A PURI & ASSOCIATES
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
FABCAFE FOODS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of FABCAFE FOODS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the Loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Material Uncertainty Related to Going concern

We draw attention to Note 41(b) to the financial statements about the Company's ability to continue as a going concern. The Company's accumulated losses have exceeded the share capital and reserves and its net worth has been fully eroded. These conditions indicate the existence of material uncertainty that may normally cast doubt about the Company's ability to continue as a going concern. However, on account of the assured continued support from the holding company, the financial statements of the Company have been prepared on a going concern basis.

Our opinion is not qualified in respect of the above matter.



Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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.

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.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as



fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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 paragraph 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 purpose of our audit.

   b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss including, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with relevant Rules issued thereunder;

   e. On the basis of written representations received from the directors as on 31st March, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act;



f. This report does not include a report on the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, as the provisions of clause (i) of subsection (3) of Section 143 are found to be not applicable to the Company, as per Ministry of Corporate Affairs notification GSR 583 (E) dated 13th June 2017 read together with notification GSR 464 (E) dated 5the June 2015.

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

(i) The Company does not have any pending litigations which would impact its financial position.

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For A PURI & ASSOCIATES
Chartered Accountants
Firm Registration Number: 009203N



JYOTI SUBARWAL
PARTNER
Membership Number: 080654
UDIN:19080654AAAAAN1621

PLACE: NEW DELHI
DATED: 15th July 2019

A PURI & ASSOCIATES

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT ON IND AS FINANCIAL STATEMENTS OF FABCAFE FOODS PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH 2019

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. a). The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   b). All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

   c). According to the information and explanations given by the management, there are no owned immovable properties included in fixed assets of the Company and hence the requirements under clause 3(i)(c) of the Order are not applicable to the Company.

2. The inventory has been physically verified during the year by the management. In our opinion, the frequency of physical verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.

3. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under Section 189 of the Act.

4. According to the information and explanation given to us, the Company has not given any loan, made investment or given guarantee or security as per the provisions of section 185 and 186 of the Companies Act, 2013.

5. According to the information and explanations given to us, the Company has not accepted any deposits covered by the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under.

6. According to the information and explanations given to us, the Central Government has not prescribed for the Company the maintenance of cost records under sub-section (1) of Section 148 of the Act.

7. a). According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, value added tax, central sales tax, service tax, goods and services tax, duty of customs, duty of excise, cess and other statutory dues applicable to it ***except in few cases wherein there has been delay in deposit of goods and services tax, tax deducted at source, provident fund, employees' state insurance and professional tax.***

   According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at the balance sheet date for a period of more than six months from the date they became payable.

   b). According to the records of the Company, there are no dues outstanding of income tax, sales tax (including value added tax and central sales tax), service tax, goods and services tax, duty of customs or duty of excise on account of any dispute.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures during the year.



9. According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) but has availed term loans during the year and the said loan were utilized for the purposes for which they were obtained except certain temporary investment in fixed deposits.

10. Based upon the audit procedures and according to 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 course of our audit.

11. Being a private limited company, the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company in respect of managerial remuneration paid or provided.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the paragraph 3(xii) of the Order is not applicable.

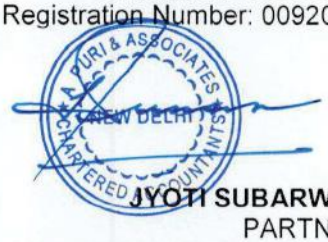
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has issued 14,70,000 9% cumulative optionally convertible preference shares on right basis during the year, therefore the requirements of Section 42 of Companies Act, 2013 are not applicable and the amount raised has been used for the purpose for which the funds were raised.

15. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them.

16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the paragraph 3(xvi) of the Order is not applicable.

For A PURI & ASSOCIATES
Chartered Accountants
Firm Registration Number: 009203N



JYOTI SUBARWAL
PARTNER
Membership Number: 080654
UDIN:19080654AAAAAN1621

PLACE: NEW DELHI
DATED: 15th July 2019

FABCAFE FOODS PRIVATE LIMITED
BALANCE SHEET AS PER IND AS AS AT 31ST MARCH, 2019

	NOTES	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
ASSETS			
NON-CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT	3a	114,198	27,305
CAPITAL-WORK-IN PROGRESS	3a	16,362	137
INTANGIBLE ASSETS	3b	291	143
INTANGIBLE ASSETS UNDER DEVELOPMENT	3b	3,134	-
FINANCIAL ASSETS			
LOANS	4	1,604	669
DEFERRED TAX ASSETS (NET)	5	24,317	-
OTHER NON-CURRENT ASSETS	6	29,187	254
TOTAL NON-CURRENT ASSETS		**189,093**	**28,508**
CURRENT ASSETS			
INVENTORIES	7	7,779	1,034
FINANCIAL ASSETS			
TRADE RECEIVABLES	8	719	104
CASH AND CASH EQUIVALENTS	9	45,763	9,062
BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS	10	1,663	-
LOANS	11	1,143	3
OTHERS	12	129	-
CURRENT TAX ASSETS (NET)	13	28	-
OTHER CURRENT ASSETS	14	10,564	2,684
TOTAL CURRENT ASSETS		**67,788**	**12,887**
TOTAL ASSETS		**256,881**	**41,395**
EQUITY AND LIABILITIES			
EQUITY			
EQUITY SHARE CAPITAL	15	10,000	10,000
OTHER EQUITY	16	(31,671)	(12,043)
TOTAL EQUITY		**(21,671)**	**(2,043)**
LIABILITIES			
NON-CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
BORROWINGS	17	211,832	36,287
PROVISIONS	18	7,697	774
OTHER NON-CURRENT LIABILITIES	19	2,359	58
TOTAL NON-CURRENT LIABILITIES		**221,888**	**37,119**
CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
TRADE PAYABLES	20		
TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES		1,472	-
TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES		5,911	826
OTHER FINANCIAL LIABILITIES	21	46,150	5,014
OTHER CURRENT LIABILITIES	22	3,107	479
PROVISIONS	23	24	-
TOTAL CURRENT LIABILITIES		**56,664**	**6,319**
TOTAL EQUITY AND LIABILITIES		**256,881**	**41,395**
CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES	1,2		
CONTINGENT LIABILITIES AND COMMITMENTS	36		
OTHER NOTES	31-41		

The accompanying notes are an integral part of the Financial Statements

"As per our Report of even date"

FOR A PURI & ASSOCIATES
Chartered Accountants
Firm Registration Number: 009203N

PURI & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

JYOTI SUBARWAL
Partner
Membership Number: 080654
UDIN:19080654AAAAAN1621

ON BEHALF OF BOARD OF DIRECTORS OF FABCAFE FOODS PRIVATE LIMITED

SUNIL CHAUHAN
Director
DIN:02614920

AJAY KAPOOR
Director
DIN:08224766

JIGYASA GULATI
Company Secretary
Membership No: 33052

Place: New Delhi
Date: 15th July 2019

FABCAFE FOODS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS AS PER IND AS FOR THE YEAR ENDED 31ST MARCH, 2019

	NOTES	FOR THE YEAR ENDED 31ST MARCH 2019 (Rs.in Thousands)	FOR THE PERIOD 20TH OCTOBER 2017 (i.e date of incorporation) TO 31ST MARCH 2018 (Rs.in Thousands)
INCOME			
REVENUE FROM OPERATIONS	24	75,248	7,230
OTHER INCOME	25	1,421	17
TOTAL REVENUE		76,669	7,247
EXPENSES			
CONSUMPTION OF PROVISIONS, BEVERAGES & OTHERS	26	27,426	3,510
EMPLOYEE BENEFITS EXPENSE	27	45,815	3,320
FINANCE COSTS	28	14,703	367
DEPRECIATION AND AMORTISATION EXPENSE	3	11,586	1,508
OTHER EXPENSES	29	75,196	10,585
TOTAL EXPENSES		174,726	19,290
LOSS BEFORE EXCEPTIONAL ITEMS AND TAX		(98,057)	(12,043)
EXCEPTIONAL ITEMS		-	-
LOSS BEFORE TAX		(98,057)	(12,043)
TAX EXPENSE:			
CURRENT TAX		-	-
EARLIER YEARS TAX	30	-	-
DEFERRED TAX (ASSET) CREATED (REFER NOTE 5)		(24,317)	-
LOSS FOR THE YEAR		(73,740)	(12,043)
OTHER COMPREHENSIVE INCOME/ (LOSS)			
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS			
INCOME TAX RELATING TO ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS		-	-
ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS			
INCOME TAX RELATING TO ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS		-	-
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(73,740)	(12,043)
EARNINGS /(LOSS) PER EQUITY SHARE	37		
BASIC		(73.74)	(36.08)
DILUTED		(73.74)	(36.08)
CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES	1,2		
OTHER NOTES	31-41		

The accompanying notes are an integral part of the Financial Statements

"As per our Report of even date"

FOR A PURI & ASSOCIATES
Chartered Accountants
Firm Registration Number: 009203N

JYOTI SUBARWAL
Partner
Membership Number: 080654
UDIN:19080654AAAAAN1621

Place: New Delhi
Date: 15th July 2019

ON BEHALF OF BOARD OF DIRECTORS OF
FABCAFE FOODS PRIVATE LIMITED

SUNIL CHAUHAN
Director
DIN:02614920

AJAY KAPOOR
Director
DIN:08224766

JIGYASA GULATI
Company Secretary
Membership No: 33052

FABCAFE FOODS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

		31ST MARCH 2019 (Rs.in Thousands)	31ST MARCH 2018 (Rs.in Thousands)
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	NET LOSS BEFORE TAX BUT AFTER EXCEPTIONAL ITEMS	(98,057)	(12,043)
	ADJUSTMENTS FOR NON-CASH ITEMS:		
	DEPRECIATION AND AMORTISATION	11,586	1,508
	INTEREST EXPENSE	14,703	367
	INTEREST INCOME	(368)	(16)
	LOSS/ (PROFIT) ON PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS SOLD/ DISCARDED (NET)	(973)	-
	RENT EXPENSE	122	12
	PROVISION FOR GRATUITY & LEAVE ENCASHMENT	787	-
	OPERATING LOSS BEFORE WORKING CAPITAL CHANGES	**(72,200)**	**(10,172)**
	ADJUSTMENTS FOR CHANGES IN WORKING CAPITAL :		
	(INCREASE)/DECREASE IN TRADE RECEIVABLES	(615)	(104)
	(INCREASE)/DECREASE IN INVENTORIES	(6,745)	(1,034)
	(INCREASE)/DECREASE IN LOANS	(2,937)	(963)
	(INCREASE)/DECREASE IN OTHER ASSETS	(3,953)	(2,651)
	INCREASE/(DECREASE) IN TRADE PAYABLES	6,557	826
	INCREASE/(DECREASE) IN FINANCIAL LIABILITIES	21,614	3,954
	INCREASE/(DECREASE) IN OTHER LIABILITIES	2,541	478
	INCREASE/(DECREASE) IN PROVISIONS	-	-
	CASH GENERATED FROM/(USED IN) OPERATIONS	**(55,738)**	**(9,666)**
	TAXES (PAID) / RECEIVED (NET OF WITHHOLDING TAXES)	(28)	-
	NET CASH FROM/(USED IN) OPERATING ACTIVITIES	**(55,766)**	**(9,666)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	PURCHASE OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (INCLUDING CAPITAL WORK- IN- PROGRESS)	(106,406)	(27,280)
	PROCEEDS FROM SALE OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS	1,441	-
	INVESTMENTS IN BANK DEPOSITS (WITH ORIGINAL MATURITY OVER 3 MONTHS)	(1,663)	-
	INTEREST RECEIVED	148	8
	NET CASH FROM/(USED IN) INVESTING ACTIVITIES	**(106,480)**	**(27,272)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	PROCEEDS FROM BORROWINGS (Issue of 9% Optionally Convertible Preference Shares (Cumulative) (OCPs))	112,352	36,000
	PROCEEDS FROM LONG TERM BORROWINGS	52,000	-
	PROCEEDS FROM EQUITY COMPONENT OF COMPOUND FINANCIAL INSTRUMENT	34,648	-
	PROCEEDS FROM ISSUE OF SHARES	-	10,000
	INTEREST PAID	(53)	-
	NET CASH FROM/(USED IN) FINANCING ACTIVITIES	**198,947**	**46,000**
	NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	**36,701**	**9,062**
	CASH & CASH EQUIVALENTS - OPENING BALANCE	9,062	-
	CASH & CASH EQUIVALENTS - CLOSING BALANCE	45,763	**9,062**
	NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	**36,701**	**9,062**

NOTES:

1 The above Cash Flow Statement has been prepared under the "Indirect Method" set out in the Ind AS - 7 "Statements of Cash Flows".
2 Figures in bracket indicate cash outflow.
3 Cash and cash equivalents at the end of the year consist of cash on hand and balance with banks as follows:

	31ST MARCH 2019 (Rs.in Thousands)	31ST MARCH 2018 (Rs.in Thousands)
CASH ON HAND	542	47
BALANCE WITH BANKS		
- IN CURRENT ACCOUNTS	3,187	9,015
- IN DEPOSIT WITH ORIGINAL MATURITIES UPTO THREE MONTHS	42,000	-
CHEQUE IN HAND	34	-
TOTAL CASH AND CASH EQUIVALENTS	**45,763**	**9,062**

The accompanying notes are an integral part of the Financial Statements

"As per our Report of even date"

FOR A PURI & ASSOCIATES
Chartered Accountants
Firm Registration Number: 003203N

JYOTI SUBARWAL
Partner
Membership Number:080654
UDIN:19080654AAAAAN1621

Place: New Delhi
Date: 15th July 2019

ON BEHALF OF BOARD OF DIRECTORS OF FABCAFE FOODS PRIVATE LIMITED

SUNIL CHAUHAN
Director
DIN:02614920

AJAY KAPOOR
Director
DIN:08224766

JIGYASA GULATI
Company Secretary
Membership No: 33052

FABCAFE FOODS PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH, 2019

A. EQUITY SHARE CAPITAL

PARTICULARS	NOTE	(Rs. in thousands)
Opening Balance	15	-
Changes in Equity Share Capital during the period		10,000
BALANCE AS AT 31ST MARCH, 2018		10,000
Changes in Equity Share Capital during the year		-
BALANCE AS AT 31ST MARCH, 2019		10,000

B. OTHER EQUITY

(Rs.in Thousands)

PARTICULARS	EQUITY COMPONENT OF COMPOUND FINANCIAL INSTRUMENT	RESERVE AND SURPLUS RETAINED EARNINGS	OTHER COMPREHENSIVE INCOME REMEASUREMENTS OF THE NET DEFINED BENEFIT PLANS (NET OF TAX)	OTHER ITEMS CAPITAL CONTRIBUTION	TOTAL
Opening Balance	-	-	-	-	-
Loss for the period	-	(12,043)	-	-	(12,043)
BALANCE AS AT 31ST MARCH, 2018	-	(12,043)	-	-	(12,043)
Loss for the year	-	(73,740)	-	-	(73,740)
Equity Component of Compound Financial Instruments	34,648	-	-	-	34,648
Addition on account of premium value on issuance of Corporate Guarantee by Fabindia Overseas Private Limited	-	-	-	19,464	19,464
Dividends (including Corporate Dividend Tax)	-	-	-	-	-
BALANCE AS AT 31ST MARCH, 2019	34,648	(85,783)	-	19,464	(31,671)

The accompanying notes are an integral part of the Financial Statements

"As per our Report of even date"

FOR A PURI & ASSOCIATES
Chartered Accountants
Firm Registration Number: 009203N

JYOTI SUBARWAL
Partner
Membership Number: 080654
UDIN:19080654AAAAAN1621

Place: New Delhi
Date: 15th July 2019

ON BEHALF OF BOARD OF DIRECTORS OF
FABCAFE FOODS PRIVATE LIMITED

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Director
DIN:02614920

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Director
DIN:08224766

JIGYASA GULATI
Company Secretary
Membership No: 33052

FABCAFE FOODS PRIVATE LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

1. Company Overview

Fabcafe Foods Private Limited ('the Company') is a private company domiciled in India and incorporated under the provisions of the Companies Act, 2013, on 20th October 2017. The Company is engaged in the business of running café/restaurants under the brand name "Fabcafe".

The financial statements were approved for issue by the Company's Board of Directors on 15th July 2019.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied during the year and previous year, unless otherwise stated.

a) Basis of preparation of financial statements and Statement of Compliance

These financial statements have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 [('the Act') (to the extent notified).The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

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

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands as per the requirement of Schedule III, unless otherwise stated.

b) Critical accounting judgements and key source of estimation uncertainty

The preparation of these financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Company's accounting policies and that have the significant effect on the amount recognized in the financial statements and/or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Employee Benefits:
Provision for employee benefits in the nature of gratuity and unpaid leave balance is estimated on actuarial basis using a number of assumptions which include assumptions for discount rate, future salary increases, mortality rates, attrition rates for employees, return on planned assets, etc. Any changes in these assumptions will impact the carrying amount of these provisions. Key assumptions are disclosed in Note No. 35.

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(ii) Income Tax:
Tax expense is calculated using applicable tax rates and tax laws that have been enacted or substantively enacted. In arriving at taxable profit and tax bases of assets and liabilities the Company adjudges taxability of amounts in accordance with tax enactments, case law and opinions of tax counsel, as relevant. Where differences arise on tax assessment, these are booked in the period in which they are agreed or on final closure of assessment.

Deferred Tax:
Deferred Tax assets are recognized only to the extent it is probable that future taxable profits will be available against which the assets can be utilized and are reviewed at each reporting date and reduced to the extent it is no longer probable that related tax benefit well be realized.

(iii) Assets Retirement Obligations (ARO):
The liability for assets retirement obligation are recognized when the Company has obligation to perform cafe/shop restoration activity. The recognition and measurement of assets retirement obligation involves the use of estimates and assumptions which includes the timing of handing over the licensed premises which would depend upon the lease period, the carpet area and pre-tax rate applied for discounting.

(iv) Impairment of financial assets:
The impairment provisions for financial assets are based on assumptions about risk of default and expected credit loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's experience, existing market conditions as well as forward looking estimates at the end of each reporting period.

(v) Depreciation/ amortization, useful lives and residual value of Property, Plant and Equipment/ Intangible Assets:
Property, Plant and Equipment / Intangible Assets are depreciated / amortized over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortization to be recorded during any reporting period. The useful lives and residual values are based on the management experience with similar assets and take into account anticipated technological changes. The depreciation / amortization for future periods is revised if there are significant changes from previous estimates.

(vi) Provisions:
Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

c) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act and Ind AS-1 – "Presentation of Financial Statements" based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents. The Company has ascertained its operating cycle as 12 months for the purposes of current / non-current classification of assets and liabilities.

d) Property, Plant and Equipment

(i) Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment, if any. Cost comprises of all cost of purchase, construction and expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. Subsequent expenditures relating to Property, Plant and Equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial

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statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Repairs and maintenance costs are charged to the Statement of Profit and Loss when incurred.

(ii) The Company has adopted component accounting, wherever applicable, and identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

(iii) Depreciation is recognized on a Straight-line basis over the useful life as specified under Schedule II of the Act and given below except for leasehold improvements which are depreciated over the period of lease.

Particulars	Useful Life
Leasehold Improvements	Over the period of lease
Furniture & Fixtures- If used at Café	08 Years
Furniture & Fixtures- If used in Office	10 Years
Office Equipments	5 Years
Kitchen Equipment's	8 years/5years
Electrical Installation and equipment (including air conditioner and cooling equipment)	10 Years
Vehicle	8 Years
Computers/Servers	3 Years/ 6years

(iv) The residual value of all depreciable assets, being negligible, is estimated at Nil.

(v) The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.

(vi) Cost of Property, Plant and Equipment not ready for intended use on the date of balance sheet are disclosed as "Capital Work- in- Progress".

e) Intangible Assets

(i) Intangible assets are recognized if it is probable that the future economic benefits attributable to the assets will flow to the enterprise and cost of the asset can be measured reliably in accordance with the notified Ind AS– 38 on "Intangible Assets".

(ii) Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses (if any).

(iii) Intangible assets with finite lives are amortized over the useful economic life on a straight-line basis, from the date that they are available for use and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization methods and useful lives are reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.

(iv) Amortization is calculated using straight line method to allocate cost over the useful economic life of the asset mentioned below:

Particulars	Useful Life
Computer Software	5 Years

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f) Impairment

(i). Impairment of Financial Assets

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost and financial assets measured at FVOCI- debt investments. At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit- impaired 'when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer; or
- a breach of contract such as a default or being past due.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

Presentation of allowance for expected credit losses in the balance sheet
Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to Statement of Profit and Loss and is recognized in OCI.

(ii) Impairment of Non-Financial Assets- property, plant and equipment and intangible assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such indication exists the recoverable amount (i.e. higher of fair value less cost of disposal and value in use) of the asset is estimated, or, when it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash generating unit to which the asset belongs is estimated. If the recoverable amount of the asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount and an impairment loss is recognized in the Statement of Profit and Loss.

The impairment loss recognized in the prior accounting period will be reversed if there has been a change in the estimate of recoverable amount.



g) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets

Financial assets include investments, trade receivables, advances other than trade and capital related, security deposits and cash and cash equivalents.

Initial Recognition and Measurement

All financial assets are initially recognized at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition of financial assets. Purchase and sale of financial assets are recognized using trade date accounting.

Subsequent Measurement

i. Financial Assets carried at Amortized Cost:
A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):
A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. Financial Assets at Fair Value through Profit and Loss (FVTPL):
A financial asset which is not classified in any of the above categories is measured at fair value through profit and loss.

Other Equity Investments

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the fair value changes in 'Other Comprehensive Income'.

(ii) Financial Liabilities

Financial liabilities primarily comprise of borrowings, trade payables and deposits.

Initial Recognition and Measurement

At initial recognition all financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

Subsequent Measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

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(iii) Derecognition of Financial Instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS-109 "Financial Instruments".

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(iv) Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

h) Inventories

a. Inventories (including stock-in-transit) are stated at lower of cost and net realizable value, except for scrap which is valued at net realizable value. Cost is ascertained on a Moving Weighted Average Basis. Inventory of provisions and beverages includes inventory of pre-mixes. Net realizable value represents the estimated selling price less all estimated costs necessary to make the sale.

   No valuation is done for damaged stock since its realizable value, if any, is negligible.

b. Inventory of crockery and cutlery in circulation has been charged to the Statement of Profit & Loss in the year when it is put to use.
c. Inventory of Uniform in use has been charged to the Statement of Profit & Loss in the year when it is put to use.

i) Foreign Currencies Transactions and Translations

The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupee.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains and losses resulting from such translations are included in net profit in the Statement of Profit and Loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in Other Comprehensive Income or Statement of Profit or Loss are also recognized in Other Comprehensive Income or Statement of Profit or Loss, respectively).

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.



j) Revenue form Contracts with Customers

The Company derives revenues primarily from sale of sale of foods and beverages.

The company has adopted Indian Accounting Standard 115 (Ind AS 115) – 'Revenue from contracts with customers' which has been effective from 1st April, 2018 using the cumulative catch-up transition method. Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted.

i) Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates, rebate for expiry and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue from sale of foods and beverages are recognised at a point of time on which the performance obligation is satisfied.

ii) Interest income is accounted for by using effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial assets. When calculating the effective interest rate, the Company estimates the expected cash flow by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

iii) Insurance claims as disclosed under miscellaneous income, are accounted for as and when processed and accepted by the Insurance Companies.

k) Employee Benefits

(i) Short-Term Employee Benefits
The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

(ii) Post-Employment Benefits

Defined Contribution Plans
A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.
The Company makes specified monthly contribution towards Provident Fund. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plan
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.
All employees are covered under Employees' Gratuity Scheme which is a defined benefit plan. Provision for Employees' Gratuity is based on actuarial valuation as on the date of Balance Sheet.

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The liability in respect of gratuity is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. The fair value of any plan assets is deducted from the present value of the defined benefit obligation to determine the amount of deficit or surplus. The net defined benefit liability / (asset) is determined as the amount of the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The net defined benefit liability / (asset) is recognised in the balance sheet.

Defined benefit costs are recognised as follows:

a) Service cost in the statement of profit and loss
b) Net interest on the net defined benefit liability (asset) in the statement of profit and loss
c) Remeasurement of the net defined benefit liability / (asset) in other comprehensive income

Compensated leave of absence

Accrual for leave encashment benefit is based on actuarial valuation as on the date of balance sheet in pursuance of the Company's leave rules.

I) Tax Expenses

Tax expense comprises current and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in Equity. In which case, the tax is also recognized in Other Comprehensive Income or Equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred Tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that the taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilized.

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m) Earnings Per Equity Share

Basic earnings per equity share are computed by dividing the net profit or loss attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share are computed by dividing the net profit or loss attributable to the equity shareholders of the Company as adjusted by the after tax amount of dividends and interest recognized in the period in respect of dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

n) Preliminary Expenses

Preliminary Expenses are written off in the year of incurrence.

o) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Assets Retirement Obligation (ARO)

The Company records a provision for assets retirement obligation towards cafe/ shop restoration activity. Assets retirement obligation are provided at the present value of future expenditure using a current pre-tax rate expected to be incurred to fulfill asset retirement obligation and are recognized as part of the cost of the underlying assets. Any change in the present value of the expenditure, other than unwinding of discount on the provision, is reflected as adjustment to the provision and the corresponding asset. The change in the provision due to the unwinding of discount is recognized in the Statement of Profit and Loss.

p) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cheques on hand, cash in transit, balance with banks in current accounts, balance in deposit accounts with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown under Short Term Borrowings in the Balance Sheet but netted off against cash and cash equivalent in Cash Flow Statement.

q) Dividend Distribution

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

r) Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. All other leases are classified as operating leases.

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Finance Lease

Assets acquired under finance lease are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Leased assets are depreciated over the useful life/ lease term of the asset.

Operating Lease

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

s) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either -
-In the principal market for the asset or liability, or
-In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. The fair value hierarchy classifies the inputs used to measure fair value into three levels, which are as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 - Unobservable inputs for the asset or liability.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

t) Borrowing Costs

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, as defined in Ind AS-23 – "Borrowing Costs" are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

u) Recent Accounting Pronouncements

Standards issued but not yet effective

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Lease, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from April 1, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use of assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value

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in nature. Currently operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use of assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The company is currently evaluating the impact on account of implementation of Ind AS 116 which might have significant impact on key profit and loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), etc.

Amendment to Existing issued Ind AS

MCA has also carried out amendments to the following accounting standards:

Ind AS 12, Appendix C, Uncertainity Over Income Tax Treatment
Ind AS 103 Business Combinations
Ind AS 109 Financial Instruments
Ind AS 111 Joint Arrangments
Ind AS 19 Employee Benefits
Ind AS 23 Borrowing Cost
Ind AS 28 Investment to Associates and Joint Ventures

Application of above standards are not expected to have any significant impact on the Company's financial statements.



FABCAFE FOODS PRIVATE LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2019

3a. Property, Plant and Equipment and Capital Work In Progress

(Rs.in Thousands)

	Leasehold Improvements	Furniture and Fixtures	Office Equipment	Kitchen Equipment	Airconditioner and Cooling Equipments	Electrical Installation and Equipments	Vehicles	Computers	Total Tangible Assets	Total Capital work-in-progress (Refer Note 1)
Gross Carrying Value										
Add: Additions made during the period	12,390	4,967	512	7,879	857	1,593	27	584	28,809	137
Less: Disposals / Adjustments during the period	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	**12,390**	**4,967**	**512**	**7,879**	**857**	**1,593**	**27**	**584**	**28,809**	**137**
Add: Additions made during the year	34,315	12,723	2,163	29,911	7,128	9,389	-	3,269	98,898	16,275
Less: Disposals / Adjustments during the year	-	-	-	558	-	12	-	-	570	50
As at March 31, 2019	**46,705**	**17,690**	**2,675**	**37,232**	**7,985**	**10,970**	**27**	**3,853**	**127,137**	**16,362**
Accumulated Depreciation										
Add: Depreciation charge for the period	586	163	31	587	23	48	1	65	1,504	-
Less: On Disposals / Adjustments during the period	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	**586**	**163**	**31**	**587**	**23**	**48**	**1**	**65**	**1,504**	**-**
Add: Depreciation charge for the year	4,337	1,190	289	4,205	362	504	4	646	11,537	-
Less: On Disposals / Adjustments during the year	-	-	-	100	-	2	-	-	102	-
As at March 31, 2019	**4,923**	**1,353**	**320**	**4,692**	**385**	**550**	**5**	**711**	**12,939**	**-**
Net Carrying Value										
As at March 31, 2019	**41,782**	**16,337**	**2,355**	**32,540**	**7,600**	**10,420**	**22**	**3,142**	**114,198**	**16,362**
As at March 31, 2018	11,804	4,804	481	7,292	834	1,545	26	519	27,305	137

Notes

1. Capital Work-in-Progress includes:

(Rs.in Thousands)

Particulars	As on 31-03-2018	Addition made during the year	Capitalised during the year	As on 31-03-2019
Construction/ Development of Cafes				
Tangible assets				
Leasehold Improvements	137	3,777	50	3,864
Furniture and Fixtures under erection	-	2,450	-	2,450
Office Equipment under installation	-	289	-	289
Kitchen Equipment under installation	-	5,747	-	5,747
Airconditioner and Cooling Equipments under installation	-	2,049	-	2,049
Electrical Installation and Equipments under installation	-	1,963	-	1,963
Total	**137**	**16,275**	**50**	**16,362**

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FABCAFE FOODS PRIVATE LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2019

3b. Intangible Assets

(Rs.in Thousands)

	Computer Software	Total Intangible Assets	Total Intangible Asset under Development
Gross Carrying Value			
Add: Additions made during the period	147	147	-
Less: Disposals / Adjustments during the period	-	-	-
As at March 31, 2018	**147**	**147**	-
Add: Additions made during the year	197	197	3,134
Less: Disposals / Adjustments during the year	-	-	-
As at March 31, 2019	**344**	**344**	**3,134**
Accumulated Depreciation			
Add: Depreciation charge for the period	4	4	-
Less: On Disposals / Adjustments during the period	-	-	-
As at March 31, 2018	**4**	**4**	-
Add: Depreciation charge for the year	49	49	-
Less: On Disposals / Adjustments during the year	-	-	-
As at March 31, 2019	**53**	**53**	-
Net Carrying Value			
As at March 31, 2019	**291**	**291**	**3,134**
As at March 31, 2018	143	143	-

Note :

1.Asset under Development includes :

(Rs. in Thousands)

Particulars	As on 31-03-2018	Addition made during the year	Capitalised during the year	As on 31-03-2019
Intangible assets				
Software (under implementation)	-	3,134	-	3,134
Total	**-**	**3,134**	**-**	**3,134**

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4 NON-CURRENT LOANS (Unsecured, Considered Good)	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Security Deposits	1,604	669
	1,604	**669**

5 DEFERRED TAX ASSETS (NET)	Increase/(Decrease) (Rs.in Thousands)	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
The balance comprises temporary differences attributable to:			
Depreciation and Amortization	1,758	(1,758)	-
Provision for Retirement Benefits	(205)	205	-
Provision for Asset Retirement Obligation	(1,803)	1,803	-
Preliminary Expenses	(171)	171	-
Discounting of Security Deposits	(299)	299	-
Prepaid Lease rentals	290	(290)	-
Other Disallowances	(128)	128	-
Brought forward business losses and depreciation	(23,759)	23,759	-
	(24,317)	**24,317**	**-**

6 OTHER NON-CURRENT ASSETS (Unsecured, Considered Good)	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Advance for capital goods	13,057	-
Prepaid Guarantee Premium	15,081	-
Prepaid Expenses		
-Prepaid Lease Rentals	969	254
-Other Prepaid Expenses	80	-
	29,187	**254**

7 INVENTORIES - As per inventory taken, valued and certified by the Management	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Provisions and beverages (including pre-mixes)	6,873	856
Crockery and Cutlery	319	178
Uniform	247	-
Others	97	-
Goods-in-transit	243	-
	7,779	**1,034**
Less: Provision for Non Moving Inventory	-	-
	7,779	**1,034**

8 TRADE RECEIVABLES	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	719	104
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables-Credit Impaired	-	-
	719	104
Less: Provision for doubtful receivables	-	-
	719	**104**

The trade receivables have been recorded at their respective carrying amounts and are not considered to be materially different from their fair values as these are expected to realise within a short period from the date of balance sheet. All of the Company's trade receivables have been reviewed for indications of impairment and no provision for impairment is required as all are expected to realise within a short period from the date of balance sheet.

9 CASH AND CASH EQUIVALENTS	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Balances with Banks		
- In Current Accounts	3,187	9,015
Deposits with original maturity upto three months	42,000	-
Cash on Hand	542	47
Cheque in hand	34	-
	45,763	**9,062**

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10 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Deposits with original maturity of more than three months but less than twelve months	1,663	-
	1,663	**-**

11 CURRENT FINANCIAL ASSETS - LOANS

(Unsecured, Considered Good)

	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Security Deposits	435	-
Others*	708	3
	1,143	**3**
*Due from:		
- Employees	708	3

12 CURRENT FINANCIAL ASSETS - OTHERS

	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Interest accrued on deposits	129	-
	129	-

13 CURRENT TAX ASSETS

	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Opening balance of Advance Tax (Net)	-	-
Less: Current tax payable for the year	-	-
Add: Taxes paid	28	-
Add: Tax provision for earlier years written back	-	-
Closing balance of Advance Tax (Net)	28	-
Advance Tax (net of provision of income tax)	28	-
Total current tax assets	**28**	**-**

14 OTHER CURRENT ASSETS

	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Unsecured, Considered Good		
Prepaid Expenses		
-Prepaid Lease Rentals	146	33
-Other Prepaid expenses	999	416
Advance to Supplier	1,766	90
Prepaid Guarantee Premium	3,893	-
Advance Statutory Dues		
Goods and Services Tax Input Credit Recoverable	3,760	2,145
	10,564	**2,684**

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15 EQUITY SHARE CAPITAL	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
AUTHORISED		
15,00,000(Previous Period 15,00,000) Equity Shares of Rs 10/- each	15,000	15,000
18,50,000(Previous Period 9,50,000) 9% Optionally Convertible Preference Shares (Cumulative) (OCPs) of Rs.100/- each (Refer Note No. 16 & 17)	185,000	95,000
	200,000	110,000
ISSUED, SUBSCRIBED & PAID UP		
1,000,000 Equity Shares of Rs.10/- each fully paid up	10,000	10,000
	10,000	10,000

a). Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. Each holder of equity shares is entitled to dividends as and when the Company declares and pays dividend after obtaining shareholders approval. The Company declares and pays dividend in Indian Rupees.During the year ended 31st March 2019,the Company has not proposed / paid any dividend on equity shares.

b). Shares held by holding or ultimate holding company including subsidiaries or associates of holding company or ultimate holding company , in aggregate :

Name of shareholder	As at 31st March 2019		As at 31st March 2018	
	Shares held (No.)	(Rs. in thousands)	Shares held (No.)	(Rs. in thousands)
Equity Shares of Rs. 10/- each fully paid up				
Fabindia Overseas Private Limited	700,000	7,000	700,000	7,000

c). The details of shareholders holding more than 5% shares as at 31st March 2019 and 31st March 2018 is set out below:

Name of shareholder	Shares held (No.)	Percentage held as at 31st March 2019	Shares held (No.)	Percentage held as at 31st March 2018
Equity Shares of Rs. 10/- each fully paid up				
Fabindia Overseas Private Limited	700,000	70%	700,000	70%
Sunil Chauhan	300,000	30%	300,000	30%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d). The reconciliation of the number of shares outstanding as at 31st March 2019 and 31st March 2018 is set out below:

Particulars	AS AT 31ST MARCH 2019	AS AT 31ST MARCH 2018
Equity Shares of Rs. 10/- each fully paid up		
Number of shares in the beginning	1,000,000	-
Shares subscribed on incorporation	-	10,000
Shares issued after incorporation	-	990,000
Number of shares at the end	1,000,000	1,000,000



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16 OTHER EQUITY

	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Summary of Other Equity Balance		
Retained Earnings/ (Loss)	(85,783)	(12,043)
Equity Component of Compound Financial Instruments	34,648	-
Equity Component of Guarantee Premium	19,464	-
	(31,671)	(12,043)
Retained Earnings		
Balance at the beginning	(12,043)	-
Loss for the year	(73,740)	(12,043)
Appropriations:	-	-
Interim Dividend	-	-
Corporate Dividend Tax on Interim Dividend	-	-
Balance at the end	(85,783)	(12,043)

17 BORROWINGS

	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
UNSECURED		
18,30,000 (Previous Period : 360,000) 9% Optionally Convertible Preference Shares (Cumulative) (OCPs) of Rs.100/- each fully paid up *	159,832	36,287
(including dividend payable at effective interest rate)		
	159,832	**36,287**
SECURED		
Term Loan		
Citibank , N.A**	52,000	-
	52,000	-
Less: Current Maturity of Long Term Debt	-	-
	52,000	-
Total	**211,832**	**36,287**

Note :

***Terms of 9% Optionally Convertible Preference Shares (Cumulative) (OCPs)**

a). Terms of Conversion and Redemption

9% Optionally Convertible Preference Shares (Cumulative) (OCPs) of Rs. 100/- each shall be convertible at par into Equity Shares on the basis of 10 Equity Shares for 1 OCPs at any time at the option of the Company but not later than 7 years from the date of receipt of the respective investment tranches as stipulated in the agreement between the parties to the extent not redeemed at par in one or more tranches of 50,000 OCPs before that date.

The respective tranches has been received as on the following dates:

Dates	No. of OCPs
24-Nov-17	60,000
19-Mar-18	300,000
19-Jun-18	140,000
1-Aug-18	350,000
10-Oct-18	300,000
20-Nov-18	280,000
12-Jan-19	400,000
Total	**1,830,000**

b). Terms for Payment of Dividend

The Preference Shares (OCPs) shall have priority for an annual dividend of 9% of the amount subscribed for the shares , which shall compound until paid , the dividend being Cumulative Preferred Dividend.

**The Company had been sanctioned a term loan of Rs.150,000 thousands from Citibank, N.A, for financing its Capital Expansion Requirement of the Company, for a period of 5 years including moratorium of 15 months commencing from March 2019. During the financial year 2018-19, the Company has availed an amount of Rs.52,000 thousands out of the total said loan. The loan carries an interest rate of 8.9% which shall be subject to the changes by the Bank based on changes in interest rates made by the RBI from time to time.The loan is repayable in 45 equal monthly principal installments commencing from 16th month i.e July 2020.

The said loan is secured by

-Exclusive charges on present and future current assets and movable fixed assets (property , plant and equipment) of the Borrower

-Corporate guarantees of Fabindia Overseas Private Limited

-Demand promissory note and letter of continuity

The interest amount on the above said loan is due for payment after the year end.



18 NON-CURRENT PROVISIONS

	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Provision for Employee Benefits		
- Gratuity	630	-
- Leave Encashment	142	-
Provision for Asset Retirement Obligations*	6,925	774
	7,697	**774**

Provision for Asset Retirement Obligation:
A provision has been recognised for asset retirement obligation costs associated with the cafes taken on operating lease by the Company. The Company is committed to handover the vacant cafes in the same condition as it was handed over by the licensor at the expiry of those leases. The Company has estimated an average cost (per unit) for decommissioning the said cafes and provided for asset retirement obligation.

***Movement in Provision Asset Retirement Obligation during the year:**

Balance at the beginning	774	-
Provision during the year	6,151	774
Amounts utilized / written back during the year	-	-
Balance at the end	6,925	774

19 OTHER NON-CURRENT LIABILITIES

	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Corporate Dividend Distribution Tax on 9% Optionally Convertible Preference Shares (Cumulative) (OCPs) dividend payable on declaration	2,359	58
	2,359	**58**

20 TRADE PAYABLES

	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
For Goods and Services		
- Due of micro enterprises and small enterprises	1,472	-
- Due of creditors other than micro enterprises and small enterprises	5,911	826
	7,383	**826**

21 OTHER CURRENT FINANCIAL LIABILITIES

	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Payables for Capital Goods*	20,329	1,060
Interest accrued but not due on borrowings	253	-
Other Accruals	25,568	3,954
	46,150	**5,014**

* includes amount payable to micro and small enterprises amounting to Rs. 4493 thousands (Previous Period : Nil)

22 OTHER CURRENT LIABILITIES

	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Statutory Dues	3,107	479
	3,107	**479**

23 CURRENT PROVISIONS

	AS AT 31ST MARCH 2019 (Rs.in Thousands)	AS AT 31ST MARCH 2018 (Rs.in Thousands)
Provision for Employee Benefits		
- Gratuity	1	-
- Leave Encashment	14	-
Provision for Asset Retirement Obligations*	9	-
	24	**-**

Provision for Asset Retirement Obligation:
A provision has been recognised for asset retirement obligation costs associated with the cafes taken on operating lease by the Company. The Company is committed to handover the vacant cafes in the same condition as it was handed over by the licensor at the expiry of those leases. The Company has estimated an average cost (per unit) for decommissioning the said cafes and provided for asset retirement obligation.

***Movement in Provision Asset Retirement Obligation during the year:**

Balance at the beginning	-	-
Provision during the year	9	-
Amounts utilized / written back during the year	-	-
Balance at the end	**9**	**-**

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24 REVENUE FROM OPERATIONS

	FOR THE YEAR ENDED 31ST MARCH 2019	FOR THE PERIOD 20TH OCTOBER 2017 (i.e date of incorporation) TO 31ST MARCH 2018
	(Rs.in Thousands)	*(Rs.in Thousands)*
Food and Beverages		
Food and Beverages	75,248	7,230
	75,248	**7,230**
Details of Products Sold		
Food and Beverages	75,248	7,230
	75,248	**7,230**
Reconciliation of Revenue with Contracted Price		
Revenue as per contracted price	75,248	7,230
Adjustments :		
Discounts and Rebates	-	-
Rebate for Expiry	-	-
Revenue from contract with customers	**75,248**	**7,230**

Note: Considering the nature of business which is operating café's which is mostly on cash and carry basis predominately through credit cards with no variable consideration / financing arrangement .The adoption of Ind AS 115 does not have effect on recognition of revenue as compared to the revenue recognition under erstwhile Ind AS 11 & Ind AS 18.

25 OTHER INCOME

	FOR THE YEAR ENDED 31ST MARCH 2019	FOR THE PERIOD 20TH OCTOBER 2017 (i.e date of incorporation) TO 31ST MARCH 2018
	(Rs.in Thousands)	*(Rs.in Thousands)*
Interest Income		
Bank Deposits	278	-
Rewinding of Interest on Leased Deposits measured at amortised cost	90	9
Profit on sale of property, plant and equipment (net)	973	-
Miscellaneous Income	80	8
	1,421	**17**

26 CONSUMPTION OF PROVISIONS, BEVERAGES & OTHERS

	FOR THE YEAR ENDED 31ST MARCH 2019	FOR THE PERIOD 20TH OCTOBER 2017 (i.e date of incorporation) TO 31ST MARCH 2018
	(Rs.in Thousands)	*(Rs.in Thousands)*
FOOD, BEVERAGES AND OTHERS		
Opening Stock	856	-
Add: Purchases	33,443	4,366
	34,299	4,366
Less: Closing Stock	6,873	856
	27,426	**3,510**

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27 EMPLOYEE BENEFITS EXPENSE

	FOR THE YEAR ENDED 31ST MARCH 2019	FOR THE PERIOD 20TH OCTOBER 2017 (i.e date of incorporation) TO 31ST MARCH 2018
	(Rs.in Thousands)	*(Rs.in Thousands)*
Salaries and Wages	39,940	2,802
Contribution to Provident and Other Funds	3,543	189
Staff Recruitment & Training	1,244	74
Staff Welfare Expense	1,088	255
	45,815	**3,320**

28 FINANCE COSTS

	FOR THE YEAR ENDED 31ST MARCH 2019	FOR THE PERIOD 20TH OCTOBER 2017 (i.e date of incorporation) TO 31ST MARCH 2018
	(Rs.in Thousands)	*(Rs.in Thousands)*
Interest Expense		
Term Loan	253	-
Micro, Small and Medium Enterprises	88	-
Unwinding of Discount on Asset Retirement Obligation	324	22
Others	53	-
Guarantee Expenses	491	-
Dividend on 9% Optionally Convertible Preference Shares (Cumulative) (OCPs) ^ (including corporate dividend tax)	13,494	345
	14,703	**367**

^ subject to availability of profits and declaration and approval of shareholders

29 OTHER EXPENSES

	FOR THE YEAR ENDED 31ST MARCH 2019	FOR THE PERIOD 20TH OCTOBER 2017 (i.e date of incorporation) TO 31ST MARCH 2018
	(Rs.in Thousands)	*(Rs.in Thousands)*
Consumption of Crockery and Cutlery	7,745	716
Consumption of linen	1,207	-
Power, Fuel and water charges	6,080	542
Rent	19,692	2,433
Legal and Professional Charges	7,561	2,923
Payment to Auditors*	723	50
Preliminary Expenses	-	1,082
Postage, Telex and Telephones	691	71
Traveling and Conveyance	3,770	427
Printing & Stationary	1,899	267
Rates and Taxes	5,776	43
Insurance	417	72
Repair and Maintenance		
Building	1,838	-
Common Area Maintenance Charges	1,634	321
Computers, Air Conditioners and Other Equipments	1,635	-
Others	960	319
Security and Housekeeping Charges	5,105	464
Packing, Freight, Clearing and Forwarding	2,383	190
Sales Promotion & Marketing	1,714	220
Membership and Subscription	902	-
Royalty fees	752	-
Commission on sales	1,021	12
Fines and Penalties	85	-
Bank Charges	874	68
Miscellaneous Expenses	732	365
	75,196	**10,585**

***Payments to Auditors**

Statutory Auditors		
-As Audit Fee	500	50
-As Tax Audit Fee	150	-
-For Other Services		
Certification and Consultancy Services	50	-
-Reimbursement of out of pocket expenses	23	-
	723	**50**

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30 TAX EXPENSE

	FOR THE YEAR ENDED 31ST MARCH 2019	FOR THE PERIOD 20TH OCTOBER 2017 (i.e date of incorporation) TO 31ST MARCH 2018
	(Rs.in Thousands)	*(Rs.in Thousands)*
(a) Tax expense recognised in Statement of Profit and Loss		
Current Tax		
In respect of the current year	-	-
Total (A)	-	-
Deferred Tax		
Orignation and reversal of temporary differences	(24,317)	-
Total (B)	(24,317)	-
Total (A+B)	**(24,317)**	-
(b) Movement in Deferred tax Assets (net)		
Deferred income tax liability / (asset), net		
Depreciation and Amortization	1,758	-
Provision for Retirement Benefits	(205)	-
Provision for Asset Retirement Obligation	(1,803)	-
Preliminary Expenses	(171)	-
Discounting of Security Deposits	(299)	-
Prepaid Lease Rentals	290	-
Other Disallowances	(128)	-
Brought forward business losses and depreciation	(23,759)	-
	(24,317)	-
Less: Valuation allowance	-	-
Net Deferred Tax Expense/Income recognised in Statement of Profit and Loss	**(24,317)**	-
(b) Reconciliation of effective tax rate		
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
Loss before exceptional items and tax	(98,057)	-
Tax using the Company's domestic tax rate (31st March 2019: 26%)	(25,495)	-
Tax effect of:		
Non-deductible tax expenses		
Effect of tax related to expenses not deductible for income tax	4,152	-
Effect of defered tax asset created on balances brought forward from earlier years (on first time creation of deferred tax)	(2,974)	-
	(24,317)	-



31 Financial Instruments – Fair Value Measurement

Financial instruments by category

(Rs.in Thousands)

Particulars	As at 31st March 2019					As at 31st March 2018				
	FVTPL	FVOCI	Amortised Cost	Total Carrying value	Total Fair value	FVTPL	FVOCI	Amortised Cost	Total Carrying value	Total Fair value
Financial Assets										
Loans (Non Current)	-	-	1,604	1,604	1,604	-	-	669	669	669
Trade Receivables (Current)	-	-	719	719	719	-	-	104	104	104
Cash And Cash Equivalents (Current)	-	-	45,763	45,763	45,763	-	-	9,062	9,062	9,062
Bank Balances Other Than Cash And Cash Equivalents (Current)	-	-	1,663	1,663	1,663	-	-	-	-	-
Loans (Current)	-	-	1,143	1,143	1,143	-	-	3	3	3
Other Financial Assets (Current)			129	129	129			-	-	-
Total	**-**	**-**	**51,021**	**51,021**	**51,021**	**-**	**-**	**9,838**	**9,838**	**9,838**
Financial Liabilities										
Borrowings (Non Current)		-	211,832	211,832	211,832	-	-	36,287	36,287	36,287
Trade Payables (Current)	-	-	7,383	7,383	7,383	-	-	826	826	826
Other Financial Liabilities (Current)	-	-	46,150	46,150	46,150	-	-	5,014	5,014	5,014
Total	**-**	**-**	**265,365**	**265,365**	**265,365**	**-**	**-**	**42,127**	**42,127**	**42,127**

Note :

1.Trade receivables comprise amounts receivable from the sale of food and other beverages.
2.The Management considers that the carrying amount of trade and other receivables approximates their fair value.
3.Bank balances and cash comprise cash and short-term deposits held by the Company. The carrying amount of these assets approximates their fair value.
4.Loans (non-current) comprise of security deposits paid which have been discounted and the same approximates their fair value.
5.Borrowings comprise of 9% Optionally Convertible Preference Shares (Cumulative) (OCPs) amortised at effective interest rate and the fair value is considered to be the same as the carrying value being at market rate as per the approved valuer report. Further for Bank Borrowings, the fair value are considered the same as carrying value as the same are at market determined rate.
6.Trade and other payables principally comprise amounts outstanding for trade purchases and on-going costs. The Management considers that the carrying amount of trade payables approximates to their fair value.
7.Financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Fair value hierarchy:

Level 3 : All amortised cost financial assets and liabilities are classified as level 3 inputs.



32 Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:
(a) Credit Risk;
(b) Liquidity Risk; and
(c) Market Risk

Risk Management Framework
The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The risk management policies are established to identify and analyse the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and company activities. The Company's Board of Directors oversees how the management monitors compliance with Company's risk management policies and procedures, and review adequacy of the risk management framework in relation to the risks faced by the Company.

a. Credit Risk:

Credit risk is a risk that the counterparty will default on its contractual obligation resulting in financial loss to the Company. The credit risk for the Company primarily arises from credit exposures to trade receivables, deposits with landlords for cafe properties taken on leases and other receivables including balances with banks.

The Company's cafe business is predominantly on 'cash and carry' basis which is largely through credit card collections. The credit risk on such collections is minimal, since they are primarily owned by customers' card issuing banks. The Company's credit policy requires each new privileged customer to be analysed individually for creditworthiness before the Company's standard payment terms and conditions are offered. Further, Trade and other receivables consist of a large number of customers, across geographies, hence, the Company is not exposed to concentration risks. Similarly, in the case of other receivables and loans, the Company mitigates this risk by attempting to ensure appropriate credit worthiness.

The Company also carries credit risk on lease deposits with landlords for cafe properties taken on leases, for which agreements are signed and property possessions timely taken for cafe operations. The risk relating to refunds after cafe shut down is managed through successful negotiations or appropriate legal actions, where necessary.

b. Liquidity Risk:

Liquidity risk is a risk that the Company may not be able to meet its financial obligations on a timely basis through its cash and cash equivalents, and funds available by way of committed credit facilities from banks.

Management manages the liquidity risk by monitoring rolling cash flow forecasts and maturity profiles of financial assets and liabilities. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents and possible additional financing facilities.

Maturities of Financial Liabilities
The table below summarises the maturity profile (remaining period of contractual maturity at the balance sheet date) of the Company's financial liabilities based on contractual undiscounted cash flows.

The details of the contractual maturities of financial liabilities as on 31st March 2019 are as follows:

(Rs. in Thousands)

Contractual maturities of financial liabilities as on 31st March 2019	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Borrowings	-	52,000	159,832	**211,832**
Trade Payables	7,383	-	-	**7,383**
Payables for Capital Goods	20,329	-	-	**20,329**
Interest accrued but not due	253	-	-	**253**
Other Accruals	25,568	-	-	**25,568**
	53,533	**52,000**	**159,832**	**265,365**

The details of the contractual maturities of financial liabilities as on 31st March 2018 are as follows:

(Rs. in Thousands)

Contractual maturities of financial liabilities as on 31st March 2018	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Borrowings	-	-	36,287	**36,287**
Trade Payables	826	-	-	**826**
Payables for Capital Goods	1,060	-	-	**1,060**
Other Accruals	3,954	-	-	**3,954**
	5,840	**-**	**36,287**	**42,127**

c. Market Risk:

Market Risk is the risk that changes in market place could affect the future cash flows to the Company. The market risk for the Company arises primarily from foreign currency risk and interest rate risk.

The Company's transactions are in Indian Rupees and therefore there is no foreign currency risk. Further, the Company is exposed to variable rate of interest as the interest rate on loan may vary subject to the changes in the interest rates made by the RBI from time to time .

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Rs. in Thousands)

Particular	As at March 31, 2019	As at March 31, 2018
Term Loan from Citibank , N.A	52,000	-

A hypothetical 50 basis point shift in respective interest rate on the unhedged loans would result in a corresponding increase/decrease in interest cost for the company on a yearly basis as follows:

(Rs. in Thousands)

Particulars	Impact on Profit & Loss		Impact on Equity	
	2018-19	2017-18	2018-19	2017-18
Indian Rupees				
interest rates -increase by 0.5% in INR interest rate	15	-	15	-
interest rates -decrease by 0.5% in INR interest rate	(15)	-	(15)	-



33 Capital Management

The Company's objectives when managing capital are to safeguard continuity as a going concern, provide appropriate return to shareholders and maintain a cost efficient capital structure.
The Capital includes issued equity capital and all other reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value.Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Board of Directors seek to maintain a balance of higher returns by sound capital composition and accordingly the Company has availed funds by issuing 9% Optionally Convertible Preference Shares (Cumulative) (OCPs) and term loan from Banks.

The Company has recently commenced its operations and is to recoup its intial fixed costs through operating revenue and hence , has not proposed / declared any dividend during the year.

The following table summarizes the debt-equity capital of the Company:

(Rs. in Thousands)

Capital	As at 31st March 2019	As at 31st March 2018
Long Term Borrowings	211,832	36,287
Short Term Borrowings	-	-
Total Debt	**211,832**	**36,287**
Equity Share Capital	10,000	10,000
Other Equity	(31,671)	(12,043)
Total Equity	**(21,671)**	**(2,043)**
Debt-Equity Ratio	**(9.77)**	**(17.76)**



FABCAFE FOODS PRIVATE LIMITED
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2019

34 RELATED PARTY DISCLOSURES

As required by Indian Accounting Standard - Ind AS 24 "Related Parties Disclosures" the disclosure are as follows:

A. List of related parties where control exists :

(i) Holding Company
- Fabindia Overseas Private Limited

(ii) List of related party who have control over the Company (either individually or with others)
- Sunil Chauhan

Other related parties with whom the Company had transactions :

(iii) Enterprise over which directors and their relatives have significant influence
- Chefs United Foods Private Limited

(iv) Key Management Personnel and Directors
- Sunil Chauhan
- Sunil Kumar Rautela (upto 4th October 2018)
- Ajay Kapoor (w.e.f. 24 th September 2018)

B. Summary of the transactions with related parties is as follows :

(Rs.in Thousands)

Nature of transaction	Holding Company		Enterprise over which directors and their relatives have significant influence		Key Management Personnel and Directors		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Issue of Equity Share Capital	-	7,000	-	-	-	3,000	-	10,000
Issue of 9% Optionally Convertible Preference Shares (Cumulative) (OCPs)	147,000	36,000	-	-	-	-	147,000	36,000
Dividend on 9% Optionally Convertible Preference Shares (Cumulative) (OCPs) at effective interest rate	11,193	287	-	-	-	-	11,193	287
Sale of Food and Other Beverages	34	-	-	-	-	-	34	-
Purchase of Food and Other Beverages	-	-	-	1,227	-	-	-	1,227
Purchase of Fixed Assets	4,492	13,832	-	1,386	-	-	4,492	15,218
Purchase of Crockery and Cutlery	2,181	367	-	228	-	-	2,181	595
Purchase of linen and others	1,072	-	-	-	-	-	1,072	-
Security Deposit Paid	191	-	-	-	-	-	191	-
Rent Paid	12,978	1,624	-	-	-	-	12,978	1,624
Repair and Maintenance (CAM charges paid)	916	-	-	-	-	-	916	-
Royalty fees Paid	752	-	-	-	-	-	752	-
Professional Charges	-	-	-	-	3,600	1,800	3,600	1,800
Reimbursement of Expenses paid	4,180	2,522	-	222	59	-	4,239	2,744

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B. Summary of the transactions with related parties is as follows :

(Rs. in Thousands)

Outstanding Balances	Holding Company		Enterprise over which directors and their relatives have significant influence		Key Management Personnel and Directors		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Outstanding Payables	24,302	703	-	55	340	1,800	24,642	2,558
Outstanding Receivables	-	-	-	-	-	-	-	-

Terms and conditions:

1. The above related party transactions have been reveiwed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/terms thereof. Necessary approval have been taken accordingly as per the provisions of the Companies Act, 2013.

2. None of the balances outstanding are secured.



C. Disclosure in respect of all related party transactions during the year as follows:

Particulars	2018-19 (Rs. in Thousands)	2017-18 (Rs. in Thousands)
Issue of Equity Share Capital		
Fabindia Overseas Private Limited	-	7,000
Sunil Chauhan	-	3,000
Issue of 9% Optionally Convertible Preference Shares (Cumulative) (OCPs)		
Fabindia Overseas Private Limited	147,000	36,000
Dividend on 9% Optionally Convertible Preference Shares (Cumulative) (OCPs) at effective interest rate		
Fabindia Overseas Private Limited	11,193	287
Sale of Food and Other Beverages		
Sunil Chauhan	34	-
Purchase of Food and Other Beverages		
Chefs United Foods Private Limited	-	1,227
Purchase of Fixed Assets		
Fabindia Overseas Private Limited	4,492	13,832
Chefs United Foods Private Limited	-	1,386
Purchase of Crockery and Cutlery		
Fabindia Overseas Private Limited	2,181	367
Chefs United Foods Private Limited	-	228
Purchase of linen and others		
Fabindia Overseas Private Limited	1,072	-
Security Deposit Paid		
Fabindia Overseas Private Limited	191	-
Rent Paid		
Fabindia Overseas Private Limited	12,978	1,624
Repair and Maintenance (CAM charges paid)		
Fabindia Overseas Private Limited	916	-
Royalty Fees Paid		
Fabindia Overseas Private Limited	752	-
Professional Charges		
Sunil Chauhan	3,600	1,800
Reimbursement of Expenses paid		
Fabindia Overseas Private Limited	4,180	2,522
Chefs United Foods Private Limited	-	222
Sunil Chauhan	59	-
Outstanding Payable		
Sunil Chauhan	340	1,800
Fabindia Overseas Private Limited		
- Dividend on 9% Optionally Convertible Preference Shares (Cumulative) (OCPs) at effective interest rate	11,480	287
-Others	12,822	416
Chefs United Foods Private Limited	-	55

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35 EMPLOYEE BENEFITS

The Company has classified the various benefits provided to employees as under:-

(a) Contribution to Provident Fund (Defined Contribution Plan)

An amount of Rs.2549 thousands (Previous Period : Rs. 122 thousands) has been recognized as an expense in respect of the Company's contribution to Provident Fund deposited with the relevant authorities and has been shown under personnel expenses in the Statement of Profit and Loss.
The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(b) Contribution to Gratuity Fund (Defined Benefit Plan)

The Company has defined benefit gratuity plan (funded) wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(c) Compensated Leave of Absence Plan (Other Long Term Benefit Plan)

The Company permits encashment of leave accumulated by their employees on retirement and separation. The liability for encashment of privilege leave is determined and provided on the basis of actuarial valuation performed by an independent actuary at the date of the balance sheet.

Actuarial valuation was done in respect of the aforesaid defined benefit plan and other long term benefit plan based on the following assumptions-

Economic Assumptions

The discount rate and salary growth rate are the key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate

The discounting rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities & salary growth rate. For the current valuation a discount rate of 7.66% p.a. compound, has been used in consultation with the employer.

Salary Growth Rate

The salary growth rate usually consists of at least three components, viz. seniority, regular increments and promotional increase and price inflation. The assumptions used are summarized in the following table:

	Gratuity	Compensated Absences Earned Leave
	2018-19	2018-19
Discount rate(per annum)	7.66%	7.66%
Future salary increase(per annum)	7.00%	7.00%
In service mortality	100% of IALM (2006-08)	100% of IALM (2006-08)
Retirement Age	58 years	58 years
Withdrawal rates : Ages/ withdrawal rate		
-upto 30 years	5.00%	5.00%
-upto 44 years	3.00%	3.00%
-above 44 years	2.00%	2.00%

(Rs. in Thousands)

	Gratuity	Compensated Absences Earned Leave
	2018-19	2018-19
1. Expenses recognised in the statement of profit and loss		
Current service cost	601	136
Past service cost	-	-
Interest cost	-	-
Curtailment of Benefit	30	20
Expected return on plan assets	-	-
Net actuarial(gain)/loss recognised in the year	-	-
Total expenses	631	156
2. Net asset/(liability) recognised as at the end of the year		
Present value of defined benefit obligation	631	156
Fair value of plan assets	-	-
Funded status [surplus/(deficit)]	(631)	(156)
Net asset/(liability) as at the end of the year	(631)	(156)
3. Change in the present value of obligation		
Present value of obligation as at the beginning of the year	-	-
Interest cost	-	-
Current service cost	601	136
Past service cost	-	-
Curtailment of Benefit	30	20
Benefits paid	-	-
Actuarial (gains)/lossess on obligation	-	-
Present value of obligation as at the end of the year	631	156

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36 CONTINGENT LIABILITIES AND COMMITMENTS

A Contingent Liabilities:	AS AT 31ST MARCH 2019 (Rs. in Thousands)	AS AT 31ST MARCH 2018 (Rs. in Thousands)
(a) Claims against the Company not acknowledged as debts:	Nil	Nil

B Commitments:	AS AT 31ST MARCH 2019 (Rs. in Thousands)	AS AT 31ST MARCH 2018 (Rs. in Thousands)
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:	15,936	Nil

(b) Lease Commitments:

(i) The Company has entered into operating leases for its cafes and office premises at various locations across India, with lease terms between 5 and 9 years.

	AS AT 31ST MARCH 2019 (Rs. in Thousands)	AS AT 31ST MARCH 2018 (Rs. in Thousands)
a. Not later than one year	33,793	7,071
b. Later than one year but not later than five years	7,350	2,059
c. Later than five years	-	-

37 EARNINGS PER EQUITY SHARE

Basic EPS amounts has been calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts has been calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:	FOR THE YEAR ENDED 31ST MARCH 2019 (Rs. in Thousands)	FOR THE YEAR ENDED 31ST MARCH 2018 (Rs. in Thousands)
Basic Earning per share		
(Loss) attributable to equity holders of the company	(73,740)	(12,043)
Weighted average number of equity shares (Nos.)	1,000,000	333,808
Nominal value of equity shares	10	10
Loss per equity share (in Rs.)		
-basic	**(73.74)**	**(36.08)**
Diluted Earning per share		
(Loss) attributable to equity holders of the company	(73,740)	(12,043)
Add:Dividend on 9% Optinally Convertible Preference Shares (Cumulative) (OCPs)	13,494	-
Loss for calculation of Diluted Earning/(Loss) per shares	(60,246)	(12,043)
Weighted average number of equity shares		
Number of shares considered as weighted average shares outstanding for Basic EPS	1,000,000	333,808
Add:Weighted average number of potential equity shares on account of 9% Optionally Convertible Preference Shares	10,327,397	-
Number of shares considered as weighted average shares (including dilutive shares) outstanding for Diluted EPS	11,327,397	333,808
Loss per equity share (in Rs.)		
-Diluted EPS	(5.32)	(36.08)
-Diluted EPS	**(73.74)**	**(36.08)**
(restricted to Basic EPS being anti dilutive)		

38 Segment Reporting

An operating segment is one whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. The Board of Directors reviews the operating results of the Company. The Board of Director reviews performance of the Cafe business on an overall basis. As the Company's activities fall within a single reportable segment being the core business segment i.e. Cafe Operations, the segment wise disclosure requirements of Ind AS 108 on Operating Segment is not applicable. In compliance to the said standard, entity wise disclosures are as under:

	31st March,2019 (Rs. in Thousands)	31st March,2018 (Rs. in Thousands)
Sale of Products		
- Within India	75,248	7,230
- Outside India	-	-
	75,248	**7,230**

	31st March,2019 (Rs. in Thousands)	31st March,2018 (Rs. in Thousands)
Details of Non Current Asset		
- Within India	29,187	254
- Outside India	-	-
	29,187	**254**

The Company does not have revenue from the customer which exceeded 10% of the total revenue.

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39 IMPAIRMENT

(i) The Company has not recognized any loss on impairment in respect of assets of the Company in terms of Indian Accounting Standard (Ind AS) - 16 on "Property, Plant and Equipment"/ Indian Accounting Standard (Ind AS) - 36 on Impairment of Assets" since in the opinion of the Management, as confirmed by the Board of Directors, the reduction in value of any asset, to the extent required, has already been provided for in the books of accounts of the Company.

40 DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

The principal amount and the interest due thereon remaining unpaid to any supplier	**FOR THE YEAR ENDED 31ST MARCH 2019** *(Rs.in Thousands)*	**FOR THE YEAR ENDED 31ST MARCH 2018** *(Rs.in Thousands)*
Principal amount due to micro and small enterprises*	5,965	-
Interest due on above	-	-
Amount of interest paid by the buyer in terms of section 16 of the MSMED, along with the amounts of payments made to supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the MSMED Act, 2006.	88	-
Amount of interest accrued and remaining unpaid	88	-

***Refer No 20 & 21**

41 OTHER NOTES

(a) Debit and credit balances of trade payables, trade receivables, loans and advances to the extent not confirmed are subject to confirmation and reconciliation with the parties.

(b) The Company's accumulated losses have exceeded the share capital and reserves and its net worth has been fully eroded.These conditions indicate the existence of material uncertainty that may normally cast doubt about the Company's ability to continue as a going concern.However, the functioning of the Company is not likely to be adversely effected by the losses in view of the assured continued support from the holding company.

(c) No provision is made for income tax liability during the current year in the absence of taxable profits.

(d) As per the requirement of Schedule III of the Act, the Board of Directors have considered the values of all assets of the Company other than property, plant and equipment, and have come to a conclusion that these have a value on realization in the ordinary course of business which is not less than the value at which they are stated in the balance sheet.

(e) Current year figures are for the period from 1st April 2018 to 31st March 2019 whereas the previous year figures are for the period from 20th October 2017 (i.e date of incorporation) to 31st March 2018 and hence not comparable.

"Signatures to Notes 1 to 41"

"As per our Report of even date"

FOR A PURI & ASSOCIATES
Chartered Accountants
Firm Registration Number:009203N

PURI ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

JYOTI SUBARWAL
Partner
Membership Number: 080654
UDIN:19080654AAAAAN1621

ON BEHALF OF BOARD OF DIRECTORS OF FABCAFE FOODS PRIVATE LIMITED

SUNIL CHAUHAN
Director
DIN:02614920

AJAY KAPOOR
Director
DIN:08224766

JIGYASA GULATI
Company Secretary
Membership No: 33052

Place: New Delhi
Date: 15th July 2019