

Report to Auditors of Devyani International Limited

1. We have examined the standalone financial statements of **Restaurants Development Co., Ltd.** ("the Company") as at 31st March 2026 dated 30 April 2026 consisting of Balance Sheet, Statement of profit & loss account for the year ended as on that date and other information in accordance with the Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs), which were audited by KPMG Phoomchai Audit Ltd, Bangkok, Thailand, 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. 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.
3. 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 **Restaurants Development Co., Ltd.** 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 **Restaurants Development Co., Ltd.** 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.
4. 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'.
5. 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 O P Bagla & Co LLP
Firm Registration No. :- 000018N/N500091
Chartered Accountants


(Kripa Shankar Shukla)
Partner
M.No :- 515763
UDIN : 26515763EWLOYW4436
Place :- Gurugram
Date :- 11-05-2026



Restaurant Development Co., Ltd
Balance Sheet as at 31 March 2026
(INR in millions, except for share data and if otherwise stated)

Particulars	Note	As at 31 March 2026	As at 31 March 2025
Assets			
Non-current assets			
Property, plant and equipment	3A	4,020.87	3,704.67
Right-of-use assets	3B	2,597.14	1,991.59
Capital work-in-progress	4	-	-
Other intangible assets	5	1,183.04	984.92
Goodwill	5A	369.09	325.34
Financial assets	6	382.05	365.10
Deferred tax assets (net)	27	188.80	184.79
Other non-current assets	7	52.69	149.95
Total non-current assets		8,793.68	7,706.36
Current assets			
Inventories	8	370.08	332.97
Financial assets			
(i) Trade receivables	9	165.61	90.51
(ii) Cash and cash equivalents	10	4,300.73	1,231.74
(iii) Bank balances other than cash and cash equivalents	11	35.52	-
(iii) Other financial assets	6	117.71	77.63
Other current assets	7	140.36	64.46
Total current assets		5,130.01	1,797.31
Total assets		13,923.69	9,503.67
Equity and liabilities			
Equity			
Equity share capital	12	1,505.75	932.36
Other equity	13	(560.95)	(3,048.53)
Total equity		944.80	(2,116.17)
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	15	6,213.69	6,178.75
(ii) Lease liabilities	14	2,445.09	1,807.70
(iii) Other financial liabilities	18	14.95	14.74
Provisions	16	507.79	444.89
Total non-current liabilities		9,181.52	8,446.09
Current liabilities			
Financial liabilities			
(i) Borrowings	15	918.54	711.39
(ii) Lease liabilities	14	271.03	220.99
(iii) Trade payables	16	2,074.48	1,653.05
(iv) Other financial liabilities	18	401.17	484.07
Other current liabilities	19	108.04	86.23
Provisions	16	24.11	18.03
Total current liabilities		3,797.37	3,173.76
Total equity and liabilities		13,923.69	9,503.67

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For O P Bagla & Co LLP
Chartered Accountants
Firm Registration No.:000018/N500091

Kripa Shankar Shukla
Partner
Membership No.: 515763
Place: Gurugram
Date: 11-05-2026



For and on behalf of
Restaurant Development Co., Ltd

Andrew James Norton
Director
Yogendra Pal Gulati
Director

Place: Bangkok
Date: 11-05-2026

Place: Dubai
Date: 11-05-2026

Restaurant Development Co., Ltd
Statement of Profit and Loss for the year ended 31 March 2026
(INR 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	20	16,919.13	14,881.01
Other income	21	25.94	52.58
Total income		16,945.07	14,933.59
Expenses			
Cost of materials consumed	22	5,950.39	5,300.49
Employee benefits expense	23	2,633.11	2,355.95
Finance costs	24	626.72	596.64
Depreciation and amortisation expense	25	1,621.71	1,429.54
Other expenses	26	6,156.14	5,319.80
Total expenses		16,988.07	15,002.42
Loss before tax		(43.00)	(68.83)
Tax expense	26		
Current tax		17.50	169.29
Deferred tax		17.50	169.29
Total tax expense		(60.50)	(238.12)
Loss for the year		(60.50)	(238.12)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		12.24	(11.60)
Income tax relating to above mentioned item		(2.45)	2.32
Items that will be reclassified to profit or loss			
Exchange difference in translating financial statements of foreign operations		(357.30)	(214.91)
Other comprehensive income for the year (net of tax)		(347.51)	(224.19)
Total comprehensive income for the year		(408.01)	(462.31)
Loss per equity share of face value of Thai Baht 100 each			
Basic		(14.98)	(59.53)
Diluted		(14.98)	(59.53)

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached

For O P Bagla & Co LLP
Chartered Accountants
Firm Registration No.:000018N/ N500091

Kripa Shankar Shukla
Partner
Membership No.: 515763
Place: Gurugram
Date: 11-05-2026



For and on behalf of
Restaurant Development Co., Ltd

Andrew James Norton
Director

Yogendra Pal Gulati
Director

Place: Bangkok

Date: 11-05-2026

Place: *Dubai*

Date: 11-05-2026

Restaurant Development Co., Ltd
Statement of Cash Flows for the year ended 31 March 2026
(INR in millions, except for share data and if otherwise stated)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Cash flows from operating activities		
Loss before tax	(43.00)	(68.83)
Adjustments for:		
Depreciation and amortisation expense	1,621.71	1,429.54
Interest on borrowings measured at amortised cost	333.56	348.99
Gain on termination of leases	(0.86)	(19.71)
Interest accretion on financial liabilities measured at amortised cost	124.52	95.21
Unrealised foreign exchange loss (net)	(100.25)	(18.78)
(Gain)/loss on sale of property, plant and equipment (net)	6.49	23.45
Interest income from bank deposits and others	(9.64)	(19.17)
Interest income from financial assets at amortised cost	(3.08)	(2.97)
Operating profit before working capital changes	1,929.45	1,767.73
Adjustments for changes in:		
- trade receivables	(62.93)	(8.35)
- inventories	(35.45)	51.25
- loans, other financial assets and other assets	(41.74)	(82.14)
- trade payables, other financial liabilities and other liabilities	254.81	303.00
Cash used in operating activities	2,044.14	2,031.48
Income tax paid	-	-
Net cash generated from operating activities	2,044.14	2,031.49
Cash flows from investing activities		
Payment for property, plant and equipment and other intangible assets	(1,304.20)	(1,358.08)
Term deposits made with banks	(35.52)	-
Proceeds from sale of property, plant and equipment and other intangible assets	84.08	-
Interest received	9.64	-
Net cash used in investing activities	(1,246.00)	(1,358.08)
Cash flows from financing activities		
Proceeds from issue of share capital	3,468.97	-
Repayment of bank loan	(763.00)	(290.41)
Payment of lease liabilities- principal	(250.29)	(198.68)
Payment of lease liabilities- interest	(124.52)	(95.21)
Interest paid	(225.95)	(244.04)
Net cash used in financing activities	2,105.21	(828.34)
Net decrease in cash and cash equivalents during the year (A+B+C)	2,903.35	(154.93)
Effect of exchange rate translation foreign currency	165.64	114.33
Cash and cash equivalents at the beginning of the year	1,231.74	1,272.34
Cash and cash equivalents as at the end of the year (refer note 10)	4,300.73	1,231.74

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

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

For O P Bagla & Co LLP
Chartered Accountants
Firm Registration No.:000018N/NS00091

Kripa Shankar Shakla
Partner
Membership No.: 515763
Place: Gurugram
Date: 11-05-2026



For and on behalf of
Restaurant Development Co., Ltd

Andrew James Norton
Director
Place: Bangkok
Date: 11-05-2026

Yogendra Pal Gulati
Director
Place: Dubai
Date: 11-05-2026

Restaurant Development Co., Ltd
Statement of Changes in Equity for the year ended 31 March 2026
(INR in millions, except for share data and if otherwise stated)

A. Equity share capital

	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	4,000,000	932.36	4,000,000	932.36
Issue of equity share capital	2,400,000	573.39	-	-
Balance at the end of the year	6,400,000	1,505.75	4,000,000	932.36

B. Other equity

	Reserves and surplus		Items of Other comprehensive income		Total
	Securities premium	Retained earnings	Exchange difference on translation of foreign operations	Other item of other comprehensive income*	
Balance as at 1 April 2024	-	(2,659.39)	73.17	-	(2,586.22)
Loss for the year	-	(238.12)	-	-	(238.12)
Other comprehensive income for the year	-	-	(214.91)	(9.28)	(224.19)
Total comprehensive income for the year	-	(2,897.51)	(141.74)	(9.28)	(3,048.53)
Transferred to retained earnings	-	(9.28)	-	9.28	-
Balance as at 31 March 2025	-	(2,906.79)	(141.74)	-	(3,048.53)
Balance as at 1 April 2025	-	(2,906.79)	(141.74)	-	(3,048.53)
Securities premium received during the year	2,895.59	-	-	-	2,895.59
Loss for the year	-	(60.50)	-	-	(60.50)
Other comprehensive income for the year	-	-	(357.38)	9.79	(347.59)
Total comprehensive income for the year	2,895.59	(2,967.29)	(499.04)	9.79	(560.95)
Transferred to retained earnings	-	9.79	-	(9.79)	-
Balance as at 31 March 2026	2,895.59	(2,957.50)	(499.04)	-	(560.95)

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

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For O P Bagla & Co LLP
Chartered Accountants
Firm Registration No. 000018N/ N500091

Kripa Shankar Shukla
Partner
Membership No.: 515763
Place: Gurugram
Date: 11-05-2026



For and on behalf of
Restaurant Development Co., Ltd

Andrew James Norton Vignendra Pal Gulati
Director Director

Place: Bangkok Place: Dubai
Date: 11-05-26 Date: 11-05-2026

Restaurants Development Co., Ltd.

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

1. Company information/overview

Restaurants Development Co., Ltd., ("the Company"), is incorporated in Thailand and has its registered office at 8, T-ONE Building 18th Floor, Unit 1-4, Sukhumvit 40, Prakanong, Klongtoey, Bangkok. The principal activities of the Company is to operate the restaurants under "KFC" brand.

Basis of preparation

a. Statement of compliance

The standalone 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. The standalone financial statements are prepared on accrual and going concern basis.

These financial statements have been prepared on the request of the Parent 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.

b. Basis of measurement

The standalone financial statements have been prepared on a historical cost basis except for certain financial assets and financial liabilities that are measured at fair value or amortized cost and defined benefit obligations.

c. Functional and presentation currency

The Financials statements are prepared based on books of accounts maintained by the Company in its functional currency i.e., Thai Baht and as per accounting policies applicable to the company as per local applicable laws. The same are further adjusted for complying with Ind AS and group accounting policies. The final adjusted figures are presented in Indian rupees i.e., presentation currency for the group to enable consolidation at the group level.

d. Critical accounting estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the standalone financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the standalone financial statements.

Information about significant areas of estimation /uncertainty and judgments in applying accounting policies that have the most significant effect on the standalone financial statements are disclosed in the relevant notes.

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year except for as disclosed in these financial statements.



2. Material accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these standalone financial statements.

a. Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises: (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working condition for its intended use.

The cost of improvements to leasehold premises, if recognition criteria are met, are capitalised and disclosed separately under leasehold improvement.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of property, plant and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment) is included in the Statement of profit and loss when such asset is derecognised.

Subsequent cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other subsequent cost are charged to the Statement of profit and loss at the time of incurrence.

Depreciation

Depreciation on PPE is provided on the straight-line method computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013 ('Schedule II') on a pro-rata basis from the date the asset is available for use. Considering the applicability of Schedule II as mentioned above, in respect of certain class of assets- the Company has assessed the useful lives (as mentioned in the table below) lower than as prescribed in Schedule II, based on the technical assessment.

Asset Category	Useful life estimated by the management based on technical assessment (years)	Useful life as per Schedule II (years)
Plant and equipment	3-5	15
Electrical Fitting	3-8	10
Office equipment	5	5
Computers	4-5	3-6
Furniture and fixtures	3-5	10



Restaurants Development Co., Ltd.

Notes forming part of the standalone financial statements for the year ended 31 March 2026 (Cont'd)

Utensil and Kitchen Equipment	4-5	15
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Leasehold improvements are depreciated on a straight line basis over the period of the initial lease term or 8 years, whichever is lower.

Depreciation is calculated on a pro rata basis for assets purchased/sold during the year.

The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

Capital work-in-progress

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

b. Business combination and intangible assets

Business combination and goodwill

The Company accounts for the business combinations using the acquisition method when control is transferred to the Company. The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired ('acquisition date'), as are the net identifiable assets (tangible and intangible assets) acquired and any non-controlling interest in the acquired business. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in Other Comprehensive Income ('OCI') and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI. Any goodwill that arises is tested for impairment at least on an annual basis, based on a number of factors, including operating results, business plans and future cash flows.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquirer. Such amounts are generally recognized in the Statement of profit and loss.

Business combinations arising from transfers of interests in entities that are under the common control are accounted in accordance with "Pooling of Interest Method" laid down by Appendix C of Indian Accounting Standard 103 (Ind AS 103) Business combinations of entities under common control, notified under the Companies Act, 2013.

All assets, liabilities and reserves of the combining entity are recorded in the books of accounts of the Company at their existing carrying amounts. Inter-company balances are eliminated. The difference between the investments held by the Company and all assets, liabilities and reserves of the combining entity are recognized in capital reserve and presented separately from other capital reserves. Comparative accounting period presented in the financial statements of the Company has been restated



Restaurants Development Co., Ltd.

Notes forming part of the standalone financial statements for the year ended 31 March 2026 (Cont'd)

for the accounting impact of the merger, as stated above, as if the merger had occurred from the beginning of the comparative period in the financial statements.

Other intangible assets

Intangible assets that are acquired are recognized only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortization and impairment losses, if any.

Gain or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and are recognised in the Statement of profit and loss when the asset is derecognized.

i. Subsequent cost

Subsequent costs is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All the subsequent expenditure on intangible assets is recognized in Statement of profit and loss, as incurred.

ii. Amortisation

Amortisation of Intangible assets is calculated over their estimated useful lives as stated below using straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased /disposed during the year. Amortisation has been charged based on the following useful lives:

Asset description	Useful life (in years)
License fee	10
Right to leasehold agreements	10
Right to franchise agreement	10

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

c. Inventories

Inventories consist of raw materials which are of a perishable nature and packaging materials. Inventories are measured at the lower of cost and net realizable value. Cost of inventories has been determined using weighted average cost method and comprise all costs of purchase after deducting nonrefundable rebates and discounts and all other costs incurred in bringing the inventories to their present location and condition.

Provision is made for items which are not likely to be consumed and other anticipated losses wherever considered necessary. The comparison of cost and NRV is made on at item at each reporting date.

d. Leases

The Company as a lessee

The Company enters into an arrangement for lease of buildings and office equipments. Such arrangements are generally for a fixed period but may have extension or termination options. In accordance with Ind AS 116 – Leases, at inception of the contract, the Company assesses whether a



Restaurants Development Co., Ltd.

**Notes forming part of the standalone financial statements for the year ended 31 March 2026
(Cont'd)**

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:

- 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;
- 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 assesses 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 recognizes 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 assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement 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. 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.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a



Restaurants Development Co., Ltd.

Notes forming part of the standalone financial statements for the year ended 31 March 2026 (Cont'd)

change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in Statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero, as the case may be.

The Company presents right-of-use assets and lease liabilities as a separate line item in the standalone financial statements of the Company.

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.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

e. Borrowing costs

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing cost includes exchange differences to the extent regarded as an adjustment to the borrowing costs, if any.

f. Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ('CGU'). Goodwill arising from a business combination is allocated to CGU or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount.

Impairment losses are recognised in the Statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's 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.



g. Provisions and contingent liabilities

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and 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.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

h. Employee benefits

Short term employee benefits

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefit plans

Defined Contribution Plans

The Company pays provident fund contributions to the appropriate government authorities. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due.

Defined benefit plans

The Company has an obligation towards severance pay, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability recognised in the Balance Sheet in respect of defined severance pay plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.



The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost and other costs are included in employee benefits expense in the Statement of profit and loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income and transferred to retained earnings.

Changes in the present value of the defined benefit obligation resulting from settlement or curtailments are recognised immediately in Statement of profit and loss as past service cost.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Other long term employee benefits

Long service award

The Company also have obligations towards long service award for employees completing specified years of service. The liability recognised in the Balance Sheet in respect of long service award is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary.

i. Income taxes

Income tax expense comprises of current tax and deferred tax. It is recognised in the Statement of profit and loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted or substantively enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are



Restaurants Development Co., Ltd.

Notes forming part of the standalone financial statements for the year ended 31 March 2026 (Cont'd)

recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets levied by the same tax authorities.

j. Foreign currency transactions and translations

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Company at the exchange rates at the date of the transactions.

Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains / (losses) arising on account of realization / settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

k. Revenue recognition

Under Ind AS 115 - Revenue from Contracts with Customers, revenue is recognised upon transfer of control of promised goods or services to customers. Revenue is measured at the transaction price agreed with the customers 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.

Sale of products

Revenue from the sale of products is recognized at a point in time, upon transfer of control of products to the customers which coincides with their delivery and is measured at transaction price received/receivable, net of discounts, amount collected on behalf of third parties and applicable taxes.

Revenue from outdoor catering services is recognized on completion of the respective services agreed to be provided, the consideration is reliably determinable and no significant uncertainty exists regarding the collection. The amount recognized as revenue is net of applicable taxes.

Scrap sale

Sale of scrap is recognized upon transfer of control of products to the customers which coincides with their delivery to customer.



Restaurants Development Co., Ltd.

Notes forming part of the standalone financial statements for the year ended 31 March 2026 (Cont'd)

Interest income

Interest income on financial assets (including deposits with banks) is recognized using the effective interest rate method and are recognized as they accrue.

Contract assets and contract liabilities

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liabilities are on account of the advance payment received from customer for which performance obligation has not yet been completed.

l. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
 - In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible to / by the Company.

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

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

m. 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.

Financial assets

i. Recognition and initial measurement

Debt instruments are initially recognized when they are originated. All other financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, for an item not at fair value through Statement of profit and loss, transaction costs that are attributable to its acquisition or use.

Trade receivables are recognized initially at the transaction price as they do not contain significant financing components. The group holds the trade receivables with the objective of collecting the



contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

ii. Classification and subsequent measurement

Classification

For the purpose of initial recognition, the Company classifies its financial assets in following categories:

- Financial assets measured at amortised cost;
- Financial Asset Measured at fair value through other comprehensive income ('FVTOCI'); or
- Financial asset measured at fair value through Statement of profit and loss ('FVTPL').

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest ('SPPI') on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

Subsequent measurement

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the Statement of profit and loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the Statement of profit and loss.

iii. Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of



Restaurants Development Co., Ltd.

Notes forming part of the standalone financial statements for the year ended 31 March 2026 (Cont'd)

ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the Statement of profit and loss.

iv. Impairment of financial assets (Other than financial assets measured at fair value)

The Company recognises loss allowances using the Expected Credit Loss ('ECL') model for the financial assets which are not fair valued through Statement of profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, are recognised as an impairment gain or loss in the Statement of profit and loss.

Financial liabilities

I. Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, for an item not at fair value through Statement of profit and loss, transaction costs that are attributable to the liability.

II. Classification and subsequent measurement

Financial liabilities are classified as measured at amortized cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Statement of profit and loss.

Financial liabilities other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in the Statement of profit and loss.

III. Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Statement of profit and loss.

IV. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.



n. Earnings per share

The Company presents basic and diluted earnings per share ('EPS') data for its equity shares. Basic EPS is calculated by dividing the Statement of profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting Statement of profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares, which comprise share options granted to employees.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

o. Current and 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 period.

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 period; or
- The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. 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 non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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 being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.



Restaurants Development Co., Ltd.

**Notes forming part of the standalone financial statements for the year ended 31 March 2026
(Cont'd)**

p. Cash and cash equivalents

Cash and cash equivalents comprises 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.

q. Segment reporting

As the Company business activity primarily falls within a single business and geographical segment and the Chief Operating Decision Maker monitors the operating results of its business units not separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements, thus there are no additional disclosures to be provided under Ind AS 108 –“Segment Reporting”. The management considers that the various goods and services provided by the Company constitutes single business segment, since the risk and rewards from these services are not different from one another. The analysis of geographical segments is based on geographical location of the customers.

r. Exceptional items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the company financial performance.

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3A Property, plant and equipment

Particulars	Leasehold improvements	Plant and equipment	Furniture and fixtures	Office equipment	Computers	Total
Gross carrying amount						
As at 31 March 2024	5,075.16	2,695.97	170.41	7.94	525.36	8,474.84
Additions during the year	781.29	219.25	41.23	0.95	134.12	1,176.85
Disposals during the year	(216.53)	(84.23)	(15.64)	(1.01)	(21.88)	(339.29)
Exchange differences on translation of foreign operations	539.95	280.80	18.37	0.81	57.86	897.79
As at 31 March 2025	6,179.87	3,111.79	214.37	8.69	695.46	10,210.19
Additions during the year	759.62	279.86	23.52	5.35	48.59	1,116.94
Disposals during the year	(232.44)	(98.78)	(5.59)	-	(28.69)	(365.50)
Exchange differences on translation of foreign operations	854.44	426.50	29.63	1.41	94.41	1,406.39
As at 31 March 2026	7,561.49	3,719.37	261.93	15.45	809.77	12,368.02
Accumulated depreciation						
As at 31 March 2024	3,202.48	1,475.09	98.89	7.74	374.60	5,158.80
Depreciation for the year	651.62	315.88	30.20	0.16	78.71	1,076.58
Disposals during the year	(200.57)	(76.35)	(16.64)	(0.93)	(21.54)	(316.03)
Exchange differences on translation of foreign operations	344.18	159.69	10.61	0.76	40.42	555.66
As at 31 March 2025	3,997.70	1,874.31	123.06	7.73	472.19	6,475.01
Depreciation for the year	723.79	345.99	35.69	0.32	94.86	1,200.65
Disposals during the year	(177.72)	(69.08)	(4.80)	-	(23.33)	(274.93)
Exchange differences on translation of foreign operations	561.83	264.34	17.92	1.05	66.67	911.81
As at 31 March 2026	5,105.60	2,415.56	171.87	9.10	610.39	8,312.54
Accumulated impairment						
As at 31 March 2024	27.68	-	-	-	-	27.68
Exchange differences on translation of foreign operations	2.83	-	-	-	-	2.83
As at 31 March 2025	30.51	-	-	-	-	30.51
Impairment loss	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-
Exchange differences on translation of foreign operations	4.11	-	-	-	-	4.11
As at 31 March 2026	34.62	-	-	-	-	34.62
Net carrying value as at 31 March 2025	2,151.66	1,237.48	91.31	0.96	223.27	3,704.67
Net carrying amount as at 31 March 2026	2,421.27	1,303.81	90.06	6.35	199.38	4,020.87

Notes:

- For details regarding charge on property, plant and equipment- refer note 14.
- For details regarding capitalisation of expenses incurred during construction period- refer note 34.
- For details regarding contractual commitments for the acquisition of property, plant and equipment- refer note 31.
- For details regarding impairment - refer note 35.
- All title/lease deeds of immovable properties are held in the name of the Company.



Restaurant Development Co., Ltd**Notes forming part of the financial statements for the year ended 31 March 2026***(INR in millions, except for share data and if otherwise stated)***3B Right-of- use assets**

Particulars	As at 31 March 2026	As at 31 March 2025
Right-of- use assets		
Leasehold restaurants	3,349.86	2,354.61
Accumulated depreciation	730.45	343.39
Accumulated impairment	22.27	19.63
Net carrying amount	2,597.14	1,991.59

*Includes the addition of INR 649.79 (31 March 2025 200.11)

#All lease deeds are held in the name of the Company.

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Restaurant Development Co., Ltd**Notes forming part of the financial statements for the year ended 31 March 2026***(INR in millions, except for share data and if otherwise stated)*

Particulars	Amount
4 Capital work-in-progress	
As at 1 April 2024	-
Additions during the year	1,176.85
Assets capitalised during the year	(1,176.85)
As at 31 March 2025	-
Additions during the year	1,116.94
Assets capitalised during the year	(1,116.94)
Balance as at 31 March 2026	-

5 Other intangible assets

Particulars	Right to leasehold agreements	Right to franchise agreement	License fees	Total
Gross carrying amount				
As at 1 April 2024	252.71	1,799.36	573.58	2,625.65
Additions	-	-	114.65	114.65
Disposals	-	-	-	-
Exchange differences on translation of foreign operations	25.86	184.12	62.88	272.86
As at 31 March 2025	278.57	1,983.48	751.11	3,013.16
Additions	-	14.80	142.75	157.55
Disposals	-	-	-	-
Exchange differences on translation of foreign operations	37.46	267.39	107.34	412.19
As at 31 March 2026	316.03	2,265.67	1,001.20	3,582.90
Accumulated amortisation				
As at 1 April 2024	247.37	1,326.89	188.08	1,762.34
Amortisation	7.54	-	75.01	82.55
Disposals	-	-	-	-
Exchange differences on translation of foreign operations	17.18	144.18	21.99	183.35
As at 31 March 2025	272.09	1,471.07	285.08	2,028.24
Amortisation	4.47	-	90.19	94.66
Disposals	-	-	-	-
Exchange differences on translation of foreign operations	36.79	197.83	42.34	276.96
As at 31 March 2026	313.35	1,668.90	417.61	2,399.86
Net carrying amount				
As at 31 March 2025	6.48	512.41	466.03	984.92
As at 31 March 2026	2.68	596.77	583.59	1,183.04

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Restaurant Development Co., Ltd**Notes forming part of the financial statements for the year ended 31 March 2026**

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

5A Goodwill

Particulars	Amount
Gross carrying amount	
As at 1 April 2024	295.14
Exchange differences on translation of foreign operations	30.20
As at 31 March 2025	325.34
Acquisition	-
Exchange differences on translation of foreign operations	43.75
As at 31 March 2026	369.09
Net carrying amount	
As at 31 March 2025	325.34
As at 31 March 2026	369.09

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Restaurant Development Co., Ltd
Notes forming part of the financial statements for the year ended 31 March 2026
(INR in millions, except for share data and if otherwise stated)
6 Other Financial assets

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
<i>Unsecured, considered good</i>				
Security deposits	282.44	277.30	117.71	21.57
Bank deposits (due for maturity after 12 months from the reporting date) ^	99.61	87.80	-	-
Other receivables	-	-	-	56.06
	382.05	365.10	117.71	77.63
Other receivables and security deposits (credit impaired)	-	-	6.45	6.79
Less: loss allowance	-	-	(6.45)	(6.79)
	382.05	365.10	117.71	77.63

Sub notes:

^Non current bank deposits include INR 99.61 (31 March 2025 INR 87.80) as deposits with banks under lien. These deposits are used for issuing letter of credit/ standby letter of credit/ bank guarantees.

7 Other assets

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
<i>Unsecured, considered good</i>				
Capital advances	-	99.22	-	-
Other advances:				
- Prepaid expenses	52.69	50.73	87.43	43.43
- Balance with statutory/government authorities	-	-	52.93	20.97
- Advances to employees	-	-	-	0.06
	52.69	149.95	140.36	64.46

8 Inventories

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials including packaging materials (refer note below)	365.15	320.05
Stores and spares	4.93	12.92
	370.08	332.97

Note:

The above inventories are being valued at cost.

9 Trade receivables

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables		
- Considered good- unsecured	165.61	90.51
- Credit impaired	28.53	0.21
	194.14	90.72
Less: loss allowance	(28.53)	(0.21)
	165.61	90.51

Sub notes:

- The carrying amount of trade receivables approximates their fair value is included in note 28
- The Company's exposure to credit and currency risks, and impairment allowances related to trade receivables is disclosed in note 28
- The Company has also performed credit risk assessment of their trade receivables as on the reporting dates on individual level.
- The Company has no unbilled dues.

Trade receivables ageing schedule as on 31 March 2026

	Outstanding for following periods from due date						Total
	Not Due	Less than 6 months	6 months -1 year	1 -2 year	2-3 years	More than 3 years	
(i) Undisputed trade receivables-considered good	159.23	6.20	0.18	-	-	-	165.61
(ii) Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables-credit impaired	-	-	28.53	-	-	-	28.53
(iv) Disputed trade receivables-considered	-	-	-	-	-	-	-
(v) Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables-credit impaired	-	-	-	-	-	-	-
Total	159.23	6.20	28.71	-	-	-	194.14

Trade receivables ageing schedule as on 31 March 2025

	Outstanding for following periods from due date						Total
	Not Due	Less than 6 months	6 months -1 year	1 -2 year	2-3 years	More than 3 years	
(i) Undisputed trade receivables-considered	-	90.51	-	-	-	-	90.51
(ii) Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables-credit impaired	-	-	0.21	-	-	-	0.21
(iv) Disputed trade receivables-considered	-	-	-	-	-	-	-
(v) Disputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables-credit impaired	-	-	-	-	-	-	-
Total	-	90.51	0.21	-	-	-	90.72



Restaurant Development Co., Ltd**Notes forming part of the financial statements for the year ended 31 March 2026***(INR in millions, except for share data and if otherwise stated)***10 Cash and cash equivalents**

Particulars	As at	As at
	31 March 2026	31 March 2025
Balances with banks :		
- On current accounts	28.98	89.73
- On saving accounts	4,222.55	712.09
- Deposit with original maturity of less than three months	-	380.23
Cash on hand	49.20	49.69
	<u>4,300.73</u>	<u>1,231.74</u>

There are no restrictions for utilisation of cash and cash equivalents held by the Company on 31 March 2026 and 31 March 2025

11 Bank balances other than cash and cash equivalents

	As at	As at
	31 March 2026	31 March 2024
Other bank balances		
- On deposit account	35.52	-
	<u>35.52</u>	<u>-</u>

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Restaurant Development Co., Ltd
Notes forming part of the financial statements for the year ended 31 March 2026
(INR in millions, except for share data and if otherwise stated)
12 Equity share capital

Particulars	As at 31 March 2026	As at 31 March 2025
Authorised		
6,000,000 (31 March 2025: 4,000,000) equity shares of Baht 100 each	1,505.75	932.36
	1,505.75	932.36
Issued, subscribed and fully paid -up		
6,000,000 (31 March 2025: 4,000,000) equity shares of Baht 100 each	1,505.75	932.36
	1,505.75	932.36

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	
	No. of shares	Amount	No. of shares	Amount
Equity shares issued, subscribed and fully				
At the beginning of the year	4,000,000	932.36	4,000,000	932.36
Issued during the year	2,000,000	573.38	-	-
At the end of the year	6,000,000	1,505.75	4,000,000	932.36

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity share having a par value of Baht 100 per share. Each holder of the equity share is entitled to one vote per share and is entitled to dividend declared, if any. The paid up equity shares of the Company rank pari-passu in all respects, including dividend. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholder.

c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

	As at 31 March 2026		As at 31 March 2025	
	No. of shares	% holding	No. of shares	% holding
-Yellow Palm Company Limited, holding company	3,060,000	51.00	2,040,000	51.00
Equity shares of Baht 100 each fully paid-up				
-Devyani International DMCC, Step down subsidiary of the ultimate holding company	2,940,000	49.00	1,960,000	49.00
Equity shares of Baht 100 each fully paid-up				
	6,000,000	100.00	4,000,000	100.00

Subsidiary of the ultimate holding company Devyani International Limited holds 45.77 % effective capital of the company and RJ Corp Ltd., ultimate holding company holds 27.14 % of the effective capital of the company.

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

	As at 31 March 2026		As at 31 March 2025	
	No. of shares	% holding	No. of shares	% holding
-Yellow Palm Company Limited, holding company	3,060,000	51.00	2,040,000	51.00
Equity shares of Baht 100 each fully paid-up				
-Devyani International DMCC, Step down subsidiary of the ultimate holding company	2,940,000	49.00	1,960,000	49.00
Equity shares of Baht 100 each fully paid-up				
	6,000,000	100.00	4,000,000	100.00

13 Other equity (refer Statement of Changes in Equity)

a) Reserves and Surplus

Particulars	As at 31 March 2026	As at 31 March 2025
Securities premium	2,895.59	-
Retained earnings	(2,957.50)	(2,906.79)
Exchange difference on translation of foreign operations	(499.04)	(141.74)
	(560.95)	(3,048.53)

Retained earnings are the accumulated losses earned by the Company till date, as adjusted for distribution to owners.

b) Other comprehensive income

- i) Other comprehensive income pertains to remeasurement gains/ (losses) on defined benefit plans, which are transferred to retained earnings at the end of the period.
ii) Exchange differences on translation of foreign operations are foreign currency translation differences which are recognised in other comprehensive income.

14 Lease liabilities

	Non-current		Current	
Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Lease liabilities	2,445.09	1,807.70	271.03	220.99
	2,445.09	1,807.70	271.03	220.99

Note :

- Refer note 14 (for movement of financing activities)
- Refer note 29 (for details of leases)

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15 Borrowings

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Unsecured Loan:				
-Shareholder (refer note 1)	2,570.95	2,165.07	-	-
Secured Loan:				
-Bank (refer note 2)*	3,642.74	4,013.68	918.54	711.39
	6,213.69	6,178.75	918.54	711.39
Changes in liabilities arising from financing activities				
Particulars			For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balance of borrowings and lease liabilities:				
Secured loan - Bank			4,725.07	4,560.56
Unsecured loan - Shareholder			2,165.07	1,864.42
Lease liabilities			2,028.69	1,861.89
Cash flows				
Repayment of Bank loan			(763.00)	(290.41)
Interest paid			(225.95)	(244.04)
Payment of lease liabilities- principal			(250.29)	(198.68)
Payment of lease liabilities- interest			(124.52)	(95.21)
Non-cash changes				
Exchange difference of translation of foreign operations			1,187.91	840.32
Finance cost borrowings			333.56	348.98
Finance cost lease liability			124.52	95.21
Additions to lease liability			648.15	195.52
Gain on termination of leases			(0.86)	(19.71)
Closing balance of borrowings and lease liabilities:				
Secured loan from bank			4,561.29	4,725.07
Unsecured loan from Shareholders			2,570.95	2,165.07
Lease liabilities (refer note 13)			2,716.11	2,028.69

Terms of borrowings and security from banks:

- The above mentioned loans are payable with interest within a period of 7 years from the date of disbursement or during any other extended period mutually decided based upon the cash flows of the Borrower. The Loan will bear a simple interest @ MLR minus 1.60% i.e. currently 4.75% per annum from the date of disbursement. The Interest shall be charged on the outstanding Principal Loan amount from time to time.
- The Company has a long-term loan from Bangkok Bank Public Company Limited which bears interest rates @ MLR minus 1.85% i.e. currently 4.50 % per annum as stipulated in the agreement. The loans shall be repayable in 27 instalments on a quarterly basis. Repayment schedule set forth in table below:

Quarterly instalments	Repayment amount
Instalments (1-4)	INR 113.84 each
Instalments (5-26)	INR 227.67 each
Instalment (27)	INR 227.67 each

Loan from bank is secured by corporate guarantee and sponsors undertaking issued by Devyani International Limited and is further secured by placing furniture, fixtures & machinery equipment as business collateral.

*Current portion of non current borrowings includes interest accrued of INR 40.89 (31 March 2025 INR 9.00).

16 Provisions

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits				
Severance Pay (refer note 32)	194.35	184.65	24.11	18.03
Provision for Decommissioning	313.44	260.24	-	-
	507.79	444.89	24.11	18.03

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Restaurant Development Co., Ltd
Notes forming part of the financial statements for the year ended 31 March 2026
(INR in millions, except for share data and if otherwise stated)
17 Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
Trade payables and accruals	2,074.48	1,653.05
	2,074.48	1,653.05

The Company's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in note 28.

Trade payables ageing schedule as at 31 March 2026

	Outstanding for following periods from due date						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Trade payables and accruals	856.32	1,212.62	5.53	-	-	-	2,074.47
(ii) Disputed trade payables and accruals dues	-	-	-	-	-	-	-
Total	856.32	1,212.62	5.53	-	-	-	2,074.47

Trade payables ageing schedule as at 31 March 2025

	Outstanding for following periods from due date						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Trade payables and accruals	576.85	-	965.58	38.70	18.58	53.34	1,653.05
(ii) Disputed trade payables and accruals dues	-	-	-	-	-	-	-
Total	576.85	-	965.58	38.70	18.58	53.34	1,653.05

18 Other financial liabilities

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Capital creditors	-	-	61.12	190.05
Employee related payables	-	-	334.50	287.03
Long term service awards benefit	14.95	14.74	5.55	6.99
	14.95	14.74	401.17	484.07

19 Other liabilities

Particulars	Non-current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Statutory dues:				
Advance from customers	-	-	8.52	3.55
Other statutory dues	-	-	99.52	82.68
	-	-	108.04	86.23

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Restaurant Development Co., Ltd
Notes forming part of the financial statements for the year ended 31 March 2026
(INR in millions, except for share data and if otherwise stated)

20 Revenue from operations

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of products		
-Finished goods	16,868.48	14,849.01
Other operating revenues		
-Scrap Sales	41.91	32.00
-Marketing and other services	8.74	-
	16,919.13	14,881.01

21 Other income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest income under effective interest method from:		
-bank deposits	9.64	19.17
Interest income from financial assets at amortized cost	3.08	2.97
Other non-operating income :		
- Net gain on foreign currency transactions and translations	3.00	0.55
- Gain on termination of leases	0.86	19.71
Others	9.36	10.18
	25.94	52.58

22 Cost of materials consumed

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Raw material including packing material consumed		
Inventories at the beginning of the period/year	320.05	379.24
Add: Purchases during the period/year	5,995.49	5,241.30
Less: Inventories at the end of the period/year	(365.15)	(320.05)
	5,950.39	5,300.49

23 Employee benefit expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, wages and bonus	2,407.34	2,175.13
Contribution to provident and other funds	87.97	76.89
Severance pay (refer note 31)	24.41	22.78
Staff welfare expenses	113.39	81.15
	2,633.11	2,355.95

24 Finance costs

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest expense *	458.08	444.18
Other borrowing costs	168.64	152.46
	626.72	596.64

*includes interest on lease liabilities of INR 124.52 (31 March 2025 95.21) (refer note 29)

25 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation on property, plant and equipment (refer note 3A)	1,200.65	1,076.59
Depreciation on right-of-use assets(refer note 3B)	326.40	270.41
Depreciation on other intangible assets (refer note 5)	94.66	82.55
	1,621.71	1,429.54

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Restaurant Development Co., Ltd**Notes forming part of the financial statements for the year ended 31 March 2026***(INR in millions, except for share data and if otherwise stated)***26 Other expenses**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Power and fuel	1,008.06	904.84
Stores and Spares consumed	60.81	13.57
Rent	992.60	877.43
Repairs and maintenance		
-Plant and equipment	159.09	108.14
-Others	213.78	211.55
Rates and taxes	105.39	80.09
Travelling and conveyance	60.32	50.77
Legal and professional	10.44	2.39
Auditor's remuneration	8.01	8.97
Management support cost	335.76	294.22
Water	43.11	40.24
Insurance	7.66	15.95
Printing and stationery	-	0.89
Communication	69.05	57.45
Security and service charges	62.32	56.03
Bank charges	13.49	11.08
Advertisement and sales promotion	806.84	684.46
Commission and brokerage	527.76	440.89
Royalty and continuing fee	1,040.55	916.27
Loss on sale of property, plant and equipment (net)	6.49	17.87
Freight including delivery charges	426.52	372.14
Loss allowance	28.75	8.47
General office and other miscellaneous expenses	169.34	146.09
	6,156.14	5,319.80

Note - Auditor's remuneration

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2024
As auditor		
Statutory audit	8.01	8.97

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Restaurant Development Co., Ltd
Notes forming part of the financial statements for the year ended 31 March 2026
(INR in millions, except for share data and if otherwise stated)
27. Tax expense

Particulars	As at 31 March 2026	As at 31 March 2025
The tax expense comprises of :		
Current tax	-	-
Deferred tax	17.50	169.29
	17.50	169.29
Income tax charged to OCI:		
Net gain on remeasurements of defined benefit plans	(2.45)	2.32
	(2.45)	2.32
Reconciliation of tax expense and the accounting profit multiplied by company's domestic tax rate:		
Profit/(Loss) for the year	(43.00)	(68.83)
Tax using the Company's domestic tax rate -20%	(8.60)	(13.77)
Effect of foreign currency translation	(8.63)	-
Deferred tax reversed/(recognised) during the period/year	-	180.74
Others	34.73	2.32
	17.50	169.29

Notes:
Movement in deferred tax assets/(liabilities) for the period ended 31 March 2026
Tax effect of items constituting deferred tax assets:

	As at 31 March 2025	Credited/(charged) Profit or Loss	OCI	As at 31 March 2026
Unused losses	124.80	56.84	-	181.64
Expenses allowed on payment/actual basis	98.81	13.65	2.45	114.91
Lease liabilities (net of right of use assets)	405.73	137.49	-	543.22
Financial instruments measured at amortised cost	4.00	0.33	-	4.33
Deferred tax assets	633.34	208.30	2.45	844.09
Exchange differences of re-statement of deferred tax balances	(25.85)	(19.05)	-	(44.90)
Tax effect of items constituting deferred tax liabilities				
Deferred tax on intangible assets having indefinite file	(67.78)	(83.69)	-	(151.47)
Right of use Asset	(380.76)	(123.06)	-	(503.82)
Financial instruments measured at amortised cost	-	-	-	-
Deferred tax liabilities	(448.54)	(206.75)	-	(655.29)
Net deferred tax assets	158.95	(17.50)	2.45	143.90

Deferred tax assets not recognised (net)
Movement in deferred tax assets/(liabilities) for the period ended 31 March 2025
Tax effect of items constituting deferred tax assets:

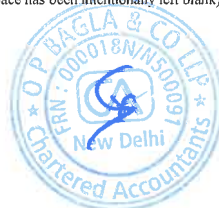
	As at 31 March 2024	Credited/(charged) Profit or Loss	OCI	As at 31 March 2025
Unused losses	221.57	(96.77)	-	124.80
Expenses allowed on payment/actual basis	82.40	18.73	(2.32)	98.81
Lease liabilities (net of right of use assets)	360.74	44.99	-	405.73
Financial instruments measured at amortised cost	3.59	0.40	-	4.00
Deferred tax assets	668.30	(32.64)	(2.32)	633.34
Exchange differences of re-statement of deferred tax balances	5.91	(31.76)	-	(25.85)
Tax effect of items constituting deferred tax liabilities				
Deferred tax on intangible assets having indefinite file	-	(67.78)	-	(67.78)
Right of use Asset	(343.66)	(37.10)	-	(380.76)
Financial instruments measured at amortised cost	-	-	-	-
Deferred tax liabilities	(343.66)	(104.88)	-	(448.54)
Net deferred tax assets	330.55	(169.29)	(2.32)	158.95

Deferred tax assets not recognised (net)
28. Loss per share (EPS)

Loss attributable to equity shareholders for calculation of basic and diluted EPS
Weighted average number of equity shares for the calculation of basic EPS
Loss per equity share (basic)
Loss per equity share (diluted)
Nominal value per share

	For the year ended 31 March 2026	For the year ended 31 March 2025
	(60.50)	(238.12)
	4,038,356	4,000,000
	(14.98)	(59.53)
	(14.98)	(59.53)
	Baht 100	Baht 100

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Restaurant Development Co., Ltd
Notes forming part of the financial statements for the year ended 31 March 2026
(INR in millions, except for share data and if otherwise stated)
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	Carrying value				
	Note	Mandatory at FVTPL	Fair value through other comprehensive income ('FVOCI')	Amortised cost	Total
Financial assets					
Non - current					
(i) Other financial assets*		-	-	382.05	382.05
Current					
(i) Trade receivables*		-	-	165.61	165.61
(ii) Cash and cash equivalents*		-	-	4,300.73	4,300.73
(iii) Other financial assets*		-	-	117.71	117.71
Total		-	-	4,966.10	4,966.10
Financial liabilities					
Non - current					
(i) Lease liabilities		-	-	2,445.09	2,445.09
(ii) Borrowings#		-	-	6,213.69	6,213.69
(iii) Other financial liabilities		-	-	14.95	14.95
Current					
(i) Lease liabilities#		-	-	271.03	271.03
(ii) Borrowings#		-	-	918.54	918.54
(iii) Trade payables*		-	-	2,074.48	2,074.48
(iv) Other financial liabilities		-	-	401.17	401.17
Total		-	-	12,338.95	12,338.95

(i) As on 31 March 2025

Particulars	Carrying value				
	Note	Mandatory at FVTPL	FVOCI	Amortised cost	Total
Financial assets					
Non - current					
(i) Other financial assets*		-	-	365.10	365.10
Current					
(i) Trade receivables*		-	-	90.51	90.51
(ii) Cash and cash equivalents*		-	-	1,231.74	1,231.74
(iii) Other financial assets*		-	-	77.63	77.63
Total		-	-	1,764.98	1,764.97
Financial liabilities					
Non - current					
(i) Lease liabilities		-	-	1,807.70	1,807.70
(ii) Borrowings#		-	-	6,178.75	6,178.75
(iii) Other financial liabilities		-	-	14.74	14.74
Current					
(i) Lease liabilities#		-	-	220.99	220.99
(ii) Borrowings#		-	-	711.39	711.39
(iii) Trade payables*		-	-	1,653.05	1,653.05
(iv) Other financial liabilities		-	-	484.07	484.07
Total		-	-	11,070.69	11,070.69

* The carrying amounts of trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, other current financial assets, trade payables, employee related payables, capital creditors approximates the fair values, due to their short-term nature.

The Company's lease liabilities and 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.

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Restaurant Development Co., Ltd

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

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

(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:

Variable - rate instruments	As at	As at
	31 March 2026	31 March 2025
Term loan and unsecured loan	7,132.24	6,890.14
	7,132.24	6,890.14

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 Financial institutions (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	(71.32)	71.32
Increase / (decrease) in profit or loss and other equity for the year ended 31 March 2025	(68.90)	68.90

The Company is exposed to interest rate risk on account of variable rate borrowings. The Company's risk management policy is to mitigate its interest rate exposure in accordance with the exposure limits advised from time to time.

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. As on the reporting date there is no major currency risk exposure.

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)	(in INR)	(in foreign)	(in INR)
Other payables	USD	0.03	2.53	-	-
Trade payables	USD	0.12	11.35	0.25	21.19

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

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	3/31/2025
1% increase in foreign exchange rate	(0.14)	(0.21)
1% decrease in foreign exchange rate	0.14	0.21

C. Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. Based upon the Company's evaluation, there is no excessive risk concentration.

D. Offsetting financial assets and financial liabilities:

The following table represents recognised financial instruments that are subject to enforceable master netting arrangements and similar agreements but not set off as at 31 March 2026 and 31 March 2025.

Variable - rate instruments	As at	As at
	31 March 2026	31 March 2025
Amounts subject to master netting arrangements		
Borrowings (non-current and current)	7,132.24	6,890.14
Lease liabilities (non-current and current)	2,716.11	2,028.69
	9,848.35	8,918.82
Financial instruments collateral		
Trade receivables	165.61	90.51
Cash and cash equivalents	4,300.73	1,231.74
Other financial assets	499.76	442.72
	5,001.60	1,764.97
Net amount *	4,846.75	7,153.85

* Net amount shows the impact on the Company's balance sheet, if all rights were exercised.

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Restaurant Development Co., Ltd**Notes forming part of the financial statements for the year ended 31 March 2026**

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

(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:

Variable - rate instruments	As at 31 March 2026	As at 31 March 2025
Term loan and unsecured loan	7,132.24	6,890.14
	<u>7,132.24</u>	<u>6,890.14</u>

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 Financial institutions (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	(71.32)	71.32
Increase / (decrease) in profit or loss and other equity for the year ended 31 March 2025	(68.90)	68.90

The Company is exposed to interest rate risk on account of variable rate borrowings. The Company's risk management policy is to mitigate its interest rate exposure in accordance with the exposure limits advised from time to time.

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. As on the reporting date there is no major currency risk exposure.

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)	(in INR)	(in foreign)	(in INR)
Other payables	USD	0.03	2.53	-	-
Trade payables	USD	0.12	11.35	0.25	21.19

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

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	3/31/2025
1% increase in foreign exchange rate	(0.14)	(0.21)
1% decrease in foreign exchange rate	0.14	0.21

C. Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. Based upon the Company's evaluation, there is no excessive risk concentration.

D. Offsetting financial assets and financial liabilities:

The following table represents recognised financial instruments that are subject to enforceable master netting arrangements and similar agreements but not set off as at 31 March 2026 and 31 March 2025.

Variable - rate instruments	As at 31 March 2026	As at 31 March 2025
Amounts subject to master netting arrangements		
Borrowings (non-current and current)	7,132.24	6,890.14
Lease liabilities (non-current and current)	2,716.11	2,028.69
	<u>9,848.35</u>	<u>8,918.82</u>
Financial instruments collateral		
Trade receivables	165.61	90.51
Cash and cash equivalents	4,300.73	1,231.74
Other financial assets	499.76	442.72
	<u>5,001.60</u>	<u>1,764.97</u>
Net amount *	<u>4,846.75</u>	<u>7,153.85</u>

Net amount *

* Net amount shows the impact on the Company's balance sheet, if all rights were exercised.

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Restaurant Development Co., Ltd**Notes forming part of the financial statements for the year ended 31 March 2026***(INR in millions, except for share data and if otherwise stated)***30. Leases****A. Leases where the Company is a lessee**

The Company leases several assets including buildings for food outlets and warehouse. Lease payments are generally fixed or are linked to revenue with minimum guarantee and lease term ranges 1-30 years.

i. Lease liabilities

Lease liability included in balance sheet	As at 31 March 2026	As at 31 March 2025
Current	271.03	220.99
Non-current	2,445.09	1,807.70

Note: Refer note 28 for maturity analysis of lease liabilities.

ii. Amounts recognised in the statement of profit or loss

	Note	As at 31 March 2026	As at 31 March 2025
Depreciation on right-of-use assets	25	326.40	270.41
Interest on lease liabilities (included in interest expenses)		124.52	95.21
Gain on termination of leases		0.86	19.71
Expense relating to variable lease payments not included in the measurement of the lease liability	26	992.60	877.43
Net impact on statement of profit and loss		1,444.38	1,262.76

iii. Amounts recognised in the statement of cash flow

	As at 31 March 2026	As at 31 March 2025
Payment of lease liabilities- principal	250.29	198.68
Payment of lease liabilities- interest	124.52	95.21
Total cash outflows	374.81	293.90

iv. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in Statement of profit and 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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Restaurant Development Company Limited
Notes forming part of the financial statements for the year ended 31 March 2026
(INR 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) Parent and Ultimate Controlling Party:

RJ Corp Limited (Ultimate holding company)
Devyani International Limited (Subsidiary of the ultimate holding company)
Devyani International DMCC (step-down subsidiary of the ultimate holding company)
Yellow Palm Company Limited (holding company)
Blackbriar Company Limited (Parent of the holding company)
White Snow Company Limited (Parent of the parent of the holding company)

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

(a) Parent and Ultimate Controlling Party:

Devyani International Limited
Devyani International DMCC
Blackbriar Company Limited
Yellow Palm Company Limited

(c) Key management personnel #:

Andrew James Norton - Director and Chief Executive Officer
Manoj Chatpibal - Chief Financial Officer (Till 30 June 2024)
Pawan Chatwal - Chief Financial Officer (From 01 July 2024)

As per section 203 of the Companies Act, 2013, definition of Key Managerial Personnel includes Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Company Secretary.

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Restaurant Development Company Limited**Notes forming part of the financial statements for the year ended 31 March 2026***(INR in millions, except for share data and if otherwise stated)***(III) Transactions with related parties during the year ended 31 March 2026 and 31 March 2025**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(i) Reimbursement of management support cost		
Devyani International Limited	335.76	294.22
(ii) Other borrowing costs		
Devyani International Limited	170.31	151.07
(iii) Interest expense		
Devyani International DMCC	109.86	106.00
(iv) Compensation to key managerial personnel#		
Short-term employment benefits		
Andrew James Norton	41.61	65.64
Manoj Chatpibal	-	4.62
Pawan Chatwal	22.10	9.96
Post-employment benefits		
Manoj Chatpibal	-	0.22
Pawan Chatwal	0.71	0.36

The above remuneration to Key managerial personnel does not include severance pay, as this contribution is a lump sum amount for all relevant employees based on actuarial valuation.

(IV) Balances as at 31 March 2026 and 31 March 2025

Particulars	As at 31 March 2026	As at 31 March 2025
(i) Trade payables and accruals		
Devyani International Limited	136.05	232.90
(ii) Borrowings*		
Devyani International DMCC	2,570.95	2,165.07

* Includes interest accrued on loans as on 31 March 2026 amounting to INR 265.78 (31 March 2025 INR 133.14)

(iii) Guarantees/security given by the other party on behalf of the Company

Devyani International Limited had given a corporate guarantee to Bangkok Bank Public Company Limited in respect of term loan and other credit facilities availed by the company. The amount outstanding as on 31 March 2026 amounts to INR 170.75 (31 March 2025 INR 6,271.37).

(V) Terms and conditions

All transactions with related parties are made on the terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at respective year ends are unsecured and settlement is generally done in cash.

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

32. Contingent liabilities, commitments and other claims
(to the extent not provided for)

Contingent liabilities and other claims:

(a) Claims against the Company not acknowledged as debts:-

Particulars	As at 31 March 2026	As at 31 March 2025
(i) Claims made by direct and indirect tax authorities:*		
(A) Value added tax	NIL	NIL
(B) Income tax (on account of expense disallowances)	NIL	NIL
(ii) Others (miscellaneous claims in relation to Company's operations)	NIL	NIL
(b) Others		

Particulars	As at 31 March 2026	As at 31 March 2025
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Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for [(net of advances as on 31 March 2026 of INR NIL (31 March 2025 INR NIL)]	33.35	-
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33. Employee benefits

Defined contribution plans

An amount of ₹ 87.97 (31 March 2025 INR 76.89) has been recognised as an expense in respect of the Company's contribution to Employee's Provident Fund and other funds deposited with the relevant authorities and has been charged to the Statement of Profit and Loss.

Defined benefit plans

The Company operates a severance pay plan wherein every employee is entitled to the benefit, which depends on length of employment and is based on employee's current wage. The severance pay is payable as per The Labour Protection Act in Thailand.

The following table sets out the status of the severance pay liability 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 year	202.68	156.74
Interest cost	3.99	4.30
Current service cost	19.51	18.48
Benefits paid	(22.24)	(5.53)
Actuarial (Gain)/Loss recognised in other comprehensive income	(12.24)	11.60
Exchange differences on translation	26.76	17.09
Present value of obligation as at end of year	218.46	202.68

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	1.52%	1.18%
Future salary increase		
For RST	5.00%	5.23%
For FT	3.75%	3.30%
For PT	Nil	Nil

B. Demographic assumptions

Particulars	31 March 2026	31 March 2025
i) Retirement age (years)	60.00	60.00
ii) Mortality table	IALM (2012 - 14)	IALM (2012 - 14)
iii) Ages	Withdrawal rate per annum(%)	Withdrawal rate per annum(%)
For RST	6.92	6.89
For FT	20.06	14.67
For PT	88.00	88.00

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

iii. (a) Expense recognised in the statement of 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	19.51	18.48
(b) Interest cost	3.99	4.30
	23.50	22.78

(b) Remeasurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial gain/(loss) on defined benefit obligation	12.24	(11.60)
	12.24	(11.60)
Expense recognised in the Statement of Profit and Loss	11.26	34.38



Restaurant Development Co., Ltd

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

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

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	218.46	202.68
Present value of obligation as at the beginning of the year	(202.68)	(156.74)
Benefits paid	22.24	5.53
Exchange differences on translation	(26.76)	(17.09)
Expenses recognised in the statement of Profit or Loss	11.26	34.38

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	24.11	20.04	74.16	100.15
31 March 2025	18.03	14.43	47.05	123.17

vi. 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)	24.11	18.03
Non-current liability (amount due over one year)	194.35	184.65
	218.46	202.68

vii. Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions 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%	(24.39)	(11.05)
b) Impact due to decrease of 1.0%	25.09	12.19

Impact of the change in salary increase on defined benefit obligation

Particulars	As at 31 March 2026	As at 31 March 2025
a) Impact due to increase of 1.0%	25.80	12.93
b) Impact due to decrease of 1.0%	(25.05)	(11.26)

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.

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 severance 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.

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Restaurant Development Co., Ltd**Notes forming part of the standalone financial statements for the year ended 31 March 2026***(INR 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, and in Thailand, 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. Capitalisation of expenditure incurred during construction period (refer note 3A & 3B)

The Company has commenced certain quick service restaurants (stores) during the year ended 31 March 2026 and 31 March 2025. 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	75.47	224.41
Other expenses (includes rent, freight and architect fees etc.)	-	-
	75.47	224.41

36. Impairment of non-financial assets**Non financial assets i.e PPE and other intangible assets (other than goodwill ,right to franchise agreement and Right to leasehold agreements)**

In accordance with Ind AS 36 "Impairment of Assets", the Company has identified individual quick service restaurant (store) as a separate cash generating unit (CGU) for the purpose of impairment review. Management periodically assesses whether there is an indication that a CGU may be impaired using a benchmark of two-year's history of operating losses or marginal profits for a store. In view of higher operating costs or decline in projected sales growth, certain stores have been impaired in the current year. Based on the results of impairment testing for these stores in the previous period, the property, plant and equipment, right-of-use assets and other intangible assets, carrying value of these stores aggregating INR NIL (31 March 2025 INR NIL) have been reduced to the recoverable amount aggregating to INR NIL (31 March 2025 INR NIL) by way of impairment charge of INR NIL (31 March 2025 INR NIL). The impairment assessment for the current period as been done and there is no further impairment charge or reversal for current period. Recoverable amount is value in use of these stores computed based upon projected cash flows from operations with sales growth of 4.00 % (31 March 2025 NIL%) and salary growth rate of 5.23 % (31 March 2025 NIL %) , over balance lease term, discounted at rate of 12.2 % p.a (31 March 2025 NIL% p.a.) Carrying value of a store includes property, plant and equipment, intangible assets used at a store, right-of-use assets and allocated corporate assets. Further carrying value and recoverable value of each store is calculated net of lease liabilities.

Goodwill ,right to franchise agreement and Right to leasehold agreements

The company acquired goodwill ,right to franchise agreement and Right to leasehold agreements in the year 2016.The Company has tested these intangible assets for impairment on the acquired stores. The management periodically assess whether there is an indication that such intangible assets maybe impaired. Where impairment indicators exists, management compares the carrying amount of such intangible assets with its recoverable amount. As the recoverable amount is in excess of the carrying amount of such intangible assets, hence no impairment loss has been recorded on the aforesaid intangible assets during the period.

37. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, all other equity reserves attributable to the equity holders of the Company and combination of both long-term and short-term borrowings. The Company's objective for capital management is to maximize shareholder's value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plan and other strategic investment plans. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company's funding requirements are met through equity infusions, internal accruals and a combination of both long-term and short-term borrowings. The Company raises long term loans mostly for its expansion requirements and based on the working capital requirement utilise the working capital facilities. The Company monitors capital on the basis of consolidated total debt to consolidated total equity on a periodic basis. As a part of its capital management policy the Company ensures compliance with all covenants and other capital requirements related to its contractual obligations. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2026 and 31 March 2025.

Particulars	As at 31 March 2026	As at 31 March 2025
Borrowings (non-current and current)	7,132.24	6,890.14
Total debt (a)	7,132.24	6,890.14
Equity share capital	1,505.75	1,505.75
Other equity	(560.95)	(3,048.53)
Total equity (b)	944.80	(1,542.78)
Debt equity ratio (c=a/b)	7.55	-4.47

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Restaurant Development Co., Ltd
Notes forming part of the financial statements for the year ended 31 March 2026
(INR in millions, except for share data and if otherwise stated)

38. Additional regulatory information not disclosed elsewhere in the financial 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.

39. The amounts of previous reported period have been regrouped/reclassified wherever considered necessary in order to comply with financial reporting requirements.

The accompanying notes form an integral part of these financial statements.

For O P Bagla & Co LLP
Chartered Accountants

Firm Registration No.:000018N/ N500091


Kripa Shankar Shukla
Partner

Membership No.: 515763

Place: Gurugram

Date: 11-05-2026



For and on behalf of
Restaurant Development Co., Ltd


Andrew James Norton
Director

Place: Bangkok

Date: 11-05-2026


Yogendra Pal Gulati
Director

Place: 

Date: 11-05-2026