**

Ramnath Pradeep
DIN: 02608230
Chairman and Independent Director

Vidhi V. Kamat
DIN: 07038524
Managing Director

Ravindra Shinde
Chief Financial Officer

Vibha D. Mehta
Company Secretary
Membership Number: 40143

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2018****1. CORPORATE INFORMATION**

Vidli Restaurants Limited ("the Company" or "VRL") (Formerly Known as Vidli Restaurants Private Limited) was incorporated in India on 24th August, 2007 as a private limited Company under the Companies Act, 1956 with its registered office located in Mumbai. The name of the Company was changed from Vithal Kamats Restaurants Private Limited to Vidli Restaurants Pvt. Ltd. with effect from 26th February 2015. The Name of the Company was further changed from Vidli Restaurants Private Limited to Vidli Restaurants Limited with effect from 23rd November 2015.

The company has rights to use / grant the Trade Mark "KAMATS" and "VITHAL KAMATS" by virtue of an Agreement for Use of Copy Right Mark / Trade Mark. The terms of both the agreements is for a period of fifteen years subject to fulfilment of certain conditions from October 12, 2013 to October 11, 2028 in case of Vithal Kamats and while for Kamats, it is from April 18, 2015 to April 17, 2030. The Company is operating in hospitality sector, with its restaurants located in Pallava and Marol (Maharashtra). The company also grants the Franchise of the Trade Mark "KAMATS" and "VITHAL KAMATS" to restaurants owned/operated by other parties. It has given franchisees currently across the states of Maharashtra, Gujarat, Rajasthan, Delhi and Uttar Pradesh.

The Company has Listed its Equity Shares on Bombay Stock Exchange(BSE) - SME Platform on 15th February 2016.

2. SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of Preparation of Financial Statements :**

The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with accounting principles generally accepted in India ("Indian GAAP") and are in compliance with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and as per the provisions of the Companies Act, 2013. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.2 Use of Estimates :

The preparation of the financial statements in conformity with Indian GAAP requires the Company management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as of the date of financial statements. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

2.3 Inventories :

Inventories of food and beverages and operating supplies are carried at lower of cost (weighted average basis) and net realizable value. Inventories of Traded Products are carried at lower of cost (FIFO Basis) and net realizable value.

2.4 Prior Period Adjustments, Exceptional and Extra Ordinary Items and Changes in Accounting Policies:

Prior Period Adjustments, Exceptional and Extra Ordinary Items and Changes in Accounting Policies having material impact on the Financial Statements are disclosed.

2.5 Fixed Assets, Depreciation and Amortisation:

Fixed Assets are stated at cost of acquisition less accumulated depreciation. The cost of acquisition includes inward freight, duties, taxes and other directly attributable incidental expenses.

Effective from 1st April, 2014, Depreciation is provided on the items of tangible fixed assets in the accounts on straight -line method based on the useful lives of those assets prescribed in Schedule II to the Companies Act, 2013 after considering the residual value not exceeding 5% of the cost as against the earlier practice of providing depreciation at the rates prescribed in Schedule XIV to the Companies Act, 1956. Buildings taken on lease and leasehold improvements are depreciated over the primary lease period. Cost of intangible assets is amortized in accordance with the provisions of Accounting Standard 26- " Intangible Assets ".

2.6 Revenue Recognition:

The Company derives revenues primarily from hospitality services. Sales comprises sale of food and beverages and allied services relating to restaurant operations. Revenue is recognized upon rendering of the service. The company also earns for use of its Trademarks. Initial fee for providing services for setting up restaurants and for future services is recognised upon rendering of services in accordance with relevant agreement and cost incurred. Franchise Fee for operation of restaurants by Franchisees is recognized on accrual basis in accordance with relevant agreement. Sales and services are stated exclusive of taxes.

Interest income is recognized using the time proportion method based on the underlying interest rates. Dividends are recorded when the right to receive payment is established.

2.7 Investments:

Non Current investments are carried at cost less any diminution in value, other than temporary, determined separately of each individual investment.

Current Investments are carried at lower of cost and fair value, computed category wise.

2.8 Employee Benefits:**(a) Provident Fund:**

Contribution to provident fund, which is a defined contribution scheme, is recognized as an expense in the Statement of Profit and Loss in the year in which it accrues.

(b) Gratuity :

The Company accounts for the net present value of its obligation for gratuity benefits based on an independent external actuarial valuation determined on the basis of the projected unit credit method carried out annually. Actuarial gains and losses are immediately recognized in the Statement of Profit and Loss.

(c) Compensated Absences :

Provision for Compensated Absences is determined on the basis of an independent external actuarial valuation carried out by an independent actuary at the Balance Sheet date.

2.9 Segment Reporting :

Reportable Segments are identified having regard to the dominant source of revenue and nature of risks and returns.

2.10 Leases :

Lease payment under an operating lease are recognized as an expense in the Statement of Profit and Loss with reference to lease terms and other considerations.

Assets taken on finance lease are capitalized and finance charges are charged to Statement of Profit and Loss on accrual basis.

2.11 Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.12 Taxes On Income :

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred taxes reflect the impact of current period timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty supported by convincing evidence, that such deferred tax assets can be realized against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

2.13 Impairment :

In accordance with Accounting Standard 28 – Impairment of Assets (AS 28), the carrying amounts of the company's assets including intangible assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated, as the higher of the net selling price and the value in use. Any impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount.

2.14 Provisions, Contingent Liabilities and Contingent Assets:

The Company creates a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

2.15 Preliminary Expenditure and Share Issue Expenses:

Preliminary Expenditure is carried as an asset and amortised over a period of 10 years. Share Issue expenses is carried as an asset and amortised over a period of 5 Years.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

		Amount in ₹	
		AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
3 SHARE CAPITAL :			
AUTHORISED:			
50,00,000 Equity Shares of par value ₹10/- each (Previous year 50,00,000 Equity Shares of par value ₹10/- each).		5,00,00,000	5,00,00,000
	Total	5,00,00,000	5,00,00,000
ISSUED, SUBSCRIBED AND PAID UP:			
43,30,000 Equity Shares of par value ₹10/- each, fully paid up (Previous year 43,30,000 Equity Shares of par value ₹10/-each, fully paid up).		4,33,00,000	4,33,00,000
	Total	4,33,00,000	4,33,00,000

3.1 The reconciliation of the number of shares outstanding is set out below:

Equity shares

Equity Shares at the beginning of the year
Add: Equity Shares issued during the year
Equity Shares at the end of the year

31st March 2018		31st March 2017	
Number	Rupees	Number	Rupees
43,30,000	4,33,00,000	43,30,000	4,33,00,000
-	-	-	-
43,30,000	4,33,00,000	43,30,000	4,33,00,000

3.2 **Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity share held by the Shareholders.

3.3 **Details of Shareholders holding more than 5% shares in the Company**

Equity shares of ₹10/- each fully paid

Conwy Hospitality Private Limited
Vits Hotels Worldwide Private Limited
Mrs. Vidhi V. Kamat

AS AT 31ST MARCH, 2018		AS AT 31ST MARCH, 2017	
Number	% holding in the class	Number	% holding in the class
11,95,000	27.60%	11,95,000	27.60%
7,75,000	17.90%	7,75,000	17.90%
5,42,000	12.52%	5,42,000	12.52%

4 **RESERVES AND SURPLUS:**

Surplus/(Deficit) in the Statement of Profit and Loss

As per last financial statements
Add/(Less): Net Profit after Tax for the year
Amount Available for Appropriation

Less : Proposed Dividend
Tax on Proposed Dividend

Total

AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
50,72,153	14,92,808
14,81,649	61,97,367
65,53,802	76,90,175
-	21,65,000
-	4,53,022
-	26,18,022
65,53,802	50,72,153

5 **LONG TERM BORROWINGS**

Secured Loan from ICICI Bank

Total

AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
78,72,959	-
78,72,959	-

5.1 The Loan is taken for purchase of Immovable property and same has been pledged for availing loan from ICICI Bank.

5.2 The loan of ₹1,03,07,166/- @ rate of Interest 9.35% p.a. is taken for 180 months (w.e.f 5th September 2017), The repayment is being done on 5th of every month through EMI.

Maturity Profile of Term Loan from Bank and rate of Interest are as set out below

	ROI	1-2 Years	2-3 Years	3-4 Years	Above 4 Years
Secured Term Loan from ICICI Bank	9.35%	3,08,171	3,38,922	3,72,006	68,53,250

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

		Amount in ₹	
		AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
6	DEFERRED TAX LIABILITY		
	Deferred Tax Liability		
	Related to Depreciation on Fixed Assets	4,38,553	3,22,371
	Total	4,38,553	3,22,371
	Less : Deferred tax Assets		
	Expenses allowable for Tax Purposes on Payment Basis	62,097	40,957
	Provision for Doubtful Debts	2,76,017	1,23,735
	Total	3,38,114	1,64,692
	Deferred Tax Liability (net) after adjustments	1,00,439	1,57,679
	Incremental Deferred Tax (asset) / charge for the year	(57,240)	97,537
7	OTHER LONG TERM LIABILITIES		
	Advance Franchisee Fees	1,98,00,934	1,93,61,083
	Total	1,98,00,934	1,93,61,083
8	LONG TERM PROVISIONS		
	Provision for Taxation (Net)	54,515	24,04,033
	Provision for Leave Encashment	2,13,289	4,50,660
	Provision for Gratuity	2,03,856	1,28,164
	Total	4,71,660	29,82,857
8.1	Provision for Income Tax is net of Payment of Taxes ₹ 50,15,485/- (Previous Year ₹ 28,92,967/-)		
9	TRADE PAYABLE		
	Micro, Small and Medium Enterprises	2,22,284	2,91,263
	Others for goods and services	39,48,989	58,38,355
	Total	41,71,273	61,29,618
9.1	Micro, Small and Medium Enterprises as defined under MSMED Act, 2006 have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period are given below:		
	Particulars	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
	Dues remaining unpaid at the year end:		
	- Principal	2,22,284	2,91,263
	- Interest	-	-
	Interest paid in terms of Section 16 of the Act	-	-
	Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year.	-	-
	Amount of interest accrued and remaining unpaid at the year end.	-	-
	Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
10	OTHER CURRENT LIABILITIES		
	Current Maturities of Long Term Borrowings (Refer Note 5.1)	2,81,321	-
	Advance from customers	2,49,780	5,20,407
	Advance Franchisee Fees	23,98,428	30,33,551
	Other Payables	20,11,710	15,86,526
	Total	49,41,239	51,40,484
10.1	Includes Employees dues ₹13,84,786/- (Previous Year ₹11,15,289/-), Statutory dues ₹4,82,340/- (Previous Year ₹3,64,469/-)		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

11 SHORT TERM PROVISIONS

Provision for Leave Encashment
Provision for Gratuity
Proposed Dividend
Tax on Proposed Dividend

Amount in ₹	
AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
21,040	42,354
457	217
-	21,65,000
-	4,53,022
Total	26,60,593

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

12. FIXED ASSETS

(Amount in ₹)

FIXED ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	AS AT 01.04.2017	ADDITIONS	DEDUCTIONS	AS AT 31.03.2018	UPTO 01.04.2017	FOR THE PERIOD	DEDUCTIONS/ ADJUSTMENTS	UPTO 31.03.2018	AS AT 31.03.2018	AS AT 31.03.2017
TANGIBLE										
Improvements to Leasehold Buildings	19,19,314	5,28,208	3,26,971	21,20,551	1,52,811	3,37,976	42,820	4,47,967	16,72,584	17,66,503
Free hold Buildings	-	1,63,11,912	-	1,63,11,912	-	-	-	-	1,63,11,912	-
Plant & Machiner	50,17,428	17,70,032	1,82,792	66,04,668	3,17,519	3,78,385	7,580	6,88,324	59,16,344	46,99,909
Furniture and Fixtures	7,76,357	5,41,949	-	13,18,306	1,55,486	3,65,610	-	5,21,096	7,97,210	6,20,871
Office Equipments	2,52,113	2,34,972	-	4,87,085	1,04,495	1,25,309	-	2,29,804	2,57,281	1,47,618
Vehicle	11,19,396	-	12,500	11,06,896	291	1,05,155	-	1,05,446	10,01,450	11,19,105
Total	90,84,608	1,93,87,073		2,79,49,418	7,30,602	13,12,435	50,400	19,92,637	2,59,56,781	83,54,006
INTANGIBLE										
Computer Software	6,62,578	8,22,410	-	14,84,988	1,22,927	1,10,024	-	2,32,951	12,52,037	5,39,651
Total	6,62,578	8,22,410	-	14,84,988	1,22,927	1,10,024	-	2,32,951	12,52,037	5,39,651
Grand Total	97,47,186	2,02,09,483	5,22,263	2,94,34,406	8,53,529	14,22,459	50,400	22,25,588	2,72,08,818	88,93,657
Previous Year Total	28,50,336	71,60,680	2,63,830	97,47,186	3,01,487	6,00,843	48,801	8,53,529	88,93,657	
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-
Previous Year Total	-	1,12,662	-	-	-	-	-	-	1,12,662	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

		Amount in ₹	
		YEAR ENDED	
		AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
13 NON-CURRENT INVESTMENTS			
	<u>TRADE INVESTMENTS:</u>		
	TAX FREE BOND :		
	Indian Railway Finance Corporation Ltd (Maturing on 17.02.2024) (No. of Bonds : 1,000, Face Value ₹1,000/-)	10,00,000	10,00,000
	OTHER:		
	UTI Fixed Maturity Plan - Yearly FMP Series (Maturing on 27.04.2017) (No. of Bonds : 2,00,000, Face Value ₹10/-) (NAV ₹10/-)	-	20,00,000
	Total	10,00,000	30,00,000
	Aggregate amount of unquoted Investments - Cost	10,00,000	30,00,000
14 OTHER NON CURRENT ASSETS			
	Payment of Taxes	7,65,529	93,479
	Security Deposits	20,05,280	34,26,480
	Capital Advances	47,52,588	54,36,021
	Loans and Advances (To a Group Company)	3,10,65,000	3,23,65,000
	Share Issue Expenses (To the extent not written off)	9,47,199	19,18,199
	Total	3,95,35,596	4,32,39,179
14.1	Payment for Income Tax is net of Provision of Taxes ₹ 2,02,000/- . (Previous Year ₹ NIL)		
15 CURRENT INVESTMENTS			
	<u>TRADE INVESTMENTS:</u>		
	Equity Shares (Quoted)		
	Larsen & Toubro Infotech Ltd	371 (1,328) ₹ 1	2,63,410 9,42,880
	Agro Phos India Limited	NIL (54,000) ₹ 10	- 13,26,900
	IDFC Bank Limited	1,000 (1,000) ₹ 10	63,295 63,295
	Speciality Restaurants Limited	90 (90) ₹ 10	8,852 8,852
	INVESTMENT IN MUTUAL FUND		
	HDFC Prudence Fund-Regular Plan-Dividend Payout (No. of Units : 79292.080 (Previous Year Nil), Face Value ₹10/-)		25,00,000 -
	HDFC Prudence Fund-Regular Plan-Dividend Re-investment (No. of Units : 67761.432 (Previous Year Nil), Face Value ₹10/-)		21,36,988 -
	UTI Floating Rate Fund (No. of Units : 2651.6149 (Previous Year 2447.2070), Face Value ₹10/-)		- 92,00,000
	Total		49,72,545 1,15,41,297

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

		Amount in ₹	
		YEAR ENDED	
		AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Aggregate amount of quoted Investments			
- Cost		49,72,545	23,41,927
- Market		48,85,382	21,99,514
Aggregate amount to unquoted Investments			
- Cost		-	92,00,000
16 INVENTORIES		AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
(At Lower of weighted average cost and net realisable value)			
Raw Materials & Others			
- Food & Beverages		8,87,320	22,15,973
- Stores and Operating Supplies		8,25,224	7,03,376
Total		17,12,544	29,19,349
17 TRADE RECEIVABLES:		AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
(Unsecured, good, unless otherwise stated)			
Unsecured:			
- Over Six Months		8,82,661	9,64,911
- Other Debts [₹ 1,78,944/- (Previous Year Nil) considered doubtful]		32,62,240	20,31,264
		41,44,901	29,96,175
Less : Provision for Doubtful Debts		10,61,605	4,49,090
Total		30,83,296	25,47,085
17.1	Trade Receivable includes ₹ 10,508/- (Previous Year Nil) from Vitizen Hotels Limited and ₹ 3,26,925/- (Previous Year Nil) from Conwy Hospitality Private Limited		
18 CASH AND BANK BALANCES		AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Cash and Cash Equivalents			
Balance with banks:			
Balance with Scheduled Bank: Canara Bank			
- On Current account		25,70,037	58,23,452
- Cash on Hand		7,336	17,496
- Cheques in Hand :		-	3,58,260
		25,77,373	61,99,208
- Fixed Deposit with Banks - with Less than 12 Months Maturity		18,85,000	85,000
Total		44,62,373	62,84,208
19 OTHER CURRENT ASSETS		AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Interest Receivable		30,05,480	31,82,523
Advance to Suppliers & Others		52,054	75,152
MVAT Input credit		1,19,523	2,33,033
GST Input Credit		45,563	-
MAT Credit Entitlement A/c		1,98,000	-
Service Tax Input credit		-	1,44,849
Share Issue Expenses Unamortised		9,45,001	9,45,001
Prepaid Expenses		7,45,736	16,84,718
Staff Advance		1,47,274	1,124
Total		52,58,631	62,66,400

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

		Amount in ₹	
		YEAR ENDED	
		31ST MARCH, 2018	31ST MARCH, 2017
20	REVENUE FROM OPERATIONS		
	Food and Beverages	45,23,404	51,02,861
	Sale of Traded Goods	1,66,40,395	1,21,94,266
	Franchise Fees	1,05,34,252	2,32,60,366
	Royalty	1,47,45,948	1,34,56,640
	Sub Total (A)	4,64,43,999	5,40,14,133
	Other Operating Income :		
	Feasibility Study Fees	1,63,305	2,26,163
	Franchise Staff Training Income	65,217	70,535
	Consultancy Fees Received	4,35,116	-
	Rent Received	20,39,825	17,54,726
	Sub Total (B)	27,03,463	20,51,424
	Total	4,91,47,462	5,60,65,557
21	OTHER INCOME		
	Interest Earned	34,27,722	35,22,112
	Dividend Income	3,16,642	9,097
	Profit on Sale of Investments	13,70,722	19,16,653
	Profit on Sale of Fixed Assets	62,255	14,665
	Excess Provision for Leave Encashment Written Back (Refer note 24.1.3)	2,58,684	-
	Miscellaneous Income	4,44,460	5,95,835
	Total	58,80,485	60,58,362
22.	COST OF TRADED GOODS SOLD		
	Opening Stock	24,33,870	26,294
	Purchases	1,27,06,587	1,43,37,844
	Sub Total	1,51,40,457	1,43,64,138
	Less : Closing Stock	14,36,487	24,33,870
	Total	1,37,03,970	1,19,30,268
23	COST OF FOOD AND BEVERAGE CONSUMED		
	Opening Stock	2,00,815	58,653
	Add : Purchases	25,06,485	24,48,405
	Sub Total	27,07,300	25,07,058
	Less: Closing Stock	-	2,00,815
	Total	27,07,300	23,06,243
24	EMPLOYEE BENEFITS EXPENSE:		
	Salaries & Wages	1,05,19,154	98,14,643
	Provision for Leave Encashment (Refer note 24.1.3)	-	4,45,244
	Provision for Gratuity (Refer note 24.1.2)	75,932	71,826
	Contribution to Provident and other Funds	5,88,434	5,56,327
	Staff Welfare Expenses	13,07,263	11,66,003
	Total	1,24,90,783	1,20,54,043

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

- 24.1** The disclosures required under Accounting Standard 15 “Employee Benefits” (AS 15) as notified by the Companies (Accounting Standards) Rules 2006, are given below:

		Amount in ₹	
		YEAR ENDED	
		31ST MARCH, 2018	31ST MARCH, 2017
24.1.1 Defined Contribution Plan:			
Contribution to Defined Contribution Plan, recognised and charged off for the year are as under:			
Contributions to Provident Fund		2,44,404	1,89,121
Contributions to Pension Scheme		2,26,448	2,52,294
24.1.2 Defined Benefit Plan:			
The employees’ gratuity scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.			
Gratuity (Non Funded):			
a) Reconciliation of opening and closing balances of Defined Benefit obligation			
Defined Benefit obligation at the beginning of the year		1,28,381	56,555
Current Service Cost		1,12,901	1,10,005
Interest Cost		9,449	4,445
Actuarial (Gain) / Loss		(46,418)	(42,624)
Benefit Paid		-	-
Defined Benefit obligation at year end		2,04,313	1,28,381
b) Reconciliation of fair value of assets and obligations			
Present value of obligation as at year end		2,04,313	1,28,381
Amount recognised in Balance Sheet		2,04,313	1,28,381
c) Expenses recognised during the year			
Current Service Cost		1,12,901	1,10,005
Interest Cost		9,449	4,445
Actuarial (Gain) / Loss		(46,418)	(42,624)
Net Cost		75,932	71,826
24.1.3 Leave encashment (Non Funded):			
Reconciliation of opening and closing balances of Defined Benefit obligation			
a) Defined Benefit obligation at the beginning of the year			
Defined Benefit obligation at the beginning of the year		4,93,014	47,770
Interest Cost		36,286	306
Current Service Cost		84,749	2,64,421
Benefits Paid		-	87,759
Actuarial (Gain) / Loss		(3,79,719)	2,68,276
Defined Benefit obligation at year end		2,34,330	4,93,014
b) Reconciliation of fair value of assets and obligations			
Present value of obligation as at year end		2,34,330	4,93,014
Amount Recognised in Balance Sheet		2,34,330	4,93,014
c) Expenses recognised during the year			
Interest Cost		36,286	306
Current Service Cost		84,749	2,64,421
Actuarial (Gain) / Loss		(3,79,719)	2,68,276
Net Cost		(2,58,684)	5,33,003
Actuarial assumptions		2006-08	2006-08
		(Modified Ultimate)	(Modified Ultimate)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Amount in ₹

YEAR ENDED

	31ST MARCH, 2018	31ST MARCH, 2017
Indian Assured Lives Mortality		
Discount rate (per annum)	7.88%	7.36%
Rate of escalation in salary (per annum)	7.00%	7.00%
Withdrawal Rates	3.00%	3.00%

Mortality Table

Indian Assured Lives Mortality
Discount rate (per annum)
Rate of escalation in salary (per annum)
Withdrawal Rates

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

24.2 Managerial Remuneration :

	31ST MARCH, 2018	31ST MARCH, 2017
Remuneration to Managing Director	3,60,000	3,60,000
Contribution to Provident Fund	14,112	14,112
	Sub-total	3,74,112
Directors Sitting Fees	1,32,500	90,000
	Total	4,64,112

Remuneration to Managing Director
Contribution to Provident Fund

Directors Sitting Fees

Sub-total

Total

In view of inadequacy of profit during the year 2017-18, Ms. Vidhi V. Kamat is liable to refund the excess remuneration of ₹ 3,23,195/- paid to her unless refund of excess remuneration is waived by the Central Government as per existing Section 197(10) of the Companies Act, 2013 on application which may be made by the Company or the payment of excess remuneration is approved by Special Resolution passed by the members of the company within stipulated time as specified in amended Section 197(10) of Companies (Amendment) Act, 2017 which is to be notified.

25 OTHER EXPENSES

	31ST MARCH, 2018	31ST MARCH, 2017
OPERATING EXPENSES:		
Power and Fuel	8,15,698	10,98,610
Rent	51,32,769	46,81,844
Licences, Rates and Taxes	75,868	48,399
Repairs to Building	11,186	1,56,065
Repairs to Plant and Machinery	1,73,895	1,21,471
Repairs to Others	3,17,130	2,95,669
Restaurant Operating Expenses	7,16,492	4,69,797
Replacements of Crockery, Cutlery, Linen, etc.	52,477	71,401
Coolie, Cartage and Freight	18,15,697	10,15,485
Water Charges	24,762	17,257
Technical Consultancy and Quality Control	-	1,07,245
	Sub-total	80,83,243
GENERAL EXPENSES:		
Advertisement, Publicity and Sales Promotion	10,31,864	28,83,844
Management / License Fees and Royalty	38,92,612	22,10,182
	Sub-total	50,94,026
ADMINISTRATIVE AND OTHER EXPENSES:		
Communication Expenses	6,60,034	7,76,272
Printing and Stationery	3,79,621	3,84,430
Legal and Professional charges	28,95,166	61,57,281
Travelling and Conveyance	18,63,720	18,72,697
Insurance	2,82,937	48,931
Bad Debts	-	9,31,513
Provision for Doubtful Debtors	6,12,515	2,27,603
Auditors' Remuneration	1,10,000	1,00,000
Sales Tax/Vat / LBT etc. including assessment dues	85,619	2,96,180
Preliminary Expenses W/off	-	1,720
Amortisation of Share Issue Expenses	9,71,000	9,71,000
Professional Tax (Company)	1,997	1,997
Miscellaneous Expenses	7,86,989	8,11,648
	Sub-total	1,25,81,272
	Total	2,27,10,075

OPERATING EXPENSES:

Power and Fuel
Rent
Licences, Rates and Taxes
Repairs to Building
Repairs to Plant and Machinery
Repairs to Others
Restaurant Operating Expenses
Replacements of Crockery, Cutlery, Linen, etc.
Coolie, Cartage and Freight
Water Charges
Technical Consultancy and Quality Control

GENERAL EXPENSES:

Advertisement, Publicity and Sales Promotion
Management / License Fees and Royalty

ADMINISTRATIVE AND OTHER EXPENSES:

Communication Expenses
Printing and Stationery
Legal and Professional charges
Travelling and Conveyance
Insurance
Bad Debts
Provision for Doubtful Debtors
Auditors' Remuneration
Sales Tax/Vat / LBT etc. including assessment dues
Preliminary Expenses W/off
Amortisation of Share Issue Expenses
Professional Tax (Company)
Miscellaneous Expenses

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

		Amount in ₹	
		YEAR ENDED	
		31ST MARCH, 2018	31ST MARCH, 2017
25.1 Auditors' Remuneration:			
- As Audit Fees		1,10,000	1,10,000
	Total	1,10,000	1,10,000
26 FINANCE COST			
Interest Expense		4,99,753	-
Other Borrowing Cost		65,198	-
	Total	5,64,951	-
27 Contingent Liabilities and Commitments:			
Estimated Amount of Capital Commitments to be executed on Capital Accounts and Not Provided for (net of advances)		-	1,58,270
28 Earning Per Share (E.P.S.) under Accounting Standard 20:			
Particulars		31ST MARCH, 2018	31ST MARCH, 2017
Profit/ (Loss) after Tax as per accounts		14,81,649	61,97,367
No. of Shares Issued		43,30,000	43,30,000
Weighted Average No. of Equity Shares		43,30,000	43,30,000
Nominal Value of Share		10	10
Basic and Diluted E.P.S		0.34	1.43
29 Related Party Disclosures :			
Related Parties:			
a) Associate Company where control exists and Transaction have taken place during the year:			
- Conwy Hospitality Private Limited			
- Vitizen Hotels Limited			
- Kamat Holiday Resorts (Silvassa) Limited			
b) Key Management Personnel :			
Mrs. Vidhi V. Kamat			
c) Other related parties with whom transactions have taken place during the year :			
Dr. Vithal V. Kamat - Relative			
Mr. Vikram V. Kamat - Relative			
d) Summary of transactions during the year with Related Parties entered into on commercial basis in the interest of the Company and approved by the Board and status of outstanding balances as on 31 st March, 2018:			

				Amount in ₹
Nature of Transactions	Holding Company / Fellow Subsidiary Company	Associate Companies	Key Managerial Personnel and Relatives	
1. Purchase of Goods and Services	Nil (Nil)	2,97,057 (9,99,698)		15,84,417 (17,35,739)
2. Purchase of "VIDLI" Trade Mark rights	Nil (Nil)	Nil (Nil)		1 (Nil)
3. Sale of Goods and Services	Nil (Nil)	18,05,425 (Nil)		Nil (Nil)
4. Interest Received	Nil (Nil)	30,85,822 (24,65,257)		Nil (Nil)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Nature of Transactions	Amount in ₹		
	Holding Company / Fellow Subsidiary Company	Associate Companies	Key Managerial Personnel and Relatives
5. Loans Given	Nil (Nil)	Nil (25,00,000)	Nil (Nil)
6. Loans Repayment	Nil (Nil)	13,00,000 (32,00,000)	Nil (Nil)
7. Equity Shares Allotted During the Year	Nil (Nil)	Nil (Nil)	Nil (Nil)
8. Investments Made During the Year	Nil (Nil)	Nil (Nil)	Nil (Nil)
9. Remuneration to Key Managerial Personnel	Nil (Nil)	Nil (Nil)	3,60,000 (3,60,000)
10. Amount paid during the year	Nil (Nil)	1,68,830 (Nil)	22,18,881 (24,56,036)
11. Balance Outstanding at the year end	Nil	Nil	4,72,787
i) Amount Payable	(Nil)	(Nil)	(4,64,197)
ii) Accounts Recoverable	Nil (Nil)	32,43,872 (30,85,822)	Nil (Nil)
iii) Loans Given	Nil (Nil)	3,10,65,000 (3,23,65,000)	Nil (Nil)
iv) Investment in Shares	Nil (Nil)	NIL (Nil)	Nil (Nil)

*Figures in bracket are in respect of previous year.

The Company has purchased the trademark "VIDLI" registered under class 30 and 43 from Mr. Vikram V. Kamat for a total consideration of ₹. 1/- only.

The Company has entered into an agreement with Conwy Hospitality Private Limited and Vitizen Hotels Limited to promote each other's brand and to utilize the capacity, trade mark, goodwill, etc. of one party by other, whenever required on terms and conditions as may be deemed fit and in the best interest of the Company.

(g) Statement of Material Transactions:

Name of the Related Party	YEAR ENDED	
	31ST MARCH, 2018	31ST MARCH, 2017
Associate Company		
Conwy Hospitality Private Limited		
Sale of Goods and Services	13,58,073	Nil
Vitizen Hotels Limited		
Purchase of Goods and Services	-	8,50,000
Sale of Goods and Services	4,47,352	-
Kamat Holiday Resorts (Silvassa) Limited		
Purchase of Goods and Services	2,97,057	1,49,698
Loans Given	-	25,00,000
Interest Received	30,85,822	24,65,257
Amount Recoverable at the Year End	32,43,872	30,85,822
Loan Given Balance at the Year End	3,10,65,000	3,23,65,000
Amount paid during the year	1,68,830	Nil
Amount Payable at the Year End	Nil	16,348
Dr. Vithal V. Kamat		
Purchase of Goods and Services	15,84,417	17,35,739
Amount paid during the period	16,71,025	18,58,881
Amount Payable at the Year End	4,46,346	4,35,573

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

	Amount in ₹	
	YEAR ENDED	
	31ST MARCH, 2018	31ST MARCH, 2017
(g) Statement of Material Transactions: (Contd.)		
Mrs. Vidhi V. Kamat		
Remuneration to Key Mangerial Perssonel	3,60,000	3,60,000
Amount paid during the period	3,60,000	3,60,000
Amount Payable at the Year End	26,441	28,624
Mr. Vikram V. Kamat		
Purchase of "VIDLI" Trade Mark rights	1	Nil

30. Segment Reporting:

The Company's activities involve predominantly providing hospitality related services, which is considered to be a single business segment since these are subject to similar risks and returns. Further, services are not provided out of India and hence there are no reportable geographical segments. Accordingly, the financial statements are reflective of the information required by Accounting Standard 17 - Segment Reporting (AS-17).

31 Leases:

The Company's significant leasing arrangements are in respect of operating leases for premises. These leasing arrangements, which are not non-cancelable, range between eleven months and nine years generally or longer and are usually renewable by mutual consent on mutually agreeable terms.

The aggregate lease rentals payable are charged as rent and aggregate licence fees income from shops and other spaces on leave and licence basis are shown as Licence Fees.

Future commitments in respect of minimum lease payments payable for non-cancelable operating leases (other than land) entered into by the Company:

Particulars	31ST MARCH, 2018	31ST MARCH, 2017
Payable within one year	10,33,200	26,26,248
Payable later than one year but not later than five year	5,29,200	68,25,025
Payable after five years	Nil	Nil

32 Income Tax:

Provision for tax for the year has been made at ₹ 2,02,000/- (Previous year ₹ 31,60,000/-) under normal provisions of Income Tax Act, 1961. In accordance with Guidance Note issued by The Institute of Chartered Accountants of India, the Company has accounted for MAT Credit Entitlement of ₹ 1,98,000/- (Previous Year ₹ NIL/-) for the year ended 31st March, 2018.

33 Additional Information:

Particulars	31ST MARCH, 2018	31ST MARCH, 2017
a) Value of Imports (C.I.F. Value):	Nil	Nil
b) Expenditure in Foreign Currencies: (on accrual basis)	Nil	85,604
c) Earning in foreign exchange:	Nil	Nil
d) Dividend of non-resident shareholders:	Nil	Nil

34 Figures of the previous year have been regrouped / reclassified wherever necessary to confirm to the Current year's presentation.

As per our report of even date

For P.D. Saraf & Co.
Chartered Accountants
Firm's Registration Number: 109241W

Madhusudan Saraf
Partner
Membership Number: 41747

Mumbai: 12th May, 2018

**For and on behalf of Board of Directors
Vidli Restaurants Limited.**

Ramnath Pradeep
DIN: 02608230
Chairman and Independent Director

Ravindra Shinde
Chief Financial Officer

Vidhi V. Kamat
DIN: 07038524
Managing Director

Vibha D. Mehta
Company Secretary
Membership Number: 40143

ATTENDANCE SLIP

VIDLI RESTAURANTS LIMITED

Registered Office: Office No. 501, 5th Floor, Jai Antariksh, Makwana Road, Marol, Andheri (East), Mumbai - 400059
CIN: L55101MH2007PLC173446

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

I, hereby record my attendance at the 11th Annual General Meeting to be held on Friday, the 10th day of August, 2018 at 11.00 a.m., at T-24 Hotel, Church Road, Near Airport Road Metro Station, Vijay Nagar Colony, Andheri East, Mumbai 400059.

*DP ID :		** FOLIO NO :	
*CLIENT ID :			
Name And Address Of Member / Proxy Holder			
Number of shares held:			

*To be filled by Shareholders holding shares in dematerialized form.

**To be filled by shareholder holding shares in physical form.

I certify that I am a member/ proxy/ authorized representative for the members of the Company.

SIGNATURE OF THE SHARE HOLDER OR PROXY: _____

The electronic voting particulars are set out below:

EVEN (E-Voting event number)	USER ID	PASSWORD / PIN
108586		

VIDLI RESTAURANTS LIMITED

FORM NO. MGT – 11

PROXY FORM

(Pursuant to section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014

CIN:	L55101MH2007PLC173446
Name of the Company:	Vidli Restaurants Limited
Registered Office:	Office No. 501, 5th Floor, Jai Antariksh, Makwana Road, Marol, Andheri (East), Mumbai – 400059.
Name of the member(s):	
Registered address:	
Email ID:	
Folio No/ Client ID/ DP ID:	

I/We, being the member (s) of _____ shares of the above named company, hereby appoint:

1.	Name		
	Address		
	Email Id	Or failing him / her	
	Signature		
2.	Name		
	Address		
	Email Id	Or failing him / her	
	Signature		
3.	Name		
	Address		
	Email Id	Or failing him / her	
	Signature		

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 11th Annual General Meeting of the Company, to be held on Friday, the 10th day of August, 2018 at 11.00 a.m., at T-24 Hotel, Church Road, Near Airport Road Metro Station, Vijay Nagar Colony, Andheri East, Mumbai 400059 and at any adjournment thereof in respect of such resolutions as indicated below:

Sr. No.	Resolution	For	Against
	Ordinary Business:		
1.	Adoption of Audited Financial Statement for the year ended 31 st March, 2018 along with report of Board and Auditors thereon.		
2.	To appoint a Director in place of Mr. Kurian Chandy, who retires by rotation and being eligible offers himself for re-appointment.		
3.	Ratification of appointment of M/s. P. D. Saraf & Co. Chartered Accountants, Mumbai as Statutory Auditors of the Company and to fix their remuneration.		
	Special Business:		
4.	To approve the Related Party Transactions entered into by the Company.		

Signed this ____ day of _____ 2018.	<div style="border: 1px solid black; width: 100px; height: 100px; margin: auto;"> Affix revenue stamp </div>
Signature of member : _____	
Signature of Proxy Holder (s): _____	

NOTE: The Proxy Form in order to be effective should be duly completed, signed and deposited at the Registered Office of the Company not less than 48 before the commencement of the Annual General Meeting.

Board of Directors



Ramnath Pradeep
Chairman & Director



Vidhi Kamat
Managing Director



Kurian Chandy
Director



Arun Jain
Director

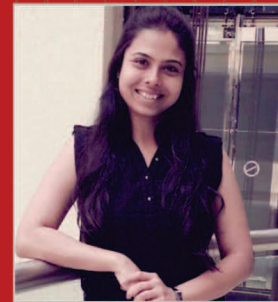
Other Key Members



Vikram Kamat
Chief Mentor



Ravindra Shinde
Chief Financial Officer



Vibha D Mehta
Company Secretary



Outdoor seating at Kamats Gurugram

kamats[®]
Original Family Restaurant
Standardize Taste!



VITHAL kamats[®]
Original Family Restaurant
Aaha Ah! Aaha Ah!

House of
kamats[®]
Standardize Taste!
Noodles, Chinks & More...



Vidli Restaurants Limited is a chain of restaurants serving hygienic standardize food items in a quick serve format at various outlets on national highways, state highways and cities.



*Cover Images:
New standard architectural design
at Kamats, Pargaon, Pune - Bangalore Highway*

Corporate office

*501, 5th Floor, Jai Antariksh, Makwana Road,
Marol, Andheri (E), Mumbai - 400 059, Maharashtra*

Email : investors@kamatsindia.com | Website : www.kamatsindia.com | Landline : 022 4970 8389