

# ISHWAR & GOPAL

CHARTERED ACCOUNTANTS

K.V. GOPALAKRISHNAYYA, B.Com., F.C.A.

Y. KESHAVAYYA, B.Com., F.C.A.

S. BHASKAR, B.Com., F.C.A.

THILAKRAJ S.P., B.Com., F.C.A.



Sri Vinayaka Building, 2nd Floor  
No. 21/3, T.S.P.Road, Kalasipalyam  
Bengaluru - 560 002.  
Telephone: 080 - 26701694, 26700009  
E-Mail: gopal@gkcas.com  
keshav@gkcas.com  
bhaskar@gkcas.com  
thilak@gkcas.com

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF PRIME GOURMET PRIVATE LIMITED  
Report on the Audit of the Financial Statements**

### Opinion

We have audited the financial statements of Prime Gourmet Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, and 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 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, and profits for the year, and its cash flows for the year ended on that date.

### Basis of Opinion

We conducted our audit 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 there under, 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.

### Responsibility of Management for Standalone Financial Statements

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

In preparing the financial statements, management 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 management 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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.



## Reported on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by Law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and cash flow 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act
  - f. Separate report with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, is not applicable to the Company for the period under review vide notification No.G.S.R..583(E) dtd.13.06.2017
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to Best of our information and according to the explanations given to us:
    - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements
    - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
    - iii. There was no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.



For Ishwar and Gopal

Chartered Accountants  
Firm Registration No. 001154S



Y. Keshavayya  
Partner  
M. No. 025783  
Place: Bangalore  
Date: 28/09/2019  
UDIN :

**ISHWAR & GOPAL**  
CHARTERED ACCOUNTANTS  
Sri Vinayaka Building  
No. 21/3, T.S.P. Road  
Kalasipalyam  
BANGALORE-560 002

### **Annexure A to the Independent Auditor's Report**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

- i.
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased periodical manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets
  - (c) As on balance sheet date no immovable properties are held in the name of the company.
  
- ii. The inventories of the Company at all its locations have been physically verified by the management at reasonable intervals. The discrepancies between the physical stocks and the book records where applicable, as noticed on physical verification were not material and have been properly dealt with in the books of account.
  
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company The company has not granted loans secured or unsecured to parties covered in the register maintained under Section 189 of the Act.
  
- iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no violation to provisions of section 185 and 186 of the Companies Act, 2013
  
- v. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits and hence the requirement of clause 3 (v) of Companies (Auditor's Report) Order, 2016 is not applicable to the Company during the year under review.
  
- vi. We have been informed that maintenance of books of accounts pursuant to the rules made by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 for maintenance of Cost records in respect of products of the Company are not applicable to the Company for the year under review and hence the requirement of clause 3 (vi) of Companies (Auditor's Report) Order, 2016 is not applicable to the Company during the year under review.
  
- vii.
  - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' State Insurance, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' State Insurance, income tax, sales tax, value added tax,



duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, there are no material dues of sales tax, service tax, duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- viii. The Company has not defaulted in repayment of dues to banks. The Company does not have any loans or borrowings from any financial institution, Government or Debenture holders during the year.
- ix. In our opinion and according to the information and explanations given to us, during the year the Company did not raise any money by way of initial public offer, or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. Since the Company under review is a Private Limited Company, payment of managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act is not applicable. Accordingly, paragraph 3(xi) of the Order is not applicable.
- xii. In our opinion and according to the information and explanation given to us, the Company is not a nidhi Company. Accordingly, clause 3 (xii) of Companies (Auditor's Report) Order, 2016 is not applicable to the Company during the year under review.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- xv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non cash transactions with directors or persons connected with him. Accordingly, clause 3 (xv) of Companies (Auditor's Report) Order, 2016 is not applicable to the Company during the year under review.



- xvi. According to the information and explanation given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India

For Ishwar and Gopal  
Chartered Accountants  
Firm Registration No. 001154S



Y. Keshavayya

Partner

M. No. 025783

Place: Bangalore

Date: 28/09/2019

UDIN : 19025783 AAAAJN 6821

**ISHWAR & GOPAL**  
CHARTERED ACCOUNTANTS  
Sri Vinayaka Building  
No. 21/3, T.S.P. Road  
Kalasipalyam  
BANGALORE-560 002

Prime Gourmet Private Limited

Balance Sheet as at 31.03.2019

(Amount in Rupees Millions except for share data or as otherwise stated)

Particulars as at	Note No.	31-Mar-19	31-Mar-18
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	5.34	40.91
Capital work-in-progress		-	-
Other Intangible assets	4	-	6.45
Financial Assets			
Other financial assets	5	-	7.05
<b>Total Non-current assets [A]</b>		<b>5.34</b>	<b>54.41</b>
<b>Current assets</b>			
Financial assets			
Trade receivables	6	-	1.58
Cash and cash equivalents	7	0.11	4.46
Other current assets	8	-	-
<b>Total Current assets [B]</b>		<b>0.11</b>	<b>6.04</b>
<b>Total assets [A+B]</b>		<b>5.45</b>	<b>60.45</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	9	244.63	244.63
Other equity	10	(246.03)	(280.68)
<b>Equity attributable to owners of the Company [C]</b>		<b>(1.40)</b>	<b>(36.05)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	11	-	47.36
Provisions	12	-	0.51
<b>Total Non-current liabilities [D]</b>		<b>-</b>	<b>47.87</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Trade payables	13	3.59	18.45
Other financial liabilities	14	2.86	28.54
Other current liabilities	15	0.03	1.59
Provisions	16	-	0.05
<b>Total Current liabilities [E]</b>		<b>6.85</b>	<b>48.63</b>
<b>Total liabilities [F= [D+E]]</b>		<b>6.85</b>	<b>96.50</b>
<b>Total equity and liabilities [F+C]</b>		<b>5.45</b>	<b>60.45</b>

As per our Report of even date

For Ishwar and Gopal  
Chartered Accountants  
Registration No: - 001154S



Y. KESAVAYYA  
Partner  
Membership No: 025783

For and on behalf of the Board of Directors



Salim Hajimmar Sheikh  
Director  
Din No:- 00408322



T.N Unni  
Director  
Din No:- 00079237

Place : Bangalore

Date : 28-09-2019

**ISHWAR & GOPAL**  
CHARTERED ACCOUNTANTS  
Sri Vinayaka Building  
No. 21/3, T.S.P. Road  
Kalasipalyam  
BANGALORE-560 002

CS Manisha Purnani  
MS  
M.NO. 26010.



**Prime Gourmet Private Limited**

**Statement of Profit and Loss for the Period ended 31 March 2019**

(Amount in Rupees Millions except for share data or as otherwise stated)

Particulars for the year ended	Note No.	31-Mar-19	31-Mar-18	
<b>REVENUE</b>				
Revenue from operations	17	40.42	112.07	
Other Income	18	-	1.52	
<b>Total (A)</b>		<b>40.42</b>	<b>113.59</b>	
<b>Expenses</b>				
Cost of food and beverages consumed	19	12.01	37.47	
Employee benefits expenses	20	12.58	39.33	
Occupancy cost and other operating expenses	21	48.31	101.90	
<b>Total (B)</b>		<b>72.90</b>	<b>178.70</b>	
<b>Earnings before exceptional items, finance costs, depreciation and amortisation (EBITDA) (C) = (A-B)</b>		<b>(32.48)</b>	<b>(65.11)</b>	
Finance cost (D)	22	5.10	5.32	
Depreciation and amortization expenses (E)	4	36.20	36.03	
<b>Loss before exceptional items and tax (F) = (C-D-E)</b>		<b>(73.78)</b>	<b>(106.46)</b>	
Exceptional items (G)		23	(108.43)	85.65
<b>Loss before tax (H) = (F-G)</b>		<b>34.65</b>	<b>(191.99)</b>	
<b>Tax expense / (benefit):</b>				
Current tax		-	-	
Deferred tax		-	-	
<b>Net tax expense / (benefit) (I)</b>		<b>-</b>	<b>-</b>	
<b>Profit / (Loss) for the year (J) = (H-I)</b>		<b>34.65</b>	<b>(191.99)</b>	
<b>Earnings per share</b>				
Basic (in Rs.) (Face value of Rs.10 each)		1.42	(8.77)	
Diluted (in Rs.) (Face value of Rs.10 each)		1.42	(8.77)	

As per our Report of even date

For Ishwar and Gopal  
Chartered Accountants  
Registration No: - 0011545

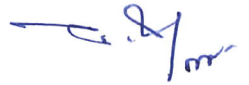


Y. KESAVAYYA  
Partner  
Membership No: 025783

For and on behalf of the Board of Directors



Salim Najimur Sheikh  
Director  
Din No:- 00408322




T.N Unni  
Director  
Din No:- 00079237

Place : Bangalore

Date : 28-03-2019

**ISHWAR & GOPAL**  
CHARTERED ACCOUNTANTS  
Sri Vinayaka Building  
No. 21/3, T.S.P. Road  
Kalasipalyam  
BANGALORE-560 002

  
CS Manisha Purnani  
M.No. 26010.

**Prime Gourmet Private Limited**  
**Statement of Cashflow for the period ended 31 March 2019**  
(Amount in Rupees Million, except share data)

Particulars	31-Mar-19	31-Mar-18
<b>A. Cash flow from operating activities</b>		
<b>Loss before tax</b>	<b>34.65</b>	<b>(191.99)</b>
Adjustments for:		
Depreciation and amortisation	36.20	36.03
Adjustment for OCI	-	(0.06)
Exceptional items (Refer note 26)	-	85.65
Loss on sale of fixed assets (net)	-	-
Interest expense	4.82	4.62
Interest income	-	(1.52)
Provision for doubtful receivables and advances	-	2.23
<b>Operating profit before working capital changes</b>	<b>75.67</b>	<b>(65.04)</b>
<b>Changes in working capital:</b>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	-	(0.12)
Trade receivables	1.58	(1.57)
Other assets(financial & non financial)	7.05	(9.92)
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Trade payables	(14.86)	7.32
Other liabilities (financial )	(2.58)	18.99
Other current liabilities	(1.56)	(0.19)
Long-term and short-term provisions	(0.56)	0.21
<b>Cash generated from operations</b>	<b>64.74</b>	<b>(50.32)</b>
Net income tax (paid) / refunds	-	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>64.74</b>	<b>(50.32)</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	5.82	(86.94)
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>5.82</b>	<b>(86.94)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares	-	50.35
Proceeds from long-term borrowings	18.68	70.46
Repayment of long-term borrowings	(89.14)	-
Net increase / (decrease) in working capital borrowings	0.37	23.30
Interest paid	(4.82)	(3.32)
<b>Net cash flow from financing activities (C)</b>	<b>(74.91)</b>	<b>140.79</b>



**Prime Gourmet Private Limited**

**Statement of Cashflow for the period ended 31 March 2019**

(Amount in Rupees Million, except share data)

Particulars	31-Mar-19	31-Mar-18
Net increase in cash and cash equivalents (A+B+C)	(4.35)	3.53
Cash and cash equivalents at the beginning of the year	4.46	0.93
Cash and cash equivalents at the end of the year	0.11	4.46

As per our Report of even date

For Ishwar and Gopal

Chartered Accountants

Registration No: - 0011545



Y. KESAVAYYA

Partner

Membership No: 025783

Place : Bangalore

Date : 98.09.2019

**ISHWAR & GOPAL**  
CHARTERED ACCOUNTANTS  
Sri Vinayaka Building  
No. 21/3, T.S.P. Road  
Kalasipalyam  
BANGALORE-560 002

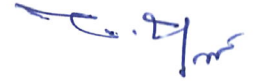
For and on behalf of the Board of Directors



Salim Hajjumar Sheikh

Director


Din No:- 00408322



T.N Unni

Director

D in No:- 0007923

  
Manisha Jumbhani  
Company Secretary  
ACF: 96010

Prime Gourmet Private Limited

Notes forming part of the financial statements

(Amount in Rupees Millions except for share data or as otherwise stated)

Note  
No.

4 Property, plant and equipment

Particulars	Cost			Accumulated depreciation/amortisation				Net Block	
	Balance as at 01-Apr-18	Additions	Deletions	Balance as at 31-March-19	Balance as at 01-Apr-18	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31-March-19	Balance as at 31-March-19
<b>(a) Tangible assets (owned)</b>									
Lease hold improvements	55.94	-	-	55.94	39.82	19.50	3.38	55.94	-
Furniture and fixtures	19.47	-	4.17	15.30	14.28	0.04		14.32	0.98
Plant & machinery	58.71	-	5.99	52.72	42.81	6.39		49.20	3.52
Service equipments	8.37	-	-	8.37	5.96	2.85	0.94	7.87	0.50
Computer equipments	5.64	-	0.59	5.05	4.35	0.36		4.71	0.34
<b>Total</b>	<b>148.13</b>	<b>-</b>	<b>10.75</b>	<b>137.38</b>	<b>107.22</b>	<b>29.14</b>	<b>4.32</b>	<b>132.04</b>	<b>5.34</b>
<b>(b) Intangible assets (others)</b>									
Licenses fees	27.72	-	-	27.72	21.35	7.05	0.68	27.72	-
Software and licenses	0.30	-	0.08	0.22	0.22	-		0.22	-
<b>Total</b>	<b>28.02</b>	<b>-</b>	<b>0.08</b>	<b>27.94</b>	<b>21.57</b>	<b>7.05</b>	<b>0.68</b>	<b>27.94</b>	<b>-</b>
<b>Grand Total</b>	<b>176.15</b>	<b>-</b>	<b>10.83</b>	<b>165.32</b>	<b>128.79</b>	<b>36.19</b>	<b>5.00</b>	<b>159.98</b>	<b>5.34</b>



**Prime Gourmet Private Limited**  
**Notes forming part of the financial statements**  
(Amount in Rupees Millions except for share data or as otherwise stated)

Note

No.

**4 Property, plant and equipment**

(c) Particulars of depreciation and amortisation expense	For the period ended	
	31-Mar-19	31-Mar-18
Depreciation expense for the year on tangible assets	34.48	95.36
Amortisation expense for the year on intangible assets	7.05	15.47
Total of depreciation and amortisation expense	41.54	110.83
Less : Depreciation considered under exceptional items - Refer Note 26	-	-74.80
<b>Depreciation and amortisation expense (Net)</b>	<b>41.54</b>	<b>36.03</b>

**5 Other financial assets**

(Classified under non-current assets)

Particulars	31-Mar-19	31-Mar-18
<b>Carried at amortised cost</b>		
Security deposits	-	7.05
<b>Closing balance</b>	<b>-</b>	<b>7.05</b>

**6 Trade receivables**

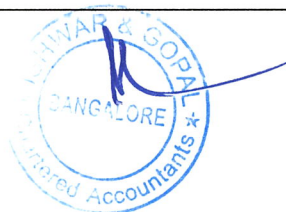
Particulars	31-Mar-19	31-Mar-18
Trade receivables (unsecured) consist of following		
considered good	-	1.58
considered doubtful	-	-
	-	1.58
Allowance for doubtful debts (expected credit loss allowance)	-	-
<b>Total</b>	<b>-</b>	<b>1.58</b>

**7 Cash and cash equivalents**

Particulars	31-Mar-19	31-Mar-18
<b>Balances with banks</b>		
In Current accounts	0.10	3.74
Cash in hand	0.01	0.72
<b>Total</b>	<b>0.11</b>	<b>4.46</b>

**8 Other current assets**

Particulars	31-Mar-19	31-Mar-18
Advance to employees	-	
Prepaid expenses	-	
Advances paid for supply of materials / rendering of services		
Unsecured, considered good	-	0.96
Doubtful	-	1.27
	-	2.23
Less: Provision for bad and doubtful advances	-	(2.23)
	-	-
Balance with government authorities	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



**Prime Gourmet Private Limited**  
**Notes forming part of the financial statements**  
(Amount in Rupees Millions except for share data or as otherwise stated)

Note

No.

**9 Share capital**

Particulars	31-Mar-19	31-Mar-18
<b>Authorised capital</b>		
25,000,000 equity shares of Rs. 10/- each (as at 31-Mar-2018: 20,000,000 equity shares of Rs. 10/- each 31-Mar-2019: 20,000,000 equity shares of Rs. 10/- each)	250.00	250.00
<b>Issued, subscribed and fully paid-up capital</b>		
24,462,763 equity shares of Rs. 10/- each (as at 31-Mar-2018: 19,427,763 equity shares of Rs. 10/- each as at 31-Mar-2019: 24,462,763 equity shares of Rs. 10/- each)	244.63	244.63
<b>Total</b>	<b>244.63</b>	<b>244.63</b>

Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	31-Mar-19		31-Mar-18	
	No. of shares	Rs.	No. of shares	Rs.
Opening balance	24,462,763	244.63	19,427,763	194.28
Add: Issued during the year	-	-	5,035,000	50.35
<b>Closing balance</b>	<b>24,462,763</b>	<b>244.63</b>	<b>24,462,763</b>	<b>244.63</b>

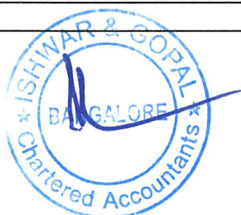
The Company has only one class of equity share having a par value of Rs.10/- each. Holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. However, as on date no such preferential amount exists. The distribution will be in proportion to number of equity shares held by the shareholders.

**Details of shares held by each**

Particulars	31-Mar-19		31-Mar-18	
	No. of Shares	% holding	No. of Shares	% holding
Barbeque Nation Hospitality Limited	-	0.00%	24,462,763	100.00%
Capt Salim Sheikh	24,462,263	100.00%	-	-
<b>Total</b>	<b>24,462,263</b>	<b>100.00%</b>	<b>24,462,763</b>	<b>100.00%</b>

**10 Other equity**

Particulars	31-Mar-19	31-Mar-18
<b>Retained earnings</b>		
Opening balance	(280.68)	(88.69)
Add: Profit / (Loss) for the year	34.65	(191.99)
<b>Closing balance</b>	<b>(246.03)</b>	<b>(280.68)</b>
<b>Total other equity</b>	<b>(246.03)</b>	<b>(280.68)</b>



**Prime Gourmet Private Limited**  
**Notes forming part of the financial statements**  
(Amount in Rupees Millions except for share data or as otherwise stated)

Note  
No.

**11 Borrowings (non-current)**

Particulars	31-Mar-19	31-Mar-18
<b>Secured at amortised cost</b>		
Term loan from banks (refer notes below)	-	47.36
Term loan from others (refer notes below)	-	-
<b>Closing balance</b>	-	<b>47.36</b>

**Notes: Details of security and terms of repayment for the long-term borrowings:**

<b>Term loan from banks</b>		
<b>(i) Axis Term loan:</b>		
Non-current portion	-	47.36
Current maturities of long-term debt	-	23.10
<b>Repayment terms:</b>		
Repayable in 48 defined monthly instalments beginning from May 2018 to May 2022 and carries an interest rate of 1 year MCLR plus 2% p.a		
<b>Security :</b>		
Exclusive first charge by way of hypothecation of the entire fixed assets of the Company (including leasehold improvements excluding vehicles) both present and future.		
Exclusive first charge by way of hypothecation of entire current assets and security deposits of the Company, both present and future.		
Corporate guarantee by Barbeque Nation Hospitality Limited, Holding Company		
<b>Total</b>	-	<b>70.46</b>
<b>Non-current portion</b>	-	<b>47.36</b>
<b>Current maturities of long-term debt</b>	-	<b>23.10</b>

**12 Provisions (non-current)**

Particulars	31-Mar-19	31-Mar-18
Provision for Gratuity	-	0.51
<b>Total</b>	-	<b>0.51</b>







Prime Gourmet Private Limited  
Notes forming part of the financial statements  
(Amount in Rupees Millions except for share data or as otherwise stated)

Note

No.

17 Revenue from operations

Particulars	31-Mar-19	31-Mar-18
Sale of food & beverages	40.42	112.04
Other operating income (net of expenses directly attributable to such income)	-	0.03
<b>Closing balance</b>	<b>40.42</b>	<b>112.07</b>

18 Other income

Particulars	31-Mar-19	31-Mar-18
<b>Interest income on:</b>		
financial assets at amortised cost	-	1.52
<b>Total</b>	<b>-</b>	<b>1.52</b>

19 Cost of food and beverages consumed

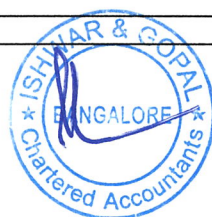
Particulars	31-Mar-19	31-Mar-18
Opening stock	-	3.26
Add: Purchases	12.01	34.21
Closing stock	-	-
<b>Total</b>	<b>12.01</b>	<b>37.47</b>

20 Employee benefits expenses

Particulars	31-Mar-19	31-Mar-18
Salary, wages and bonus	9.70	31.52
Contributions to provident fund	0.45	1.66
Gratuity expenses	-	0.27
Staff welfare expenses	2.43	5.88
<b>Total</b>	<b>12.58</b>	<b>39.33</b>

21 Occupancy cost and other operating expenses

Particulars	31-Mar-19	31-Mar-18
Royalty and fees	3.02	6.00
Shared service expenses	15.71	19.59
Consumption of stores & operating supplies	2.53	3.71
Power, fuel and water charges	3.86	9.60
Rent including lease rentals (Refer Note 41)	17.65	45.48
Repairs and maintenance:		
Buildings	0.03	0.05
Machinery	0.73	0.67
Others	0.10	0.51
House Keeping Services	0.25	0.18
Water charges	0.19	0.75
Insurance	-	0.12
Rates and taxes	0.31	1.74
Communication	0.08	0.38
Travelling and conveyance	0.17	2.78
Printing and stationery	0.16	0.31
Laundry expenses	0.03	0.16
Security service charges	-	0.06
Business promotion	1.66	3.81
Vehicle hiring charges	0.12	0.64
Legal and professional	0.18	1.11
Payments to auditors (Refer note below)	0.06	0.56
Parking charges	-	0.01
Miscellaneous expenses	1.47	3.68
<b>Total</b>	<b>48.31</b>	<b>101.90</b>



**Prime Gourmet Private Limited**  
**Notes forming part of the financial statements**  
(Amount in Rupees Millions except for share data or as otherwise stated)

Note  
No.

Payment to auditors \*

Particulars	31-Mar-19	31-Mar-18
As auditors		
Statutory audit	0.06	0.56
Tax audit, certification and other matters	-	-
(above payments are excluding GST / service tax credit availed by the Company)		
<b>Total</b>	<b>0.06</b>	<b>0.56</b>

22 Finance costs

Particulars	31-Mar-19	31-Mar-18
Interest expense on :		
Borrowings	4.82	4.45
Provision for asset retirement obligation	-	0.13
Others	-	0.04
Receivable discounting charges	-	0.18
Other bank charges	0.28	0.52
<b>Total</b>	<b>5.10</b>	<b>5.32</b>

23 Exceptional items

Particulars	31-Mar-19	31-Mar-18
W/back Liabilities no longer required	-108.43	-
Accelerated depreciation	-	74.80
Other assets written off	-	10.85
<b>Total</b>	<b>-108.43</b>	<b>85.65</b>



**Prime Gourmet Private Limited**  
**Notes forming part of the financial statements**  
(Amount in Rupees Millions except for share data or as otherwise stated)

Note  
No.

**24 Earnings per share**

Particulars	For the year ended	
	31-Mar-18	31-Mar-18
Loss for the year attributable to owners of the Company	29.31	(192.05)
Weighted average number of equity shares	24,462,763	21,906,873
Face value per share (Rs.)	10.00	10.00
Basic EPS in Rs.	1.20	(8.77)
Diluted EPS in Rs.	1.20	(8.77)

**25 Deferred tax asset**

The Company has significant brought forward tax loss and unabsorbed depreciation, and has recognised the arising deferred tax asset on such losses to the extent of the corresponding deferred tax liability arising on the difference between the book balance of fixed assets and the written down value of such fixed assets under Income Tax. With regard to the balance of the deferred tax assets, in the absence of reasonable certainty that future taxable profits would be available for set off of such deferred tax assets, the Company has not recognized any deferred tax asset as at 31 March 2019

**26 Segment information**

The Company operates in only one segment, viz., setting up and managing restaurant business. The Company's operations are in India and therefore there are no secondary geographical segment.

**27 Related party disclosures**

Relationship	Name of the related party
Holding company	Barbeque Nation Hospitality Limited (from August 29, 2016 to to 14th Dec 2018)
Key management personnel and their relatives	Anil Laroia - Chief Executive Officer (from May 23, 2018 to 14th Dec 2018)
	Kaushal Kumar Verma - Chief Financial Officer (from May 21, 2018 to 14th Dec 2018 ) Nagamani CY - Company Secretary (from July 20, 2017 to 14th Dec 2018 ) Gaurav Sharma (from September 4, 2012 to September 6, 2016) Sachin Goel (from September 4, 2012 to September 6, 2016) Vishal Chaudhary (from September 4, 2012 to September 6, 2016)
	<b>Directors</b>
	Raouf Razak Dhanani (from September 6, 2016 to 14th Dec 2018 ) T.N. Unni (from June 28, 2017) Abhay Chintaman Chaudhari (from June 28, 2017 to 14th Dec 2018 ) Rahul Agarwal (from September 6, 2016 to June 28, 2017) Samir Bhasin (from June 15, 2017 to May 22, 2018) Bakshish Dean (upto June 28, 2017)
Enterprises controlled by Key Managerial Personnel	ARR Advisory Private Limited (upto August 28, 2016) Capricon Resources Private Limited (upto August 28, 2016)



**Prime Gourmet Private Limited**  
**Notes forming part of the financial statements**  
(Amount in Rupees Millions except for share data or as otherwise stated)

Note  
No.

Details of transaction between the Company and its related parties are disclosed below:

Nature of transactions with Related Parties	For the year ended	Holding company	Entity exercising control	KMP and their relatives
Equity contribution to the Company	31-Mar-19			
	31-Mar-18	50.35	-	-
Loan taken	31-Mar-19	50.20		
	31-Mar-18	31.11	-	-
Repayment of loan	31-Mar-19			
	31-Mar-18	8.04	-	-
Interest on loan taken	31-Mar-19			
	31-Mar-18	0.57	-	-
Reimbursement of expenses by the Company	31-Mar-19			
	31-Mar-18	-	-	-
Purchase of materials	31-Mar-19	0.13		
	31-Mar-18	0.25	-	-
Rent paid	31-Mar-19	2.38		
	31-Mar-18	2.86	-	-
Managerial remuneration / salary	31-Mar-19			
	31-Mar-18	-	-	-
Professional charges	31-Mar-19			
	31-Mar-18	-	-	-
Sales of Fixed Asstes	31-Mar-19	9.15		
	31-Mar-18	-	-	-

Particulars of balances outstanding with related parties as at	As at	Holding company	Entity exercising control	KMP and their relatives
Loan outstanding	31-Mar-19	-	-	-
	31-Mar-18	23.30	-	-
Other financial liabilities	31-Mar-19	-	-	-
	31-Mar-18	19.59	-	-
Interest accrued on loan	31-Mar-19	-	-	-
	31-Mar-18	0.57	-	-

28 Operations were only for six months ten days i.e 1st Apr to 10th Oct 2018.Hence previous year figures are not comparable

29 The business was discontinued from 10th October 2018 and accordingly all the assets and liabilities are stated at realisable value

As per our Report of even date

For Ishwar and Gopal  
Chartered Accountants  
Registration No:- 001154S



Y. KESAVAYYA  
Partner  
Membership No: 025783

Place : Bangalore

Date : 28.09.2019

**ISHWAR & GOPAL**  
**CHARTERED ACCOUNTANTS**  
Sri Vinayaka Building  
No. 21/3, T.S.P. Road  
Kalasipalyam  
BANGALORE-560 002

For and on behalf of the Board of Directors



Salim Hajimur Sheikh  
Director  
Din No:- 00408322



T.N Unni  
Director  
Din No:- 00079237

2  
Manisha Jumsani  
Company Secretary  
ACS: 26010