



Report to Auditors of Devyani International Limited

1. We have examined the standalone financial statements of **M/s. Devyani International (Nigeria) Limited** ("the Company") as at 31st March 2026 dated 25 April 2026 consisting of Balance Sheet, Statement of profit & loss account for the year ended as on that date and other reconciliations and information in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, CAP C20, Law of the Federation of Nigeria 2020 and in compliance with the Financial Reporting Council Act, No. 6, 2011, which were audited by Opone Johnson & Co., Chartered Accountants Nigeria, who expressed an unmodified opinion on these financial statements. The said financial statements are converted into "Ind AS" Financials as per Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 (Act) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India (referred to as the Fit for Consolidation (FFC) financial statements). These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these FFC financial statements based on our examination.

2. The local auditor Opone Johnson & Co., Chartered Accountants Nigeria have reported one Key audit matters which are reproduced below:

Key Audit Matter

How the matter was addressed in the audit

Going concern issues

As at 31st March 2026, the Company had negative equity of N38.9 billion, representing total liabilities exceeding total assets. This condition, along with significant debt repayments due are contributing to going concern risk. This indicates that there is a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

We evaluate the key assumptions for the forecasted revenue between April 2026 to March 2027 and the expected cashflow if achieved will impact positively and support the assertion that the Company shall continue as a going concern.

We identified going concern as a key audit matter due to the significance of the net liability position and the high degree of judgment required in evaluating management's plans for future actions.

Obtain and review parent company's management representation for continued support of the business as a going concern into foreseeable future.



Assessing the adequacy of the disclosures in Note 34 regarding the material uncertainty.

3. We conducted our examination in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the work to obtain a reasonable assurance about whether the FFC financial statements are free of material misstatement. It includes examining, on a test check basis, evidence supporting the amounts and disclosures in the FFC financial statements. It also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall FFC financial statements presentation. We believe that our examination provides a reasonable basis for our opinion.

4. These FFC financial statements have been prepared solely to enable **Devyani International Limited** to prepare its consolidated financial statements in accordance with the requirements of Indian Accounting Standards ('Ind AS') 110 'Consolidated Financial Statements' and not to report on the **M/s. Devyani International (Nigeria) Limited** as a separate entity. Accordingly, these FFC financial statements are not intended to present an opinion on true and fair view of the balance sheet of **M/s. Devyani International (Nigeria) Limited** as at 31st March, 2026 and of the result of operations for the year ended on that date in accordance with generally accepted accounting principles in India.

5. However, in our opinion, these FFC Accounts have been prepared, in all material respects, in conformity with accounting policies of **Devyani International Limited** and are suitable for inclusion in the consolidated financial statements of **Devyani International Limited** prepared in accordance with the requirements of Indian Accounting Standards ('Ind AS') 110 'Consolidated Financial Statements'.

6. This report is intended solely for the use of Auditors in connection with the audit of the consolidated financial statements of **Devyani International Limited** and should not be used for any other purpose.

For APAS & Co LLP

ICAI Firm Registration No.: 000340C/C400308

Chartered Accountants

Rajeev Ranjan

Rajeev Ranjan
Partner

Membership No.: 535395

UDIN : 26535395JMMFSU8620

Place :- Gurugram

Date :- 11 May 2026



Devyani International (Nigeria) Limited
Balance Sheet as at 31 March 2026
(₹ in millions, except for share data and if otherwise stated)

	Note	As at 31 March 2026	As at 31 March 2025
Assets			
Non-current assets			
Property, plant and equipment	3	281.66	227.37
Right-of-use assets	4	173.39	152.51
Intangible assets	5	22.84	21.59
Financial assets			
Other financial assets	6	2.15	1.51
Total non-current assets		480.04	402.98
Current assets			
Inventories	8	42.36	49.38
Financial assets			
(i) Cash and cash equivalents	9	31.65	7.65
(ii) Other financial assets	6	4.23	1.13
Other current assets	7	19.40	39.12
Total current assets		97.64	97.28
Total assets		577.68	500.26
Equity and liabilities			
Equity			
Equity share capital	10	127.96	127.96
Other equity	11	(2,833.22)	(2,344.64)
Total equity		(2,705.26)	(2,216.68)
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	12	199.13	171.21
(ii) Borrowings	13	-	1,544.39
Provisions	15	6.15	2.49
Total non-current liabilities		205.28	1,718.09
Current liabilities			
Financial liabilities			
(i) Lease Liabilities	12	25.34	16.07
(ii) Borrowings	17	52.13	830.76
(iii) Shareholder deposit	18	2,639.31	-
(iv) Trade payables	19	-	-
(a) total outstanding dues of micro and small enterprises		-	-
(b) total outstanding dues other than (iv) (a) above		186.71	113.43
(v) Other financial liabilities	14	141.48	8.69
Other current liabilities	16	22.78	17.65
Provisions	15	3.92	6.68
Income tax liabilities (net)	20	5.99	5.57
Total current liabilities		3,077.66	998.85
Total equity and liabilities		577.68	500.26

The accompanying notes form an integral part of these financial statements
As per our report of even date attached

For APAS & Co LLP
Chartered Accountants
Firm's Registration No.: 000340C/C400308
Rajeev Ranjan
Rajeev Ranjan
Partner
Membership No.: 535395

For and on behalf of the Board of Directors of
Devyani International Nigeria Limited

Satender Singh Saini
Satender Singh Saini
Director

Place: Gurugram
Date: 11/05/2026



Devyani International (Nigeria) Limited
Statement of Profit and Loss for the year ended 31 March 2026
(₦ in millions, except for share data and if otherwise stated)
Particulars:

	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
Income			
Revenue from operations			
Other income	21	878.49	808.26
Total income	22	0.78	1.52
		<u>879.27</u>	<u>809.78</u>
Expenses			
Cost of materials consumed			
Employee benefits expense	23	306.81	331.50
Finance costs	24	106.36	81.16
Depreciation and amortisation expense	25	61.39	62.87
Provision of impairment of non-financial assets	26	64.78	57.15
Net gain on foreign currency transactions and translations	26A	-	0.42
Other expenses		(19.60)	-
Total expenses	27	333.49	282.75
		<u>853.23</u>	<u>815.85</u>
Profit/(loss) before exceptional items and tax		<u>26.04</u>	<u>(6.07)</u>
Exceptional items		-	307.67
Profit/(Loss) before tax	28	-	307.67
Tax expense		<u>26.04</u>	<u>(313.74)</u>
Current tax			
Deferred tax (credit) / charge	20	5.62	7.12
Total tax expense		<u>-</u>	<u>-</u>
		<u>5.62</u>	<u>7.12</u>
Profit/(Loss) for the year		<u>20.42</u>	<u>(320.86)</u>
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(1.42)	(1.76)
Net other comprehensive income not to be reclassified		<u>(1.42)</u>	<u>(1.76)</u>
Items that will be reclassified to profit or loss			
Exchange difference in translating financial statements of foreign operations		(507.58)	241.23
Income tax relating to above mentioned item			
Total comprehensive income for the year (net of tax)		<u>(488.58)</u>	<u>(81.39)</u>
Earning/(loss) per equity share after exceptional items (of face value of ₦1 each)	29		
Basic (₦)		0.04	(0.64)
Diluted (₦)		0.04	(0.64)

The accompanying notes form an integral part of these financial statements
As per our report of even date attached

For APAS & Co LLP
Chartered Accountants
Firm's Registration No.: 000340/C/400308

Rajeev Ranjan

Rajeev Ranjan
Partner
Membership No.: 535395

For and on behalf of the Board of Directors of
Devyani International Nigeria Limited

Satender Singh Salai
Satender Singh Salai
Director

Place: Gurugram
Date: 11/05/2026



Devyani International (Nigeria) Limited
Statement of Changes in Equity for the year ended 31 March 2024
(₦ in millions, except for share data and if otherwise stated)

A. Equity share capital

	For the year ended 31 March 2024		For the year ended 31 March 2025	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	500,000,000	127.96	500,000,000	127.96
Addition during the year	-	-	-	-
Balance at the end of the year	500,000,000	127.96	500,000,000	127.96

B. Other equity

	Premoter contribution in Equity	Exchange difference of translation of foreign operations	Other Comprehensive Income*	Retained earnings	Total
Balance as at 31 March 2024	157.74	3,038.90	-	(5,459.89)	(2,263.25)
Loss for the year	-	-	-	(320.86)	(320.86)
Other comprehensive income for the year (net of tax)	-	241.23	(1.76)	239.47	239.47
Total comprehensive income for the year	-	241.23	(1.76)	(320.86)	(81.39)
Transferred to retained earnings	-	-	1.76	(1.76)	-
Balance as at 31 March 2025	157.74	3,280.13	-	(5,782.51)	(2,344.64)
Balance as at 1 April 2025	157.74	3,280.13	-	(5,782.51)	(2,344.64)
Profit for the year	-	-	-	20.42	20.42
Other comprehensive income for the year (net of tax)	-	(507.58)	(1.42)	-	(509.00)
Total comprehensive income for the year	-	(507.58)	(1.42)	20.42	(488.58)
Transferred to retained earnings	-	-	1.42	(1.42)	-
Balance as at 31 March 2026	157.74	2,772.55	-	(5,763.51)	(2,833.22)

* Other comprehensive income represents remeasurement of defined benefit plans (net of tax)

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For APAS & Co LLP
Chartered Accountants
Firm's Registration No.: 000340C/C400308

Rajeev Ranjan
Rajeev Ranjan
Partner
Membership No.: 535395

Place: Gurgaon

Date: 11/05/2026

For and on behalf of the Board of Directors of
Devyani International Nigeria Limited

Pratender Singh
Pratender Singh Saini
Director



Devynal International (Nigeria) Limited
Cash Flow Statement for the year ended 31 March 2026
(₦ in millions, except for share data and if otherwise stated)

	For the year ended 31 March 2026	For the year ended 31 March 2025
A. Cash flows from operating activities		
Profit/(loss) before tax	26.04	(313.74)
Adjustments for:		
Depreciation and amortisation expense	64.78	57.15
Loss/(gain) on disposal of property, plant and equipment (net)	0.74	(0.37)
Unrealised foreign exchange (gain)/loss (net)	(3.87)	317.17
Interest on borrowings measured at amortised cost	22.67	27.49
Interest accretion on financial liabilities measured at amortised cost	5.50	4.59
Interest accretion on lease liabilities measured at amortised cost	33.22	30.79
Impairment of non-financial assets	-	0.42
Interest income from Bank deposits and others	(0.52)	(0.08)
Interest income from financial assets at amortised cost	(0.26)	(0.21)
Gain on termination of leases	-	(0.66)
Operating profit before working capital changes	148.39	122.55
Adjustments for:		
Decrease in inventories	5.99	13.02
Decrease/(increase) in loans, other financial assets, and other assets	21.03	(21.86)
Increase/(decrease) in trade payables, other financial liabilities, provisions and other liabilities	12.06	(8.40)
Cash generated from operating activities	187.38	185.31
Income tax (paid) (net)	(5.20)	(3.40)
Net cash generated from operating activities	182.18	181.91
B. Cash flows from investing activities		
Purchase of Property, plant and equipment and intangible assets (including capital advances and capital creditors)	(42.10)	(12.94)
Proceeds from sale of Property, plant and equipment and intangible assets	2.08	1.01
Interest received	0.52	0.08
Net cash used in investing activities	(39.50)	(11.85)
C. Cash flows from financing activities		
Repayment of lease liabilities	(15.86)	(21.28)
Payment of lease liabilities- interest	(33.22)	(30.79)
Repayment of short term borrowings	(20.42)	(29.12)
(Repayment)/proceeds from long term borrowings	(32.34)	13.79
Interest paid	(22.67)	(27.49)
Net cash (used in) financing activities	(124.51)	(94.89)
D. Effect of exchange rate changes	5.83	(0.96)
Net increase/(decrease) in cash and cash equivalents during the year (A+B+C+D)	34.80	(5.77)
E. Cash and cash equivalents at the beginning of the year		
Cash on hand	-	0.00
Balance with banks:		
-on current accounts	7.65	13.42
	7.65	13.42
F. Cash and cash equivalents as at the end of the year		
Cash on hand	0.13	-
Balance with banks:		
-on current accounts	31.52	7.65
	31.65	7.65

Notes:

1. The Cash Flow Statement has been prepared in accordance with 'indirect method' as set out in the Ind AS - 7 on 'Cash Flow Statements', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules thereunder.

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Devyani International (Nigeria) Limited
Cash Flow Statement for the year ended 31 March 2026
(₦ in millions, except for share data and if otherwise stated)

2. Changes in liabilities arising from financing activities	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balance of loans:		
Long term borrowings	83.54	78.31
Term loans (Unsecured)	2,270.25	2,207.58
Short term borrowings	21.36	50.48
Cash flows		
Repayment of short term borrowings	(20.42)	(29.12)
(Repayments)/proceeds from borrowings	(32.34)	13.79
Non-cash changes		
Foreign currency exchange fluctuations	259.29	49.51
Changes in loans received at amortisation cost	5.50	4.39
Conversion of loan to shareholder deposit	(2,639.31)	-
Closing balance of loans		
Long term borrowings	51.19	83.54
Term loans (Unsecured)	-	2,270.25
Short term borrowings	0.94	21.36

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For APAS & Co LLP
Chartered Accountants
Firm's Registration No.: 000340C/C400308

Rajeev Ranjan
Rajeev Ranjan
Partner
Membership No.: 535395

Place: Gurugram

Date: 11/08/2026

For and on behalf of the Board of Directors of
Devyani International Nigeria Limited

Salender Singh Saini
Salender Singh Saini
Director



Devyani International (Nigeria) Limited
Notes forming part of the financial statements for the year ended 31 March 2026
(₹ in millions, except for share data and if otherwise stated)

1. Corporate Information

Devyani International (Nigeria) Limited ('the Company') is incorporated in Nigeria on 27 January 2009 under the provisions of the Companies and Allied Matters Act CAP C20 LFN 2004 with RN 797835. The company operates in the restaurant and food business under the KFC brand Franchise. Its operates the quick service and take away restaurant concept. The address of its registered office and principal place of business is Plot 110/114 Oshodi Apapa expressway, Isolo, Lagos.

2.1 Basis of preparation

a. Statement of compliance

The financial statements comply with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 (the "Act"), relevant provisions of the Act and other accounting principles generally accepted in India. These financial statements have been prepared on the request of the holding Company to comply with the financial reporting requirements in India.

As the Company is not domiciled in India and hence not registered under the Companies Act, 2013, these financial statements have not been prepared to fully comply with the Companies Act, 2013 and so they do not reflect all the disclosures requirements of the Act.

The financial statements are prepared under the historical cost convention on accrual and going concern basis except for certain financial assets and liabilities measured at fair value (Refer to Note 28).

b. Functional and presentation currency

These financial statements are presented in Indian Rupees (₹) and company's functional currency is Naira. All amounts disclosed in the financial statements and notes have been rounded off to the nearest million as per the requirement of schedule III to the act, except for share data and if otherwise stated.

c. Basis of measurement

These standalone financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities and plan assets relating to defined benefit obligations, which have been measured at fair value.

d. Use of estimates and judgements

In preparing these standalone financial statements, the management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The Actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

The areas involving significant estimates and judgements are:

- Recognition of deferred tax assets on carried forward losses
- Estimation of useful life and residual values of property, plant and equipment
- Estimation of defined benefit obligations
- Fair value measurement of financial instruments
- Impairment assessment of non-financial assets.

e. Measurement of fair values

With respect to the Company's assets and liabilities measured at fair value, the management team reviews the significant inputs and valuation adjustments. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

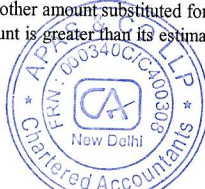
The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.2 Significant accounting policies

(a) Property, plant and equipment:

i. Recognition and measurement:

All property, plant and equipment used by the company is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent expenditures are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are charged to other operating expenses during the financial period in which they are incurred. Items under work in progress are not depreciated until they are in the location and condition necessary for them to be capable of operating in the manner intended by management. Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.



ii. Depreciation:

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The depreciation rates are as follows:

Leasehold improvements	10%
Plant and equipment	10%
Motor vehicle	25%
Furniture and fittings	10%
Office equipment	20%
Kitchen equipments	10%

(B) Intangible fixed assets and amortisation

Computer software and licensing fee: Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company, are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Subsequent expenditure on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Direct computer software development costs recognised as intangible assets are amortised on the straight-line basis over 5 years and are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Licensing fee relates to amount paid to the franchisor over the contract period. They are recognised as intangible assets and are carried at cost less any accumulated amortisation and any accumulated impairment losses. Licensing fees are amortised on straight-line basis over the 10 years license period.

The carrying amount of capitalised intangible assets are reviewed annually and is written down when the carrying amount exceeds its recoverable amount.

b. Inventories

Inventories are valued at the lower of cost and estimated net realizable value. The cost of inventories is determined on a weighted average basis. Net realizable value is based on the estimated selling price less any further costs expected to be incurred to completion and disposal.

c. Leases

The Company as a lessee

At inception of the contract, the Company assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use of an asset (the underlying asset) for a period of time in exchange for consideration'.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- a) the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- b) the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Measurement and recognition of leases as a lessee

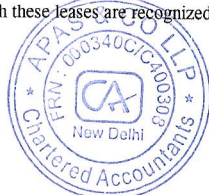
The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company presents right-of-use assets that do not meet the definition of investment property on the face of balance sheet below 'property, plant and equipment' and lease liabilities under 'financial liabilities' in the balance sheet.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.



d. Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

e. Impairment of non-financial assets - property, plant and equipment and intangible assets:

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Additionally, intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units). The impairment test also can be performed on a single asset when the fair value less cost to sell or the value in use can be determined reliably. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. An impairment loss in respect of goodwill is not reversed.

f. Provisions and Contingencies

A provision is recognised if, as a result of past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle 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 recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

g. Employee benefits

The Company's obligations towards various employee benefits have been recognised as follows:

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid. Benefits such as salaries, bonus, are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

ii. Defined contribution plans

For defined contribution plans, the company pays contributions to publicly or privately administered pension insurance plans on a contractual basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

iii. Defined benefit plans

Defined benefit plans of the Company comprise of gratuity.

The Company provides for gratuity, a defined benefit plan, which defines an amount of benefit that an employee will receive on separation from the Company, usually dependent on one or more factors such as age, years of service and remuneration. The liability recognised in the balance sheet for defined benefit plan is the present value of the defined benefit obligation ('DBO') as computed by an independent actuary at the balance sheet date, together with adjustments for unrecognised actuarial gains or losses and past service costs.

The liability in respect of defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

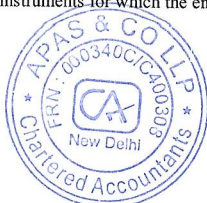
Re-measurements, comprising actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.. Termination benefits are recognised as an expense immediately.

h. Tax expense

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.

i Current income tax

Income tax is calculated on the basis of the applicable tax law in the respective jurisdiction and is recognised as an expense (income) for the period except to the extent that current tax related to items that are charged or credited in other comprehensive income or directly to equity. In these circumstances, current tax is charged or credited to other comprehensive income or to equity (for example, current tax on equity instruments for which the entity has elected to present gains and losses in other comprehensive income).



ii Deferred tax

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the date of the statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that 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 utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The principal temporary differences arise from depreciation of property, plant and equipment provisions for pensions and other post-retirement benefits and carry-forwards. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. The tax effects of carry-forwards of unused losses, unused tax credits and other deferred tax assets are recognised when it is probable that future taxable profit will be available against which these losses and other temporary differences can be utilised. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of the asset or liability and is not discounted. Deferred tax assets are reviewed at each statement of financial position date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the company and it is probable that the difference will not reverse in the foreseeable future. The company has no investments in subsidiaries or associates. Deferred tax related to fair value re-measurement of equity instruments, which are recognised in other comprehensive income, is also recognised in the other comprehensive income and subsequently in the profit or loss together with the deferred gain or loss. The company had no equity investments at the reporting date.

i. Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise. The assets and liabilities are translated into ₹ at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the company uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI.

j. Revenue recognition

Revenue from sales and services:

The Company's revenue is earned from the sale of meals and drinks using the KFC Franchise in Nigeria and provision of services.

With effect from 01 April 2018, the Company has adopted Ind AS 115, 'Revenue from Contracts with Customers' using cumulative effect method which does not require comparative information to be restated in the financial statements. The standard is applied retrospectively only to contracts that were not completed as at the date of initial application (i.e. 01 April 2018). There is no impact on retained earnings as at 01 April 2018. Moreover, the application of Ind AS 115 did not have any impact on recognition and measurement of revenue from operations and other related items in the financial statements of the Company.

Under Ind AS 115, revenue is recognised upon transfer of control of promised goods or services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

Service income and management fee

Revenue from marketing support services, management fee and auxiliary and business support services are in terms of agreements with the customers and are recognised pro-rata over the period of the contract from the date the contracts are effective or signed provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection. The amount recognised as revenue is net of applicable taxes.

k. 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

A. Recognition and initial measurement:

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition or issue.



B. Classification and subsequent measurement:

a) Financial assets carried at amortised cost

A financial asset is measured at the amortised cost where the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and contractual terms of the asset give rise to cash flows on specified dates that are solely payments of principal and interest. After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The interest income from these financial assets is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

b) 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.

c) Financial assets at fair value through profit or loss ('FVTPL')

A financial asset which is not classified in any of the above categories are fair valued through profit or loss.

C. De-recognition of financial assets

A financial asset is derecognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive the contractual cash flows from the asset in a transaction in which substantially all the risks and rewards of ownership of the asset are transferred.

D. Impairment of financial assets

The Company measures the Expected Credit Loss ("ECL") associated with its assets based on historical trends, industry practices and the general business environment in which it operates. The impairment methodology applied depends on whether there has been a significant increase in credit risk. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss under the head 'other expenses'.

The company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss. If a financial instrument has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

(ii) Financial Liabilities

A. Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Classification, subsequent measurement:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gain or loss, including any interest expense are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gain or loss are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

C. Compound financial instruments

Compound financial instruments comprise Redeemable Preference Shares (RPS) allotted to the holding company.

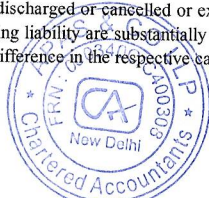
The financial liability component of RPS is initially recognised at fair value. The difference between the fair value of the compound financial instrument as a whole and the fair value of the financial liability component is initially recognised as capital reserve.

Subsequent to the initial recognition, the liability component of the compounded financial instrument is measured at amortised cost using the effective interest method. The capital reserve (equity component) of the compounded financial instrument is not remeasured subsequently.

Interest on liability component is recognised in the statement of profit and loss.

C. De-recognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.



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Notes forming part of the financial statements for the year ended 31 March 2026
(₹ in millions, except for share data and if otherwise stated)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

l. Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events, other than conversion of potential equity shares, that have changed the number of equity shares outstanding without a corresponding change in resources.

For the purpose of calculating diluted earnings/(loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

m. Provisions

Provisions are recognised 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement.

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 recognised as a finance cost.

n. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

o. Non-current assets and liabilities classified as held for sale

Non-current assets classified as held for sale are presented separately in the Balance Sheet and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. Once classified as held for sale, the assets are not subject to depreciation or amortisation. Any gain or loss arises on remeasurement or sale is included in Statement of Profit and Loss.

p. Current–non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- it is held primarily for the purpose of being traded
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of financial liabilities some part of which may be non-current. All other liabilities are classified as non-current.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle not to exceed one year in all cases for the purpose of classification of assets and liabilities as current and non-current.

q. Finance income and costs



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(₹ in millions, except for share data and if otherwise stated)

Finance income and costs for all interest-bearing financial instruments are recognised within "finance income" and "finance costs" in the statement of profit or loss and other comprehensive income using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Where the estimated cash flows on financial assets are subsequently revised, other than impairment losses, the carrying amount of the financial assets is adjusted to reflect actual and revised estimated cash flows. Foreign currency gains or losses relating to financial instruments subsequently measured at amortised are included in finance income or finance costs in the profit or loss. Other foreign currency gains or losses are recognised in other income

r. Expenses : Expenses are recognised when incurred and on accrual basis. They relates to cost of sales and other expenses incurred in the course of business operation.

s. Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

i) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

b) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forward can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

ii) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Useful lives of depreciable assets

The Company reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

b) Defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. In view of the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c) Inventories

The Company estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

d) Impairment of non-financial assets

In assessing impairment, Company estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

e) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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3 Property, plant and equipment

Particulars	Leasehold improvements	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Total
Balance as at 1 April 2024	190.20	175.48	95.04	9.37	3.97	474.04
Additions during the year	1.60	36.37	4.04	0.61	0.62	43.24
Disposals during the year	-	(13.78)	(7.23)	(0.04)	(0.02)	(21.07)
Foreign exchange fluctuation	(21.13)	(19.29)	(10.59)	(1.04)	(0.44)	(52.49)
Balance as at 31 March 2025	170.67	178.78	81.26	8.90	4.13	443.72
Additions during the year	10.97	22.45	2.50	1.78	0.30	38.00
Disposals during the year	(14.76)	(2.26)	(0.43)	(1.80)	-	(19.25)
Foreign exchange fluctuation	37.97	43.31	18.65	2.01	0.98	102.92
Balance as at 31 March 2026	204.85	242.28	101.98	10.89	5.41	565.39

Accumulated depreciation and impairment losses

Balance as at 1 April 2024	103.39	80.65	40.22	3.46	2.93	230.66
Depreciation for the year	9.49	12.94	6.29	1.45	0.65	30.82
Disposals during the year	-	(13.49)	(6.90)	(0.03)	(0.01)	(20.43)
Impairment for the year	0.84	-	-	-	-	0.84
Foreign exchange fluctuation	(11.39)	(8.97)	(4.48)	(0.37)	(0.32)	(25.53)
Balance as at 31 March 2025	102.33	71.13	35.13	4.51	3.25	216.36
Depreciation for the year	11.15	14.31	3.34	3.33	0.48	32.61
Disposals during the year	(12.63)	(1.76)	(0.18)	(1.86)	-	(16.43)
Foreign exchange fluctuation	22.88	17.89	8.39	1.23	0.80	51.19
Balance as at 31 March 2026	123.73	101.57	46.68	7.21	4.53	283.73

Carrying amount (net)

Net carrying value as at 31 March 2025	68.34	107.65	46.13	4.39	0.88	227.37
Net carrying value as at 31 March 2026	81.12	140.71	55.30	3.68	0.88	281.66



Devyani International (Nigeria) Limited

Notes forming part of the financial statements for the year ended 31 March 2026

(₹ in millions, except for share data and if otherwise stated)

4 Right-of- use assets

	As at 31 March 2026	As at 31 March 2025
Leasehold property	314.30	240.33
Accumulated depreciation	140.91	87.82
Accumulated impairment	-	-
Net carrying value	173.39	152.51

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Devyani International (Nigeria) Limited

Notes forming part of the financial statements for the year ended 31 March 2026

(₹ in millions, except for share data and if otherwise stated)

5. Intangible assets

Particulars	Licenses Fee	Software	Total
Balance as at 1 April 2024	30.57	0.72	31.29
Additions during the year	-	0.09	0.09
Foreign exchange fluctuation	(3.40)	(0.08)	(3.48)
Balance as at 31 March 2025	27.17	0.73	27.90
Additions during the year	-	-	-
Foreign exchange fluctuation	6.13	0.16	6.29
Balance as at 31 March 2026	33.30	0.89	34.19
Accumulated amortisation and impairment losses			
Balance as at 1 April 2024	3.71	0.19	3.90
Amortisation for the year	2.70	0.12	2.82
Foreign exchange fluctuation	(0.39)	(0.02)	(0.41)
Balance as at 31 March 2025	6.02	0.29	6.31
Amortisation for the year	3.00	0.15	3.15
Foreign exchange fluctuation	1.80	0.09	1.89
Balance as at 31 March 2026	10.82	0.53	11.35
Carrying amount (net)			
Net carrying value as at 31 March 2025	21.15	0.44	21.59
Net carrying value as at 31 March 2026	22.48	0.36	22.84

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Devyani International (Nigeria) Limited**Notes forming part of the financial statements for the year ended 31 March 2026**

(₹ in millions, except for share data and if otherwise stated)

6. Other financial assets

(Unsecured considered good, unless otherwise stated)

Security deposits

Other receivable

Non-current		Current	
As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
2.15	1.51	0.99	0.81
-	-	3.24	0.32
2.15	1.51	4.23	1.13

7. Other assets

(Unsecured considered good, unless otherwise stated)

Prepaid expenses

Balance with statutory/government authorities

Advances to employees

Advance to suppliers

Non-current		Current	
As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
-	-	11.99	24.44
-	-	0.04	-
-	-	0.98	1.34
-	-	6.39	13.34
-	-	19.40	39.12

8. Inventories

(Valued at lower of cost and net realisable value)

Raw materials and consumables including packaging materials

As at 31 March 2026	As at 31 March 2025
42.36	49.38
42.36	49.38

9. Cash and cash equivalents

Balance with banks :

- On current accounts

Cash on hand

As at 31 March 2026	As at 31 March 2025
31.52	7.65
0.13	-
31.65	7.65

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Devyani International (Nigeria) Limited

Notes forming part of the financial statements for the year ended 31 March 2026

(₹ in millions, except for share data and if otherwise stated)

10. Share capital

Authorised

750,000,000 ordinary shares of N 1 each

As at 31 March 2026	As at 31 March 2025
247.68	247.68

Issued, subscribed and paid -up

500,000,000 (31 March 2025: 500,000,000) ordinary shares of N 1 each

127.96	127.96
127.96	127.96

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the year:

	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Amount	Number of shares	Amount
Equity shares issued, subscribed and paid up				
At the beginning of the year	500,000,000	127.96	500,000,000	127.96
At the end of the year	500,000,000	127.96	500,000,000	127.96

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of ordinary share having a par value of N 1 each per share. Each holder of the equity share is entitled to one vote per share.

	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% of holding	Number of shares held	% of holding
c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates				
Ordinary shares of N 1 each fully paid-up held by:	393,750,000	78.75%	393,750,000	78.75%
-RV Enterprizes PTE Limited	393,750,000		393,750,000	

d) Particulars of shareholders holding more than 5% shares in the Company

Ordinary shares of N 1 each fully paid-up held by:

-RV Enterprizes PTE Limited	393,750,000	78.75%	393,750,000	78.75%
-Chellarams Plc.	106,250,000	21.25%	106,250,000	21.25%
	500,000,000	100%	500,000,000	100%

e) Shareholding of Promoters

Ordinary shares of N 1 each fully paid-up held by:

-RV Enterprizes PTE Limited	393,750,000	78.75%	393,750,000	78.75%
-Chellarams Plc.	106,250,000	21.25%	106,250,000	21.25%
	500,000,000	100%	500,000,000	100%

11. Other equity

a Reserve and Surplus

Promoter contribution in equity
Retained Earnings
Exchange differences on translating the financial statements
Total

As at 31 March 2026	As at 31 March 2025
157.74	157.74
(5,763.51)	(5,782.51)
2,772.55	3,280.13
(2,833.22)	(2,344.64)

12. Lease liabilities

Carried at amortised cost (unsecured)

Non-current portion		Current portion	
As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
199.13	171.21	25.34	16.07
199.13	171.21	25.34	16.07

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Devyani International (Nigeria) Limited
Notes forming part of the financial statements for the year ended 31 March 2026

(₹ in millions, except for share data and if otherwise stated)

13. Borrowings

	Non-current portion		Current portion	
	As at	As at	As at	As at
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Term loans (secured) from Bank (refer note (a) below)	-	41.77	51.19	41.77
Term loans (Unsecured) from related parties (refer note (b) below)	-	1,502.62	-	767.63
	-	1,544.39	51.19	809.40

a) The company obtained a long term loan from Standard Chartered Bank via Loan agreement dated 11th January, 2024. The loan total of N1.5 billion granted to the company was drawn down as at 31st March 2026. The loan has a tenure of 3 years with 1 years moratorium with an interest rate of 29% per annum. The loan is repayable in 8 equal installment from 28th May 2025. The loan is secured by deed of mortgage debenture on assets of Devyani International Nigeria Limited and corporate guarantee of Devyani

b) Unsecured loan from related parties:

The related parties loans were granted by the two promoters of the company Chellaram Plc Nigeria and RV Enterprizes PTE Limited of Singapore. The loans are denominated in Naira and US Dollars and the moratorium on the principal and the interest repayments was extended by RV Enterprizes PTE Limited upto 01 January 2029. The loan from Chellaram Plc is repayable on demand. The Interest rate on the loan is 5% per annum.

The Company has no outstanding liability to its related party as at 31 March 2026 due to the conversion of loan to equity. See note 18.

14. Other financial liabilities

	Non-current		Current	
	As at	As at	As at	As at
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Advance from customer	-	-	0.03	-
Other Payable	-	-	135.08	-
Commission payable on corporate guarantee	-	-	2.90	1.12
Capital creditors	-	-	3.47	7.57
	-	-	141.48	8.69

15. Provisions

	Non-current		Current	
	As at	As at	As at	As at
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Provision for employee benefits				
Gratuity	6.15	2.49	3.92	6.68
	6.15	2.49	3.92	6.68

16. Other liabilities

	Current	
	As at	As at
	31 March 2026	31 March 2025
Statutory dues		
Consumption tax payable	3.41	1.84
VAT payable	5.11	3.77
Withholding tax payable	0.21	0.65
Other statutory dues	3.27	2.11
Employee related payables	10.78	9.28
	22.78	17.65

17. Short term borrowings

	As at	As at
	31 March 2026	31 March 2025
Current portion of long-term borrowings (refer note 13)	51.19	809.40
Cash credit and overdraft facilities from banks	0.94	21.36
	52.13	830.76

Loan terms	As at	As at
	31 March 2026	31 March 2025
1.Bank overdraft facility taken from Zenith Bank plc carries interest rate of 30% p.a.This rate is subject to upward or downward review in line with money market realities.	-	21.36
2.The credit facility taken from Zenith Bank Plc carries interest rate of 20.5% p.a. This rate is subject to upward or downward review in line with money market realities.	0.94	-

18. Shareholders Deposits

	As at	As at
	31 March 2026	31 March 2025
Deposit for shares	2,639.31	-
	2,639.31	-

The Company obtained related party loans from its promoters, Chellarams Plc and RV Enterprizes Pte Limited, amounting to US\$8,817,660 and US\$16,196,462 respectively. Pursuant to the convertible option available as per mutual discussions, the promoters to convert the outstanding principal amount of ₹38,991,181,775, into ordinary shares of the Company. The management plans to seek the necessary approvals to increase the authorised share capital of the Company to facilitate the allotment of the new shares. The foregoing matters are expected to be implemented in the 2026/2027 financial year upon completion of the required statutory and regulatory processes, including registration with the Corporate Affairs Commission.

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19. Trade payables

	As at 31 March 2026	As at 31 March 2025
- Trade payables	186.71	113.43
	186.71	113.43

The Company's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in Note 29.

Trade Payables aging schedule on 31 March 2026

	Outstanding for following periods						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(i) Others	63.22	-	95.57	-	27.92	-	186.71
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed Others dues	-	-	-	-	-	-	-
Total	63.22	-	95.57	-	27.92	-	186.71

Trade Payables aging schedule on 31 March 2025

	Outstanding for following periods						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(i) Others	14.49	-	71.19	17.38	1.15	9.22	113.43
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed Others dues	-	-	-	-	-	-	-
Total	14.49	-	71.19	17.38	1.15	9.22	113.43

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20. Income Tax

(a) Amounts recognised in the Statement of Profit and Loss comprises:

Current tax:

Current tax
In respect of the prior years

For the year ended 31 March 2026	For the year ended 31 March 2025
5.84	5.52
(0.22)	1.60
5.62	7.12

(b) Income tax recognised in other comprehensive income

Income tax relating to remeasurement of defined benefit plans

For the year ended 31 March 2026	For the year ended 31 March 2025
-	-
-	-

(c) Reconciliation of tax expense between accounting profit at applicable tax rate and effective tax rate:

	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit/(loss) before tax	26.04	(313.74)
Statutory income tax rate	0.30	0.30
Tax using the Company's domestic tax rate - 30% (31 March 2025: 30%)	7.81	(94.12)
Change in unrecognised temporary differences	13.99	13.61
Change in Unrecognised Depreciation Losses	(14.74)	(8.49)
Expenses not allowable	(4.45)	91.17
In respect of the prior years	(0.22)	1.60
Education tax at 2.5% on adjusted profit	1.97	1.27
Others	1.26	2.08
Income tax expense at effective tax rate reported in the Statement of Profit and Loss	5.62	7.12

* Represents the change in enacted tax rate as on the reporting date.

(d) Income tax assets and Income tax liabilities:

Income tax liabilities (net)

As at 31 March 2026	As at 31 March 2025
5.99	5.57
5.99	5.57

(e) Deferred tax assets/liabilities

Deferred tax assets

	Deferred tax assets		(Deferred tax liabilities)		Net deferred tax assets / (liabilities)	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Property, plant and equipment and intangible assets (net)	-	-	(42.66)	(32.71)	(42.66)	(32.71)
Provision for impairment	-	0.13	-	-	-	0.13
Employee related provisions and liabilities	3.02	2.75	-	-	3.02	2.75
Financial assets at amortised cost	0.46	0.45	-	-	0.46	0.45
Lease Liability (net of right of use)	15.32	10.43	-	-	15.32	10.43
Unabsorbed depreciation	84.46	71.77	-	-	84.46	71.77
	103.26	85.53	(42.66)	(32.71)	60.60	52.82
Deferred tax liabilities					(42.66)	(32.71)
Deferred tax assets					103.26	85.53
Deferred tax assets (net) unrecognised*					60.60	52.82

* As at 31 March 2026, the Company has significant unabsorbed depreciation and carry forward losses. Further, there exists no convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Accordingly, the Company has not recognised deferred tax asset.

(f) Movement of temporary differences

	As at 31 March 2024	Temporary differences	As at 31 March 2025	Temporary differences	As at 31 March 2026
Property, plant and equipment and intangible assets (net)	(31.32)	(1.39)	(32.71)	(9.95)	(42.66)
Provision for impairment	3.05	(2.92)	0.13	(0.13)	-
Employee related provisions and liabilities	2.21	0.54	2.75	0.27	3.02
Financial assets at amortised cost	0.58	(0.13)	0.45	0.01	0.46
Lease Liability (net of right of use)	9.68	0.75	10.43	4.89	15.32
Unabsorbed depreciation	73.90	(2.13)	71.77	12.69	84.46
	58.10	(5.28)	52.82	7.78	60.60

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Devyani International (Nigeria) Limited
Notes forming part of the financial statements for the year ended 31 March 2026
(₹ in millions, except for share data and if otherwise stated)

21. Revenue from operations

Sale of products

Finished goods

Other operating revenues

Scrap sale

For the year ended	For the year ended
31 March 2026	31 March 2025
874.71	804.58
3.78	3.68
878.49	808.26

22. Other income

Interest income under effective interest method from:

-bank deposits

Gain on termination of leases

Interest income from financial assets at amortized cost

Other non-operating income :

-Liabilities no longer required written back

-Gain on disposal of property plant and equipment (net)

For the year ended	For the year ended
31 March 2026	31 March 2025
0.52	0.08
-	0.66
0.26	0.21
-	0.20
-	0.37
0.78	1.52

23. Cost of materials consumed

Raw material and packing material consumed

Inventories at the beginning of the year

Add: Purchases during the year (net)

Less: Inventories at the end of the year

For the year ended	For the year ended
31 March 2026	31 March 2025
49.38	61.67
299.79	319.21
42.36	49.38
306.81	331.50

24. Employee benefits expense

Salaries, wages and bonus

Expenses related to post-employment defined benefit plan

Staff welfare expenses

For the year ended	For the year ended
31 March 2026	31 March 2025
97.22	74.29
2.14	1.48
7.00	5.39
106.36	81.16

25. Finance costs

Interest expenses

Interest on borrowings measured at amortised cost

Interest accretion on lease liabilities measured at amortised cost

Interest accretion on other financial liabilities measured at amortised cost

For the year ended	For the year ended
31 March 2026	31 March 2025
22.67	27.49
33.22	30.79
5.50	4.59
61.39	62.87

Interest on term loans

Interest waived

Interest charged to Statement of Profit & Loss

103.27	106.03
103.27	106.03
-	-

The Interest cost on borrowing from promoters were waived by the loan providers in 2026 and 2025 respective financial year. Consequently, the interest cost was neither charged nor provided in the financial statements for the year ended 31st March, 2026

26. Depreciation and amortisation expense

Depreciation on property, plant and equipment (Refer to Note 3)

Amortisation of intangible assets (Refer to Note 5)

Depreciation on Right of use assets (Refer to Note 4)

For the year ended	For the year ended
31 March 2026	31 March 2025
32.61	30.82
3.15	2.82
29.02	23.51
64.78	57.15

26A. Provision/(reversal) of impairment of non-financial assets

Impairment on property, plant and equipment (refer note 3A)

Provision/(reversal) of impairment on capital work in progress (refer note 3A)

For the year ended	For the year ended
31 March 2026	31 March 2025
-	0.84
-	(0.42)
-	0.42

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Devyani International (Nigeria) Limited

Notes forming part of the financial statements for the year ended 31 March 2026
(₹ in millions, except for share data and if otherwise stated)

27. Other expenses

Power and fuel
Rent
Repairs and maintenance
- Plant and equipment
- Buildings
- Others
Rates and taxes
Travelling and conveyance
Legal and professional
Auditor's remuneration (Refer to Note below)
Consumption of small ware and others
Water charges
Insurance
Printing and stationery
Communication
Security and service charges
Bank charges
Advertisement and sales promotion
Credit card commission and cash pickup charges
Royalty and continuing fee
Freight, octroy and insurance paid
Inventory written off
Loss on sale of property, plant and equipments (net)
General office and other miscellaneous expenses

	For the year ended 31 March 2026	For the year ended 31 March 2025
	92.66	91.81
	27.87	20.45
	1.09	1.64
	0.03	0.06
	11.92	10.12
	15.90	12.28
	9.37	6.92
	7.31	2.96
	0.38	0.36
	13.66	9.45
	0.77	0.37
	3.14	2.91
	1.74	1.21
	3.74	2.83
	5.55	2.90
	2.60	3.36
	69.99	59.07
	13.55	9.66
	17.49	16.09
	17.91	15.17
	-	0.97
	0.74	-
	16.08	12.16
	333.49	282.75

Note - Auditor's remuneration

Statutory audit

	For the year ended 31 March 2026	For the year ended 31 March 2025
	0.38	0.36
	0.38	0.36

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Devyani International (Nigeria) Limited

Notes forming part of the financial statements for the year ended 31 March 2026

(₹ in millions, except for share data and if otherwise stated)

28. Earning/(loss) per share (EPS)

Earning/(loss) attributable to equity shareholders for calculation of basic and diluted EPS after exceptional items
Weighted average number of equity shares for the calculation of

Basic (₹)
Diluted (₹)
Nominal value per shares

For the year ended 31 March 2026	For the year ended 31 March 2025
20.42	(320.86)
500,000,000	500,000,000
0.04	(0.64)
0.04	(0.64)
NGN 1	NGN 1

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29. Fair value measurement and financial instruments

a. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(i) As on 31 March 2026

Particulars	Note	Fair value through profit and loss ('FVTPL')	Carrying value		Total	Fair value measurement using	
			Fair value through other comprehensive income ('FVOCI')	Amortised cost		Level 1	Level 2
Financial assets							
Non current							
Financial assets*	6	-	-	2.15	2.15	-	-
Current							
(i) Cash and cash equivalents*	9	-	-	31.65	31.65	-	-
(ii) Other financial assets*	6	-	-	4.23	4.23	-	-
Total		-	-	38.03	38.03	-	-
Financial liabilities							
Non current							
(i) Lease liabilities#	12	-	-	199.13	199.13	-	-
Current							
(i) Lease liabilities#	12	-	-	25.34	25.34	-	-
(ii) Borrowings#	17	-	-	52.13	52.13	-	-
(iii) Trade payables*	19	-	-	186.71	186.71	-	-
(iv) Other financial liabilities	14	-	-	-	-	-	-
Other Payable		-	-	135.08	135.08	-	-
Commission payable on corporate guarantee		-	-	2.90	2.90	-	-
Capital creditors*		-	-	3.47	3.47	-	-
Advance from customer		-	-	0.03	0.03	-	-
Total		-	-	604.79	604.79	-	-

(ii) As on 31 March 2025

Particulars	Note	Fair value through profit and loss ('FVTPL')	Carrying value		Total	Fair value measurement using	
			Fair value through other comprehensive income ('FVOCI')	Amortised cost		Level 1	Level 2
Financial assets							
Non current							
(i) Financial assets*	6	-	-	1.51	1.51	-	-
Current							
(i) Cash and cash equivalents*	9	-	-	7.65	7.65	-	-
(ii) Other financial assets*	6	-	-	1.13	1.13	-	-
Total		-	-	10.29	10.29	-	-
Financial liabilities							
Non current							
(i) Lease liabilities#	12	-	-	171.21	171.21	-	-
(ii) Borrowings#	13	-	-	1,544.39	1,544.39	-	-
Current							
(i) Lease liabilities#	12	-	-	16.07	16.07	-	-
(ii) Borrowings#	17	-	-	830.76	830.76	-	-
(iii) Trade payables*	19	-	-	113.43	113.43	-	-
(iv) Other financial liabilities	14	-	-	-	-	-	-
Commission payable on corporate guarantee		-	-	1.12	1.12	-	-
Capital creditors*		-	-	7.57	7.57	-	-
Total		-	-	2,684.55	2,684.55	-	-

The Company's borrowings have fair values that approximate to their carrying amounts as they are based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

* The carrying amounts of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, other current and non current financial assets, trade payables, cash credit and overdraft facilities from banks, capital creditors and certain other current financial liabilities approximate the fair values, due to their short-term nature. The other non-current financial assets represent bank deposits (due for maturity after twelve months from the reporting date) and interest accrued but not due on bank deposits, the carrying value of which approximates the fair values as on the reporting date.

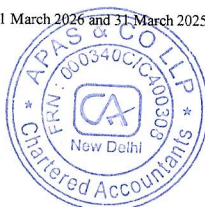
The fair values for loan were calculated based on discounted cash flows using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

There has been no transfer between level 1, level 2 and level 3 for the period and year ended 31 March 2026 and 31 March 2025

b. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;



- Market Risk - Foreign Currency ; and
- Market Risk - Interest Rate

Risk Management Framework

The Board of Directors of the Company are responsible for reviewing the risk management policies and ensuring its effectiveness.

The Company's risk management policies are established to identify and analyse the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in the market conditions and the Company's activities

The Risk management committee oversees how management monitors compliance with Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risk faced by the Company.

i. Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

Particulars	As at 31 March 2026	As at 31 March 2025
(i) Cash and cash equivalents	31.65	7.65
(ii) Other financial assets (current and non-current)	6.38	2.64

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk on cash and cash equivalents and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loans primarily represents security deposits given to lessors for premises taken on lease. Such deposits will be returned to the Company on vacation of the premises or termination of the agreement whichever is earlier.

The exposure to the credit risk at the reporting date is primarily from security deposit receivables.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash and cash equivalents and bank deposits maturing within a year (including bank deposits under lien and excluding interest accrued but not due) of INR 31.65/- (31 March 2025: INR 7.65/-), anticipated future internally generated funds from operations and its fully available, and other current assets (financial and non financial) of INR 65.99/- (31 March 2025: INR 89.63/-) will enable it to meet its future known obligations in the ordinary course of business.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted, and includes interest accrued but not due on borrowings.

As at 31 March 2026					
Particulars	Carrying amount	Contractual cash flows			
		Less than 1 year	Between 1 and 5 years	Greater than 5 years	Total
Borrowings	52.13	52.13	-	-	52.13
Lease liabilities	224.47	51.05	305.72	103.36	460.13
Trade payables	186.71	186.71	-	-	186.71
Advance from customer	0.03	0.03	-	-	0.03
Commission payable on corporate guarantee	2.90	2.90	-	-	2.90
Capital Creditors	3.47	3.47	-	-	3.47
	469.71	296.29	305.72	103.36	705.37

As at 31 March 2025					
Particulars	Carrying amount	Contractual cash flows			
		Less than 1 year	Between 1 and 5 years	Greater than 5 years	Total
Borrowings	2,375.15	830.76	1,544.39	-	2,375.15
Lease liabilities	187.28	40.82	284.25	99.47	424.54
Trade payables	113.43	113.43	-	-	113.43
Commission payable on corporate guarantee	1.12	1.12	-	-	1.12
Interest accrued but not due on borrowings	7.57	7.57	-	-	7.57
	2,684.55	993.70	1,828.64	99.47	2,921.80

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(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

A. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

Exposure to interest rate risk

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

Fixed- rate instruments	As at	As at
	31 March 2026	31 March 2025
Unsecured loans from related parties	-	2,270.25
Variable - rate instruments	As at	As at
	31 March 2026	31 March 2025
Loan from Bank	52.13	104.90

Interest rate sensitivity analysis

The following table illustrates the sensitivity of profit or loss and other equity to a reasonably possible change in interest rates of +/- 1%. All other variables are held constant.

Change in interest rate on loans from banks (Variable - rate instruments)	Increase by 1%	Decrease by 1%
Increase / (decrease) in profit or loss and other equity for the year ended 31 March 2026	(0.52)	0.52
Increase / (decrease) in profit or loss and other equity for the year ended 31 March 2025	(1.05)	1.05

B. Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

Exposure to Foreign currency risk

The summary of quantitative data about the Company's exposure to currency risk, as expressed in Indian Rupees, as at 31 March 2026 and 31 March 2025 are as below:

Particulars	Currency	As at 31 March 2026		As at 31 March 2025	
		Amount	Amount	Amount	Amount
		(in foreign currency)	(in INR)	(in foreign currency)	(in INR)
Borrowings	USD	-	-	26.44	2,262.87
Shareholder deposit and other payables	USD	26.44	2,502.77	-	-
Trade payables	USD	0.11	10.52	0.05	4.69

The company is exposed to the market risk related to the fluctuation of foreign exchange rates. This is so because some of its borrowings are denominated in foreign currency and changes in foreign exchange rate and Naira between the transaction date and settlement (transaction date) always give rise to gains or losses. The company monitors foreign exchange on a regularly basis and set limits on its foreign currency borrowings.

Sensitivity analysis

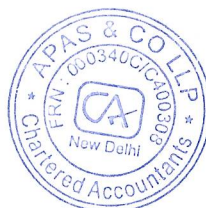
Sensitivity analysis is a measure of a change in foreign rate sensitive borrowings and changes in foreign exchange rate. A 1% change in the exchange rates between the Rupees (₹) (presentation currency) relative to US dollar will cause the following movements;

	31 March 2026	31 March 2025
1% increase in foreign exchange rate	(25.13)	(22.68)
1% decrease in foreign exchange rate	25.13	22.68

(iv) Capital management

The company's objectives when managing capital are to safeguard its ability to continue to operate as a going concern, to maintain an optimal capital structure commensurate with risk and return and reduce the cost of capital. The company also monitors its loan covenants and ensures repayments are made as and when due. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt or draw down more debt. The company's capital comprises share capital, capital reserve, retained earnings and debt.

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Devyani International (Nigeria) Limited

Notes forming part of the financial statements for the year ended 31 March 2026

(₹ in millions, except for share data and if otherwise stated)

30. Leases

A. Leases where the Company as a lessee

The Company leases several assets including buildings for food outlets. Lease payments are generally fixed.

i. For lease liabilities refer note 12.

ii. Amounts recognised in the statement of profit or loss

Depreciation
Interest on lease liabilities
Expense relating to short term lease/variable lease payments not included in the measurement of the lease liability
Net impact on statement of profit and loss

Note	For the year ended 31 March 2026	For the year ended 31 March 2025
26	29.02	23.51
24	33.22	30.79
26	27.87	20.45
	90.11	74.75

iii. Amounts recognised in the cash flow statement

Payment for finance cost
Principal repayments
Total cash outflows

For the year ended 31 March 2026	For the year ended 31 March 2025
33.22	30.79
15.86	21.26
49.08	52.05

iv. Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

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Devyani International (Nigeria) Limited
Notes forming part of the financial statements for the year ended 31 March 2026
(₹ in millions, except for share data and if otherwise stated)

31. Related party disclosures

(I) List of related parties and nature of relationship where control exists:

(a) Ultimate Parent Company :

Devyani International Limited

(b) Parent Company :

RV Enterprizes PTE Limited

(c) Enterprises having significant influence:

Chellarams Plc

(II) List of related parties and nature of relationship with whom transactions have taken place during the current / previous period/year:

(a) Ultimate Parent Company :

Devyani International Limited

(b) Parent Company :

RV Enterprizes PTE Limited

(c) Enterprises having significant influence:

Chellarams Plc

Transactions during the year

Description	Ultimate parent company/parent company		Enterprises having significant influence	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Gaurantee commission				
Devyani International Limited	1.79	1.11	-	-
Balances outstanding as at the year end				
Unsecured loan/ Shareholder deposit				
Chellarams Plc	-	-	940.90	767.63
RV Enterprizes PTE Limited	1,698.41	1,502.62	-	-
Trade / Others payable				
RV Enterprizes PTE Limited	135.08	-	-	-
Devyani International Limited	2.90	1.12	-	-
Chellarams Plc	-	-	3.76	2.60

32. Contingent liabilities and commitments

(to the extent not provided for)

	As at 31 March 2026	As at 31 March 2025
Contingent liabilities:		
(a) Claims against the Company not acknowledged as debts:-		
-Claims made by Sales tax authorities	-	-
-Claims made by Service tax authorities	-	-
Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-

(This space has been intentionally left blank)



33. Employee benefits**Defined benefit plans**

The Company operates a gratuity plan wherein every employee is entitled to the benefit. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement.

The following table sets out the status of the gratuity plan as required under Ind AS 19 - Employee Benefits

i. Changes in present value of defined benefit obligation:

Particulars	As at 31 March 2026	As at 31 March 2025
Present value of obligation as at beginning of the period/year	9.14	7.33
Interest cost	1.38	0.91
Current service cost	0.76	0.56
Benefits paid	(4.57)	(0.63)
Actuarial (Gain)/Loss recognised in other comprehensive income	1.42	1.76
Exchange differences on translation	1.95	(0.79)
Present value of obligation as at end of period/year	10.08	9.14

ii. Actuarial assumptions:**A. Economic assumptions**

The principal assumptions are the discount rate and salary growth rate. The discount 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 and the salary growth rate takes into account inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows:

Particulars	31 March 2026	31 March 2025
Discounting rate	13.00%	13.00%
Future salary increase	11.00%	11.00%

B. Demographic assumptions

Particulars	31 March 2026	31 March 2025
i) Retirement age (years)	58	58
ii) Mortality table	A67/70 Ultimate	A67/70 Ultimate
iii) Ages	Withdrawal rate per annum(%)	Withdrawal rate per annum(%)
Up to 30 years	50	50
From 31 to 44 years	35	35
Above 44 years	10	10

Assumption regarding future mortality have been based on published statistics and mortality tables

iii. (a) Expense recognised in profit or loss:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Employee benefit expenses:		
(a) Current service cost	0.76	0.56
(b) Interest cost	1.38	0.92
	2.14	1.48

(b) Remeasurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial loss on defined benefit obligation	(1.42)	(1.76)
	(1.42)	(1.76)
Expense recognised in the Statement of Profit and Loss	3.56	3.24



iv. Reconciliation statement of expense in the Statement of Profit and Loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Present value of obligation as at the end of the year	10.08	9.14
Present value of obligation as at the beginning of the year	(9.14)	(7.33)
Benefits paid	4.57	0.63
Exchange differences on translation	(1.95)	0.79
Expenses recognised in the statement of Profit or Loss	<u>3.56</u>	<u>3.23</u>

v. The expected maturity analysis of undiscounted defined benefit liability is as follows

Particulars	Less than a year	Between one to two years	Between two to five years	Over 5 years
31 March 2026	3.93	-	3.31	2.84
31 March 2025	3.31	-	2.99	2.85

v. Bifurcation of closing net liability at the end of year

Particulars	As at 31 March 2026	As at 31 March 2025
Current liability (amount due within one year)	3.92	6.68
Non-current liability (amount due over one year)	6.15	2.49
	<u>10.07</u>	<u>9.17</u>

vi. Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions as at 31 March 2026 and 31 March 2025 is as shown below:

Impact of the change in discount rate on defined benefit obligation

Particulars	As at 31 March 2026	As at 31 March 2025
a) Impact due to increase of 1%	(0.31)	(0.34)
b) Impact due to decrease of 1%	0.33	0.32

Impact of the change in salary on defined benefit obligation

Particulars	As at 31 March 2026	As at 31 March 2025
a) Impact due to increase of 1%	0.33	0.31
b) Impact due to decrease of 1%	(0.32)	(0.34)

The sensitivity analysis is based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

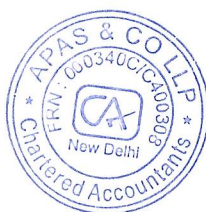
Although the analysis does not take account of the full distribution of cash flows expected under the plan, it provides an approximation of the sensitivity of the assumptions shown.

Risk exposure:

The defined benefit plan is expected to a number of risks, the most significant of which are detailed below:

Change in discount rates: A decrease in discount yield will increase plan liabilities

Mortality table: The gratuity plan obligations are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in plan liabilities.



33. Employee benefits

Defined benefit plans

The Company operates a gratuity plan wherein every employee is entitled to the benefit. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement.

The following table sets out the status of the gratuity plan as required under Ind AS 19 - Employee Benefits

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Benefits paid	(4.57)	(0.63)
Actuarial (Gain)/Loss recognised in other comprehensive income	1.42	1.76
Exchange differences on translation	1.95	(0.79)
Present value of obligation as at end of period/year	10.08	9.14

ii. Actuarial assumptions:

A. Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount 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 and the salary growth rate takes into account inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows:

Particulars	31 March 2026	31 March 2025
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iii. (a) Expense recognised in profit or loss:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Employee benefit expenses:		
(a) Current service cost	0.76	0.56
(b) Interest cost	1.38	0.92
	2.14	1.48

(b) Remeasurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial loss on defined benefit obligation	(1.42)	(1.76)
	(1.42)	(1.76)
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iv. Reconciliation statement of expense in the Statement of Profit and Loss

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Present value of obligation as at the beginning of the year	(9.14)	(7.33)
Benefits paid	4.57	0.63
Exchange differences on translation	(1.95)	0.79
Expenses recognised in the statement of Profit or Loss	<u>3.56</u>	<u>3.23</u>

v. The expected maturity analysis of undiscounted defined benefit liability is as follows

Particulars	Less than a year	Between one to two years	Between two to five years	Over 5 years
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	<u>10.07</u>	<u>9.17</u>

vi. Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions as at 31 March 2026 and 31 March 2025 is as shown below:

Impact of the change in discount rate on defined benefit obligation

Particulars	As at 31 March 2026	As at 31 March 2025
a) Impact due to increase of 1%	(0.31)	(0.34)
b) Impact due to decrease of 1%	0.33	0.32

Impact of the change in salary on defined benefit obligation

Particulars	As at 31 March 2026	As at 31 March 2025
a) Impact due to increase of 1%	0.33	0.31
b) Impact due to decrease of 1%	(0.32)	(0.34)

The sensitivity analysis is based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it provides an approximation of the sensitivity of the assumptions shown.

Risk exposure:

The defined benefit plan is expected to a number of risks, the most significant of which are detailed below:

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Mortality table: The gratuity plan obligations are to provide benefits for the life of the member, so increase in life expectancy will result in a increase in plan liabilities.



Devyani International (Nigeria) Limited
Notes forming part of the financial statements for the year ended 31 March 2026
(₹ in millions, except for share data and if otherwise stated)

34. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company.

The CODM is considered to be the Board of Directors who make strategic decisions and is responsible for allocating resources and assessing the financial performance of the operating segments.

As the Company's business activity primarily falls within a single business and geographical segment i.e. food and beverages, thus there are no additional disclosures to be provided under Ind AS 108 - "Operating Segments". The CODM considers that the various goods and services provided by the Company constitutes single business segment.

35. Capital management

The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows.

The Board of Directors regularly review the Company's capital structure in light of the economic conditions, business strategies and future commitments.

For the purpose of the Company's capital management, capital includes issued share capital, securities premium reserve and all other reserves. Debt includes, Indian rupee term loans and foreign currency term loans.

During the financial year ended 31 March 2026, no significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure.

36. Capitalisation of expenditure incurred during construction period (refer note 3)

The Company has commenced certain quick service restaurants (stores) during the period and year ended 31 March 2026 and 31 March 2025 respectively. Certain directly attributable costs are incurred on commissioning of the quick service restaurants up to the date of commercial operations. These costs have been apportioned to certain property, plant and equipment on reasonable basis. Details of such costs capitalised is as under :-

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Employee benefits expense	-	-
Other expenses (includes rent, freight and	-	-

37. Other Statutory Information

(i) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(ii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(iii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

As per our report of even date attached

For APAS & Co LLP
Chartered Accountants
Firm's Registration No.: 000340/C/400308

Rajeev Ranjan

Rajeev Ranjan
Partner
Membership No.: 535395

Place: Gurugram
Date:

For and on behalf of the Board of Directors of
Devyani International (Nigeria) Limited

Satender Singh Seini
Director

