



Date: September 2, 2023

To

The Manager, Listing Department <b>BSE Limited</b> P.J. Towers, Dalal Street, Mumbai – 400001  <b>Scrip Code: 543283</b>	The Manager, Listing & Compliance Department <b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra, Kurla Complex, Bandra East, Mumbai – 400051  <b>Scrip Symbol: BARBEQUE</b>
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Dear Sirs,

**Subject: Annual Report of Barbeque-Nation Hospitality Limited (the “Company”) for the financial year 2022-23**

**Ref:** Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India

We hereby enclose the Annual Report of Barbeque-Nation Hospitality Limited (the “Company”) including the Business Responsibility and Sustainability Report for the financial year 2022-23 along with Notice of 17<sup>th</sup> Annual General Meeting (AGM) of Shareholders of the Company to be held on Monday, September 25, 2023 at 11:00 AM (IST) through Video Conference or Other Audio Visual Means (“VC/OAVM”), which is being circulated to the Shareholders through email.

The Annual Report for the financial year 2022-23 and Notice of 17<sup>th</sup> AGM will also be made available on the Company's website at [www.barbequenation.com](http://www.barbequenation.com).

This is for your information and records.

Thanking you.

Yours faithfully,

**For Barbeque-Nation Hospitality Limited**

**Nagamani C Y**  
**Company Secretary and Compliance Officer**  
**M. No: A27475**

**Encl.: As above**

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**BARBEQUE-NATION HOSPITALITY LIMITED**

**Registered & Corporate Office:** “Saket Callipolis”, Unit No. 601 & 602, 6th Floor, Doddakannalli Village, Varthur Hobli, Sarjapur Road, Bengaluru-560035, Karnataka, India. **T:** +91 8069134900,  
**E-mail:** [corporate@barbequenation.com](mailto:corporate@barbequenation.com), **CIN:** L55101KA2006PLC073031 **www.barbequenation.com**



**Diversified  
Food Services  
Company**

People and Products behind Great Brands!

# Inside This Report

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## 2022-23 Up Close

**₹ 1,000+ crore!**

INDIA'S FIRST FULL-SERVICE CASUAL DINING RESTAURANT (CDR) BRAND TO SURPASS ₹ 1,000+ CRORE IN ANNUAL REVENUE!

**39**

NEW RESTAURANT ADDITIONS, TAKING THE TOTAL NETWORK TO 216 RESTAURANTS

**~11 million**

GUESTS SERVED IN 81 CITIES

**27.5%**

SSSG ACHIEVED

**5.7 million**

CUMULATIVE BARBEQUE NATION APP DOWNLOADS, UP 34% YOY

**₹ 91 crore**

TOSCANO GROWING WELL TO BECOME A SCALABLE BRAND

**25%**

REVENUE CONTRIBUTION FROM TOSCANO, INTERNATIONAL AND DELIVERY BUSINESS, EXHIBITING SUCCESS OF THE DIVERSIFICATION STRATEGY



# About Us

Established in the year 2006, Barbeque Nation is among the largest food services brand in India in the CDR space, with diversified dine-in, delivery and international businesses.

## Our Purpose

To make people happy - the Guest, our Employees, Suppliers, and all Stakeholders.



## Our Restaurant Brands



### 196

RESTAURANTS IN INDIA IN 81 CITIES

### 6

INTERNATIONAL RESTAURANTS IN 3 COUNTRIES



### 14

RESTAURANTS IN INDIA IN 3 CITIES



### 80+

DELIVERY PRESENCE IN 80+ INDIAN CITIES



### Strong

RESPONSE RECEIVED TO OUR BIRYANI BRAND, DUM SAFAR

## Our Differentiators



*Diversified Business Operations*



*Operational Excellence*



*Culinary Innovation*



*Winning Growth Culture*



*Network Scalability*



*Customer Excellence*



*International Footprint*

## Financial Highlights

### ₹ 1,233.8 crore

REVENUE FROM OPERATIONS

### ₹ 818.6 crore

GROSS PROFIT

### 66.3%

GROSS PROFIT MARGIN

### ₹ 238.6 crore

REPORTED EBIDTA

### 19.3%

REPORTED EBIDTA MARGIN

### ₹ 25.7 crore

REPORTED PBT

### ₹ 19.1 crore

REPORTED PAT

# Letter to Our Shareholders

*Dear Shareholders,*

We are delighted to inform you that FY2022-23 marked a significant achievement for the Barbeque Nation brand, which surpassed ₹ 1,000 crore in annual revenue. This makes your Company the first Indian food service CDR brand to achieve this remarkable landmark! With your support, we will continue to push the boundaries to accomplish even bigger milestones in the coming years.

## FY2022-23 Overview

The financial year started with waning of COVID-related challenges. However, higher inflation affected consumer and business sentiment, especially towards the second half of the year when elevated inflation, recession fears, demand fatigue and consumption pressures triggered macroeconomic headwinds.

It was clear that despite the hurdles, we could not lose sight of our long-term strategy and so we continued to take strides in network expansion, people development, culinary innovation, guest experience, store refurbishment, and ESG ethos. With these levers, we could steer the Company to overcome the challenges to not just report a major revenue milestone of ₹ 1,233.8 crore in FY2022-23, up by 43.4% YoY, but also return the Company to profitability, with reported profit after tax of ₹ 19.1 crore, compared to a loss of ₹ 25.2 crore in the previous year.

Enthused by what we could achieve in the past year, we shall continue to invest in brand Barbeque Nation along with our other brands, Toscano, Dum Safar and UBQ.

## Dependably on Track

Even in a challenging FY2022-23, we continued to deliver on our objectives. We stayed focused on bringing fast-paced innovations to the market, enhancing our digital capabilities, even launching a new biryani brand Dum Safar, investing in our existing brands, and managing our restaurant portfolio.

Key highlights from FY2022-23 include the following:

- Barbeque Nation India business revenue expanded by over 40% YoY, with 36 new stores additions
- Launch of a dedicated biryani brand, Dum Safar
- Toscano business has grown at a 3-year CAGR of over 26%, with revenues crossing ₹ 90 crore+, a creditable

## 43.4%

REVENUE GROWTH IN FY2022-23 TO  
A MILESTONE OF ₹ 1,233.8 CRORE

## ₹ 19.1 crore

PROFITABILITY SWINGBACK FROM LOSS OF  
₹ 25.2 CRORE IN 2021-22 TO REPORTED PAT  
OF ₹ 19.1 CRORE IN 2022-23

## 39 restaurants

ADDED DURING THE YEAR;  
8 YEAR CAGR OF 22% GROWTH  
IN RESTAURANT NETWORK

achievement for a 14 restaurant network

- Barbeque Nation international business reached 6 restaurants and is delivering strong SSSG and operating income growth
- We started a water project under our #BNCares Sustainability initiative, under which we are eliminating single-use plastic bottle water from our outlets and replacing it with reusable glass bottles, significantly reducing plastic waste without compromising on guest experience

During the year, we opened 39 new restaurants, which included 36 Barbeque Nation India and 3 Toscano restaurants. Steady network expansion is one of our key drivers for growth over the medium to long term. We have been able to maintain a network growth trajectory at a CAGR of over 22% over the last 8 years. Of the total network of 216 restaurants as on 31st March 2023, around 162 restaurants are in metro and Tier 1 cities and the balance 54 in Tier 2 and 3 cities. As part of our long-term strategy, we intend to maintain 70% of our network in metro and Tier 1 cities and the balance 30% in Tier 2 and 3 cities. Furthermore, it is anticipated that the income of India's middle-class in metro and Tier 1 cities will

grow faster than the other cities, which bodes well for our strategy of city focus.

Portfolio refurbishment is an ongoing initiative to contemporise restaurant interiors and enhance guest experience. During the year, we revamped two outlets located in strategic high-footfall localities in Kolkata and Lucknow. In addition, we undertook facelift of around 14 restaurants. The facelift activity included adding live counters, delivery set-up, and addition of visual merchandise elements to enhance the overall look and feel of the restaurants.

In our dine-in business, we focused on promotional activities through food festivals, beverage offers and social media engagement to drive footfalls across our outlets. In addition, during the year, we focused on further strengthening the delivery portfolio, which included product enhancement, new combo meals, etc. Another significant initiative was the successful launch of our biryani brand 'Dum Safar', which is gaining good traction from guests.

Guest Satisfaction Index (GSI) for our dine-in business is currently at all-time high ratings, which is a testament to our ingrained guest service culture and ability to consistently delight our guests. We have been able to improve on our GSI ratings, driven by factors such as improved culinary experience and ambience across our network.

## Diversified Food Services Company

Over time, we have successfully created multiple levers of growth for the business. Six years ago, Barbeque Nation India dine-in business was contributing to almost 97% of the business. Now, we have added additional growth vectors such as Toscano, international business and delivery, which

*"In FY2022-23, we opened 39 new restaurants, including 36 Barbeque Nation India restaurants and 3 Toscano restaurants. We have been able to maintain a network growth trajectory of 22% CAGR over the last 8 years."*

**Kayum Dhanani**  
MANAGING DIRECTOR





collectively accounted for almost 25% of the total revenues in FY2022-23.

During the year, we added 3 Toscano restaurants to the existing network. Currently, Toscano has a network of 14 restaurants across 3 cities. It reported a revenue of ₹ 911 million during the year, a growth of 67% compared to the same period last year. The revenue for this business has grown at a 3-year CAGR of over 26%, with strong reported operating margins of 25%+.

The performance of international business remained strong. Currently, we have 6 restaurants spread across 4 cities in 3 countries. We have not added any stores to the network during the last few years, but focused on improving asset turns, which has resulted in CAGR revenue growth of 12% over the last 3 years. During the year in review, we reported revenue of ₹ 703 million, an increase of over 30% compared to the previous year. The reported operating margin of the business has improved significantly to over 30%.

Our delivery business reported a revenue of ₹ 1,653 million during the year. This business segment recorded a decline of 16% compared to the previous year. However, in FY2021-22, this business grew by almost 3x, so the decline is primarily attributable to high base impact. Furthermore, order volumes have

*"We have fostered a people-centric culture which, together with our six core values have helped create a strong foundation for organisational growth with a positive impact."*

**Rahul Agrawal**  
CEO AND WHOLE-TIME DIRECTOR

remained relatively flat, the decline was primarily due to change in average order value on account of change in product mix.

Going forward, while Barbeque Nation India business will continue on its growth trajectory on a higher base, the new verticals are anticipated to grow at a faster pace, resulting in accelerated diversification of revenue contribution from these new vectors of growth.

### Unlocking our People Power

We firmly believe that our people are the cornerstone of our success. We have fostered a people-centric culture that places employees at the heart of everything we do. Our six core values serve as the guiding principles that shape our actions, decisions and interactions with our employees, customers, partners and communities. Together, our people-centric culture and core values create a strong foundation for our organisation's growth and positive impact.

This year, we introduced "Hunar Ki Udaan" initiative with the aim of equipping economically disadvantaged youth with employable skills. This program is fully sponsored by Barbeque Nation and supports individuals who cannot afford formal hotel management education. We have collaborated with over 50 hotel management institutes to support this noble cause. Through Hunar Ki Udaan, we have successfully trained and provided employability to 500+ youth across India, empowering them with the skills needed to pursue meaningful careers.

Investing in our employees' professional development has been a priority this year. We recognise that a continuously learning workforce is essential for staying ahead in a rapidly evolving business landscape. The highlight for this year was 'Barbeque Nation Future Leadership Academy' that has been instrumental in supporting our expansion goals post-pandemic.

Our objective this year was to open 40 new stores and surpass the milestone of 200+ stores. The academy has played a vital role in our achievement by identifying high-potential employees and grooming them for their next roles. This initiative has helped develop a robust bench of leaders at all levels, ensuring that we are prepared for future growth. Moreover, it has instilled confidence in our employees as they have witnessed a strong and transparent promotion process. Over the past year, we have developed and promoted 2,500+ employees, with 80% of our manpower requirements fulfilled through internal promotions facilitated by the Barbeque Nation Future Leadership Academy.

We are proud that Barbeque Nation is recognised among "India's Best Companies to Work For" and this continued for the year 2022 as well, with the Company being assigned a rank #7. Every year, Great Place to Work® identifies India's 100 Best Companies to Work For (with employee strength >500) through an objective and rigorous workplace culture assessment process.

### Looking Ahead

The Indian food service market is expected to reach US\$ 80 billion by 2028, with a 2022-2028 CAGR of over 11%, as per Food Service & Restaurant Business Report 2022-23 by Francorp and Restaurant India. This growth will be primarily driven by favourable demographic profile coupled with improved income profile and changing lifestyle of customers.

India's consumption story bodes well for the growth prospects of the CDR industry. To capitalise on the prevailing opportunity, we are implementing various initiatives for culinary advancement and service excellence as primary drivers of our long-term growth strategy. Further, while focus will remain on improving utilisation of the existing restaurant network, we have planned the launch of 20 new restaurants in the current year, primarily in metro and Tier-1 cities that will support SSSG growth in the future.

The medium to long-term growth story of the Company remains intact. Our growth, going forward, will be driven by SSSG and expansion-led for Barbeque Nation and Toscano businesses, calibrated growth for international business, coupled with increase in average daily sales of both UBQ and Dum Safar and opportunistic acquisitions.

We believe a productive restaurant asset base with predictable income streams and inherent growth linked to economic mobility will help the Company deliver sustainable long-term value for shareholders.

### Our Thanks

We would like to express our heartfelt thanks to the Board members, partners, team and the entire stakeholder ecosystem for their trust and support in us. We shall continue to move forward on the path of achieving many more milestones.

In this journey, your cooperation and guidance, as always, will be solicited.

*Thank you once again.*

**Kayum Dhanani**  
**Rahul Agrawal**

# Diversified Food Services Company

Barbeque Nation is a diversified food services business that caters to the value and convenience expectations of all its guests. This is the core of our strategy to differentiate ourselves in a highly competitive market and grow consumption frequency of our existing guest base as well as adding new guests.

We want to be a part of our guests in their celebrations, be it in our restaurants or at their homes or offices, providing them with a diverse culinary choice and experience through the Barbeque Nation, Toscano, UBQ and Dum Safar menus.

Sustainable performance and long-term value creation is a factor of our ability to accelerate diversification as a food services Company. We are doing so through the following vectors.

## Brand Extension

Barbeque Nation has become a household name in the markets of our operations with strong brand visibility and recall. Leveraging this brand value, we have extended into new frontiers that have contributed to the diversification theme.

- We have successfully built a new delivery business vertical by tapping into growing online demand for F&B that spawned amid the pandemic and has become a near permanent trend.
- We have created a strong positioning in the online delivery business by adopting a brand extension strategy by building complementary brands under UBQ and Barbeque-in-a-Box.

## Product Innovation

Innovation is the heart of our culture and we always strive to launch products to suit customer needs at different points of time. In this regard, we have made good strides.

- We have a conscious focus to improve our product offering with respect to food consistency, quality, innovation, experience, nutrition, and meal combos. This has helped us create successful products like Barbeque-in-a-Box, Grills-in-a-Box, and Meals-in-a-Box.
- Dum Safar, our biryani offering that has met with good response since its launch, is the result of our endeavours to innovative and launch new products.
- We constantly engage in menu overhaul to deliver new product offerings to our guests. For instance, our food festivals that we organise frequently to coincide with major festivals and other celebratory occasions are a hit in our restaurants that help elevate footfalls and enable us to counter cyclicity.
- We serve around 80 SKUs in the dine-in format and only about 25 SKUs under delivery that points to significant headroom for growth.

## New Market Development

As a part of our new market development strategy, we have launched Barbeque Nation outlets in international markets of the GCC and Malaysia which have a huge Indian diaspora and a cosmopolitan population.

- A presence in large, high-potential international markets puts the spotlight on the brand and supports long-term business growth.
- The overseas markets where we are present have a similar demographic profile as India, hence unlocking the scope to capitalise on consumption-based opportunity.

## Strategic Brand Acquisitions

With 14 restaurants, Toscano reported revenue of ₹ 91 crore during the year.

- Our acquisition of Toscano has enabled us to capture new market segments and a distinct (upmarket) clientele through Italian cuisine offerings.
- Toscano acquisition has also enabled us to diversify our brand into complementary yet distinct segments of the F&B sector.

## Expanding our Digital Imprint

A strong digital presence enables us to engage better with our target market, with social media being entrenched in customers lives. We have a brand page on major social networks, such as Instagram and Facebook and even professional platform LinkedIn.

- We regularly share updates and organise brand campaigns to stay on the radar of our followers and others.
- While our official page on Instagram crossed 216k followers, on Facebook we achieved over 1 million likes.
- Barbeque Nation app downloads on Android and iOS stood at 5.7 million, which was 1.8 million only about 3 years ago.
- Contribution from own digital assets stood at 27.5% in 2022-23, up from 25% in the prior year.



# Our Investment Case

## Strong Execution

Barbeque Nation has a solid execution track record that has resulted in a network of 216 restaurants spread in 81 Indian cities and 6 overseas markets. While the Company added the first 100 restaurants to its network in 12 years, the next 100+ were incorporated in a considerably lower timescale of 5 years.

As many as 39 new restaurants were added in 2022-23, comprising about 22% of the pre-expanded restaurant network. Our strategy has been to maintain a metro/Tier-1 and Tier-2/3 mix of 70:30.



## Operational Excellence

We have a strong restaurant, kitchen and commissary network, and with the uptake of concerted strategies in procurement, processes and productivity, we have been able to stabilise and sustainably grow our unit economics.

Resource and inflation management are key aspects of our operational excellence and we focus on cost optimisation and productivity enhancement as the first means to absorb any cost increases. We recalibrate menu prices only after the first means in exhausted and after judging the spending capacity of catchments in which our restaurants are located. Through this, we have been able to maintain consumption while also ensuring we meet our margin expectations.



## Diversification

Though synonymous with dine-in, Barbeque Nation is much more than just a dine-in business today. This is the result of our relentless focus on food services diversification where, over time, we have not only reinforced our dine-in offering, but also reshaped the business for future growth through scaling up adjunct businesses.

Today, we have a steady international business, a large food delivery platform and four brands – Barbeque Nation, Toscano, UBQ and Dum Safar. Our inherent ability to determine potential to launch and ramp-up relevant brands that display the right product-market fit has been a key success factor of our diversification.

Barbeque Nation India dine-in business' contribution has reduced over time from 97% about 6 years ago to around 75% today and is expected to further moderate as other businesses pick up pace.



## Innovation

Innovation is at the core of our DNA, which is evident from our ability to customise/launch products that suit varied customer needs at different points of time. For example, during COVID we launched Barbeque-in-a-Box which is a group eating value product. Even today, for customers preferring group eating at home, it has become the go-to product. We have also reinvented our combo meal offerings to cater to varied types of customers. Dum Safar is yet another recent addition to our innovation portfolio which has gained strong traction from guests in a short span of time.

Refurbishment of restaurant interiors is something that we have always considered important to upgrade the look and feel of our restaurants after a period of time to offer a fresh and new experience to our guests. Such refurbishments help enhance guest experience who feel they have come to a new ambience, while also enabling us to make improvements from the point of longevity and durability. Such revamp exercises also enable us to spruce up our kitchen setup for ensuring greater safety, productivity, etc.





# Our ESG Ethos

We have always considered the principles of ESG (Environmental, Social and Governance) as a core part of our business.

Over time, we have galvanised our focus on ESG. We believe we have a lot to do in this sphere, operating in an industry where we contribute to climate action, where we are a large employment creator and hence have a social and economic contribution, and where we must abide by all laws and regulations in food safety, etc., being a direct-to-consumer business.

Our ESG initiatives are described here.

## Environment



### Plastic

As an ecological preservation measure, we initiated the water project under our #BNCares Sustainability program. Through this, we envisage expelling all single-use plastic bottles from all our restaurants, thus curbing a major landfill waste.

Earlier, guests were served complimentary packaged drinking water in single-use plastic bottles, which are now being replaced by reusable glass bottles. The same water quality and guest experience is ensured by refilling water from 20-litre reusable water jars. With current implementation in 150+ restaurants, we expect to cover this initiative in all our restaurants that will eliminate about 100 tons of plastic waste annually.



### Air

We use environment-friendly solutions, such as air scrubbers to scrub the air released from our kitchens before discharge.



### Energy

Through IoT-based electricity management we are able to ensure efficient power usage.



### Food

We procure seafood and meat from organisations that are certified for BAP/HACCP and other quality and sustainability certifications.

## Social



### Employee-centric

The Company was ranked 7<sup>th</sup> in India's Best Companies to Work For in 2022 and 13<sup>th</sup> in the Best Workplaces in Asia in 2022 - Large Size category.

**7<sup>th</sup>**  
RANKED IN  
INDIA'S BEST  
COMPANIES  
TO WORK  
FOR IN 2022

**13<sup>th</sup>**  
RANKED IN  
ASIA BEST  
WORKPLACES  
IN 2022



### Diversity

25% of the Board of Directors are female. Key Managerial Personnel also has 25% female representation.

**25%**  
OF THE BOARD  
OF DIRECTORS  
ARE FEMALE

**25%**  
OF THE KEY  
MANAGERIAL  
PERSONNEL  
ARE FEMALE

## Governance



### Board Independence

Six of the total eight Board members are Non-Executive; three Directors, including Chairman of the Board, are Independent Directors.



### Corporate Governance

We have strong corporate governance practices along with well-defined policies and practices.

# Board of Directors

Our diverse and competent Board of Directors is engaged to oversee the direction of our Company. The Board is in charge of strategy, governance and risk oversight and is a custodian of shareholder rights.



**T. Narayanan Unni**  
CHAIRMAN, NON-EXECUTIVE,  
INDEPENDENT DIRECTOR



**Kayum Dhanani**  
MANAGING DIRECTOR



**Rahul Agrawal**  
CHIEF EXECUTIVE OFFICER  
AND WHOLE-TIME DIRECTOR



**Raof Dhanani**  
NON-EXECUTIVE DIRECTOR



**Suchitra Dhanani**  
NON-EXECUTIVE DIRECTOR



**Abhay Chaudhari**  
NON-EXECUTIVE,  
INDEPENDENT DIRECTOR



**Revathy Ashok**  
NON-EXECUTIVE,  
INDEPENDENT DIRECTOR



**Devinjit Singh**  
NON-EXECUTIVE DIRECTOR

## Legend:

- A Audit Committee
- C Corporate Social Responsibility and Sustainability Committee
- N Nomination & Remuneration Committee
- R Risk Management Committee
- S Stakeholders' Relationship Committee

- Chairperson
- Member

# BOARD'S REPORT

To  
The Members

## Barbeque-Nation Hospitality Limited

Your Directors have pleasure in presenting the Seventeenth (17th) Annual Report of the Company, together with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended March 31, 2023 (FY2023).

### 1. FINANCIAL SUMMARY OR HIGHLIGHTS:

(Amount in Rs. million)

Particulars	Standalone		Consolidated	
	Financial Year 2023	Financial Year 2022	Financial Year 2023	Financial Year 2022
Revenue from Operations	10,737.80	7,610.52	12,337.55	8,605.54
(+): Other Income	98.22	255.58	80.27	262.79
<b>Total Income</b>	<b>10,836.02</b>	<b>7,866.10</b>	<b>12,417.82</b>	<b>8,868.33</b>
(-): Total Expenses	8,892.21	6,536.46	10,031.74	7,268.22
<b>Earnings Before Interest Tax Depreciation &amp; Amortization (EBITDA)</b>	<b>1,943.81</b>	<b>1,329.64</b>	<b>2,386.08</b>	<b>1,600.11</b>
(-): Finance Cost	647.84	555.88	717.01	653.03
(-): Depreciation & Amortization	1,241.02	1,056.19	1,449.98	1,272.59
<b>Profit/(Loss) Before Tax and Exceptional Items</b>	<b>54.95</b>	<b>(282.43)</b>	<b>219.09</b>	<b>(325.51)</b>
(+): Exceptional Items – Net Gain/(Loss)	46.91	2.77	38.23	4.93
<b>Profit/(Loss) Before Tax</b>	<b>101.86</b>	<b>(279.66)</b>	<b>257.32</b>	<b>(320.58)</b>
(-): Tax Expense/(Benefit)	34.71	(64.66)	65.85	(68.66)
<b>Net Profit/(Loss)</b>	<b>67.15</b>	<b>(215.00)</b>	<b>191.47</b>	<b>(251.92)</b>
(+): Other Comprehensive Income/(Loss)	(3.14)	(0.85)	(7.47)	(19.82)
<b>Total Comprehensive Income/(Loss) for the Year</b>	<b>64.01</b>	<b>(215.85)</b>	<b>184.00</b>	<b>(271.74)</b>
<b>Earnings Per Share (EPS, Rs.)</b>				
Basic	1.72	(9.23)	4.37	(10.30)
Diluted	1.71	(9.23)	4.32	(10.30)

### 2. STATE OF THE COMPANY'S AFFAIRS AND BUSINESS PROSPECTS:

FY2023 was a milestone year for the Barbeque Nation brand as it crossed the Rs.1,000 crore annual revenue mark. Barbeque Nation is the first ever Casual Dining Restaurant (CDR) chain in India to reach this historic landmark of annual revenue.

During the year, the Company continued on its path of strategic diversification in the food services space. The Company has successfully created multiple levers of growth. Barbeque Nation India dine-in business used to account for 97% (approx.) of the total revenue 6 years back but now additional pillars of growth such as Toscano, international business and delivery business account for almost 25% of the total revenue. Going forward, while Barbeque Nation India business will continue its growth trajectory on a higher base, new verticals are anticipated to grow at a faster clip pace resulting in further diversification of our revenue contribution across these levers of growth.

Medium to long-term growth story of our Company remains intact. Our growth, going forward, will be driven by Same Store Sales Growth (SSSG) and expansion-led growth for Barbeque Nation and Toscano businesses and calibrated growth for international business, coupled with increase in average daily sales of both UBQ and Dum Safar.

The state of affairs, business performance, initiatives undertaken and business prospects of the Company are more fully articulated in the non-statutory part and Management Discussion and Analysis Report (MD&A) which forms part of the Annual Report.

### 3. CHANGE IN THE NATURE OF BUSINESS:

There was no change in the nature of business of the Company during the financial year 2022-23.

### 4. DIVIDEND:

Your Company has in place a Dividend Distribution Policy for the purpose of declaration and payment of dividend in accordance with the provisions of the Companies Act, 2013 (the "Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations"). The Dividend Distribution Policy is available on the website of the Company at <https://www.barbequenation.com/corporate-governance-policies>.

Considering the need to conserve resources for meeting future expansion plans in India and overseas which will contribute to long-term shareholder value, your Board has not recommended any dividend for the financial year 2022-23.

**5. AMOUNT CARRIED TO RESERVES:**

The details with respect to movement in reserves of the Company for the financial year 2022-23 is available in the Financial Statements, which forms an integral part of the Annual Report.

**6. ANNUAL RETURN:**

Pursuant to Sections 92(3) and 134(3)(a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return, i.e. Form MGT-7 of the Company for the financial year 2022-23 is available on the website of the Company at <https://www.barbequenation.com/postal-ballot>.

**7. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):**

Your Company has an appropriate mix of Executive, Non-Executive and Independent Directors to maintain

independence of the Board and segregate its functions of governance and management.

As on the date of this report, your Board consists of 8 (eight) members, which include 2 (two) Executive Directors, 3 (three) Independent Directors including 1 (one) woman Independent Director and 3 (three) Non-Executive Directors. The Board periodically evaluates the need for change in its composition and size.

The composition of the Board of Directors, Key Managerial Personnel (KMP) and changes in the composition of the Board and KMP during the financial year 2022-23 are furnished below:

Sl. No.	Name	Designation	Date of Appointment	Date of Cessation
1.	Mr. T N Unni	Chairman, Non-Executive, Independent Director	09/02/2009	-
2.	Mr. Kayum Dhanani	Managing Director	30/11/2012	-
3.	Mr. Rahul Agrawal	Chief Executive Officer & Whole Time Director	31/12/2020	-
4.	Mr. Raof Dhanani	Non-Executive Director	01/07/2015	-
5.	Mrs. Suchitra Dhanani	Non-Executive Director	01/07/2015	-
6.	Mr. Abhay Chaudhari <sup>#1</sup>	Non-Executive, Independent Director	28/02/2017	-
7.	Ms. Revathy Ashok <sup>#1</sup>	Non-Executive, Independent Director	28/03/2022	-
8.	Mr. Devijit Singh	Non-Executive Director	31/12/2020	-
9.	Mr. Natarajan Ranganathan <sup>#2</sup>	Non-Executive, Independent Director	31/12/2020	16/04/2022
10.	Mr. Amit V Betala <sup>#3</sup>	Chief Financial Officer	14/01/2020	18/05/2022
11.	Mr. Anurag Mittal <sup>#3</sup>	Chief Financial Officer	19/05/2022	06/02/2023
12.	Mr. Amit V Betala <sup>#3</sup>	Chief Financial Officer	07/02/2023	-
13.	Ms. Nagamani C Y	Company Secretary & Compliance Officer	21/07/2014	-

**Change in Directors:**

a)#1 Directors appointed/re-appointed during the financial year 2022-23:

- (i) Mr. Abhay Chintaman Chaudhari has been re-appointed as an Independent Director of the Company for the second term of 5 consecutive years with effect from September 6, 2022, pursuant to the resolution passed by the shareholders at the 16th Annual General Meeting held on September 6, 2022; and
- (ii) Ms. Revathy Ashok has been appointed as an Independent Director of the Company for a period of 5 consecutive years, pursuant to the approval of shareholders by way of postal ballot which was deemed to be passed on May 28, 2022.

In the opinion of the Board, the Independent Directors appointed/re-appointed during the financial year are persons of integrity and possess relevant expertise and experience. Further, they fulfil the conditions specified under the Act (read with the Rules made thereunder) and SEBI (LODR) Regulations and are independent of the Management.

b)#2 Directors who stepped down from the Board during the financial year 2022-23:

Mr. Natarajan Ranganathan resigned from the office of Independent Director of the Company with effect from April 16, 2022, citing the reason that he does not have sufficient time to devote to the Board of the Company and further confirmed that there are no material reasons for his resignation.

**Change in Chief Financial Officer:**

#3 Mr. Amit V Betala resigned from the office of Chief Financial Officer of the Company with effect from May 18, 2022 (closing hours) and moved to the role of Chief Growth Officer and Mr. Anurag Mittal had been appointed as Chief Financial Officer of the Company with effect from May 19, 2022.

Mr. Anurag Mittal resigned from the office of Chief Financial Officer with effect from February 6, 2023 and Mr. Amit V Betala has been appointed as Chief Financial Officer of the Company with effect from February 7, 2023.

**Declaration by Independent Directors:**

The Company has received necessary declarations/disclosures from all the Independent Directors to the effect that they meet the criteria of independence as provided under Section 149(6) of the Act and Rules made thereunder and Regulation 16(1)(b) of SEBI (LODR) Regulations.

**8. BOARD MEETINGS:**

4 (four) Board meetings were held during the financial year 2022-23. The maximum gap between any two meetings was within the stipulated time period as prescribed under the Act and SEBI (LODR) Regulations. The full details of meetings of the Board and its Committees are given in the Corporate Governance Report which forms part of the Annual Report.

**9. COMMITTEES OF THE BOARD:**

As on 31st March 2023, your Board has 5 Committees viz., Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility & Sustainability Committee, Stakeholders' Relationship Committee, and Risk Management Committee. The composition of the Committees, roles and responsibilities and meetings held, as per the applicable provisions of the Act and rules made thereunder, and SEBI (LODR) Regulations, are disclosed separately in the Corporate Governance Report which forms part of the Annual Report.

**10. CORPORATE GOVERNANCE REPORT:**

The Company has been following and adhering to best governance practices to ensure cultivating a robust value system of integrity, fairness, transparency, accountability and adoption of the highest standards of business ethics that will reap benefits for all stakeholders. The Corporate Governance Report for the FY2023, as required under Regulation 34 read with Schedule V of the SEBI (LODR) Regulations, forms part of the Annual Report.

The Compliance Certificate issued by Mr. Vijayakrishna K T, Practising Company Secretary, on compliance with conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations is annexed to this report as Annexure-1.

**11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion & Analysis Report (MD&A) for the FY2023, as required under Regulation 34 read with Schedule V of the SEBI (LODR) Regulations, forms part of the Annual Report.

**12. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:**

Business Responsibility and Sustainability Report (BRSR) for FY2023, as required under Regulation 34 read with Schedule V of the SEBI (LODR) Regulations, forms part of the Annual Report.

**13. PERFORMANCE EVALUATION OF THE BOARD:**

Performance evaluation of the Board and its Committees is applicable to the Company from the financial year 2021-22, pursuant to listing of shares of the Company on the stock exchanges.

Your Board has in place a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairperson of the Board. The evaluation was carried out through a structured questionnaires covering various aspects of the functioning of the Board and its Committees. The detailed

process in which annual evaluation of the performance of the Board and its Committees, Chairperson and individual Directors, including Independent Directors, is disclosed in the Corporate Governance Report which forms part of the Annual Report.

**14. DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of the Board's knowledge and belief and according to the information and explanations obtained by the Board, your Directors make the following statements in terms of Sections 134(3)(c) and 134(5) of the Companies Act, 2013:

- a) in the preparation of the annual accounts for the financial year 2022-23, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2023 and of the Profit and Loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**15. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:**

Your Company has adopted Nomination & Remuneration Policy for the purpose of Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes and independence of a Director, in accordance with Section 178(3) of the Act and the rules made thereunder. The said policy is available on the website of the Company at [www.barbequenation.com/corporate-governance-policies](http://www.barbequenation.com/corporate-governance-policies).

**16. LOANS, GUARANTEES AND INVESTMENTS:**

Particulars of loans granted, guarantees given and investments made by the Company, pursuant to section 186 of the Act and the rules made thereunder, for the financial year 2022-23 are provided in the Financial Statements, which forms an integral part of the Annual Report.

## 17. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts/arrangements/transactions entered into by the Company during the financial year 2022-23 with its related parties were in the ordinary course of business and on arm's length basis. All Related Party Transactions (RPTs) were placed before the Audit Committee for its prior approval.

During the financial year 2022-23, the Company has not entered into any materially significant transaction that requires the approval of shareholders under Regulation 23 of SEBI (LODR) Regulations or Section 188 of the

Act. Disclosures on Related Party Transactions under Section 134(3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2, is not applicable to the Company for the financial year 2022-23 and accordingly, the said form is not enclosed in this report. Details of Related Party Transactions are provided in the form of Notes to Financial Statements (both Standalone and Consolidated), as per the applicable Accounting Standards.

The Policy on RPTs, as approved by the Board, is available on the Company's website at <https://www.barbequenation.com/corporate-governance-policies>.

## 18. SHARE CAPITAL:

### A. Authorized and Paid-up Share Capital:

Authorized/Nominal Share Capital as on March 31, 2023:

No. of equity shares	Face value (in Rs.)	Amount (in Rs.)
6,00,00,000	5	30,00,00,000

The Company has only one class of Equity Shares.

Issued, Subscribed and Paid-up Share Capital and changes therein during the financial year 2022-23:

Particulars	No. of shares	Amount (in Rs.)
Issued, Subscribed and Paid-up Share Capital at the beginning of the financial year 2022-23	3,89,09,166	19,45,45,830
Shares issued during the financial year 2022-23#	69,235	3,46,175
Issued, Subscribed and Paid-up Share Capital at the end of the financial year 2022-23	3,89,78,401	19,48,92,005

#Details of shares issued during the financial year 2022-23:

Sl. No.	Date of allotment	No. of shares allotted	Mode of issue/allotment
1.	May 18, 2022	31,644	Employee Stock Option Plan (ESOP)
2.	August 1, 2022	703	Employee Stock Option Plan (ESOP)
3.	October 22, 2022	9,234	Employee Stock Option Plan (ESOP)
4.	December 19, 2022	22,583	Employee Stock Option Plan (ESOP)
5.	February 7, 2023	5,071	Employee Stock Option Plan (ESOP)

Approvals of the Board of Directors and shareholders of the Company for the aforesaid issue of shares have been obtained, wherever necessary.

### B. Other Disclosures on Share Capital:

Particulars	Disclosures
Buy Back of Securities	The Company has not bought back any of its securities during the financial year 2022-23.
Issue of Sweat Equity Shares	The Company has not issued any sweat equity shares during the financial year 2022-23.
Issue of Bonus Shares	No bonus shares were issued during the financial year 2022-23.
Issue of Equity Shares with Differential Rights	The Company has not issued any equity shares with differential rights during the financial year 2022-23.

## 19. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to Sections 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the amount in the Unpaid Dividend Account, the application money received for allotment of any securities and due for refund, principal amount of matured deposits and debentures and interest accrued thereon, redemption amount of preference shares, etc., remaining unclaimed and unpaid for a period of 7 (seven) years from the date it became due for payment by the Company shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central

Government. In addition, the shares on which dividend has not been paid or claimed by the shareholders for 7 (seven) consecutive years or more shall be transferred by the Company to IEPF, pursuant to section 124(6) of the Act and the rules made thereunder.

During the financial year 2022-23, dividend of Rs. 200/-, which was declared for the financial year 2018-19, was transferred to the shareholder from the unclaimed dividend account.

Further, it is hereby confirmed that the Company is not required to transfer any amount to the IEPF.

## 20. EMPLOYEE STOCK OPTION SCHEME:

- In order to attract and retain talented and key employees, and to reward them for their performance, the Company has adopted 2 (two) Employee Stock Option Schemes viz., "Barbeque Nation Hospitality Limited - Employee Stock Option Plan 2015" ('ESOP Plan 2015') and "Barbeque Nation Hospitality Limited - Employee Stock Option Plan 2022" ('ESOP Plan 2022'). Both the ESOP Schemes are administered by the Nomination and Remuneration Committee of the Board for the benefit of employees of the Company and its Subsidiaries.
- Material changes made in the ESOP Schemes during the financial year 2022-23:

### ESOP Plan 2015:

At the 16th Annual General Meeting held on September 6, 2022, shareholders approved the transfer of 5,00,000 ESOPs from ESOP Plan 2015 to ESOP Plan 2022 and consequent to the said transfer, the pool size of ESOP Plan 2015 has been reduced from 20,00,000 ESOPs to 15,00,000 ESOPs.

### ESOP Plan 2022:

- At the 16th Annual General Meeting held on September 6, 2022, shareholders approved the adoption of a new Employee Stock Option Scheme called 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2022'. The pool size of the ESOP Plan 2022 is 5,00,000 ESOPs, which were transferred from ESOP Plan 2015.
- The certificate from the secretarial auditor of the Company stating that ESOP Plan 2015 and ESOP Plan 2022 have been implemented in accordance with SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 and in accordance with the resolutions passed by shareholders of the Company in the general meeting, will be placed before the shareholders at the Annual General Meeting and the same will also be made available on the website of the Company.

The disclosures as required under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021, is available on the website of the

Company at <https://www.barbequenation.com/postal-ballot>.

## 21. DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

### A. Conservation of Energy:

#### (i) the steps taken or impact on conservation of energy:

Your Company is engaged in the business of running restaurants and is not involved in operating industrial machinery, production centers or other such energy intensive activities. However, the Company uses and manages its energy requirements prudently and is adopting and implementing appropriate energy conservation measures at every possible step.

The Company has been working efficiently to conserve energy used across all its restaurants and office premises. Major steps taken by the Company towards energy conservation are as follows:

- The Company is using LED lighting system to ensure that consumption of energy is at minimal levels in its operations.
- The Company has installed Variable-Frequency Drives (VFDs) to reduce electricity consumption by kitchen exhaust and ventilation system at the restaurant level.
- The Company is in the process of implementing energy management system for AC units and refrigerators to monitor energy usage.

#### (ii) the steps taken by the company for utilising alternate sources of energy:

Nil

#### (iii) the capital investment on energy conservation equipments:

Nil

### B. Technology Absorption:

Your Company believes that technology plays a key role in this digital day and age. The Company is thus embracing and utilizing technology at every possible step.

Detailed information about conservation of energy and technology absorption and adoption by the Company is available in the MD&A and BRSR which forms part of the Annual Report.

### C. Foreign Exchange Earnings and Outgo:

#### Foreign Exchange Earnings:

(Amount in Rs. million)

Particulars	For the financial year 2022-23	For the financial year 2021-22
Sale of Food and Beverages*	104.30	20.03

\*Foreign inward remittance received through international cards against the sale of food & beverages at restaurants.

**Foreign Exchange Outgo (on CIF value basis):**

(Amount in Rs. million)

Particulars	For the financial year 2022-23	For the financial year 2021-22
Import of Capital Goods	20.59	20.61
Import of Raw Materials	157.96	119.77
<b>Total</b>	<b>178.55</b>	<b>140.38</b>

**22. RISK MANAGEMENT POLICY:**

The business and financial risk of the Company are akin to any other company in the same line of business. Towards this extent, your Board has constituted a Risk Management Committee and has adopted a Risk Management Policy to manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on prevalent opportunities. The robust enterprise risk management framework enables the Company to identify and evaluate business risk opportunities and this framework seeks to create transparency, mitigate adverse impacts on business objectives, and enhance the Company's competitive edge.

**23. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Your Company has constituted a Corporate Social Responsibility and Sustainability (CSR&S) Committee and has adopted Corporate Social Responsibility Policy in accordance with the provisions of section 135 of the Act and the rules made thereunder. The CSR Policy is available on the Company's website at <https://www.barbequenation.com/corporate-governance-policies>. Further, details of CSR&S Committee and its roles and responsibilities are disclosed in the Corporate Governance Report, which forms part of the Annual Report.

The Annual Report on CSR activities for the financial year 2022-23, as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed in this report as Annexure-2.

**24. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY:**

Your Company has an internal control system which is commensurate with the size, scale and complexity of its operations. Internal controls in the Company have been designed to further the interest of all stakeholders by providing an environment that is facilitative to conduct its operations and to take care of, inter-alia, financial, business and other operational risks with emphasis on integrity and ethics as a part of the work culture.

Pursuant to Section 138 of the Act and the rules made thereunder and resolution passed by the Board at its meeting held on May 24, 2021, M/s. Ernst & Young LLP (E&Y), Chartered Accountants, were appointed as Internal Auditors of the Company for a period of 8 quarters, i.e. for the financial year 2021-22 and 2022-23.

Considering the completion of the term of appointment by E&Y, the Board approved the appointment of Mr. Mukunth Jeyasingh, Head - Internal Audit, as an Internal Auditor of the Company for conducting internal audit of first quarter of financial year 2023-24.

The scope and authority of the internal audit is defined by the Audit Committee. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company and its compliance with accounting procedures, financial reporting and policies at all locations of the Company. Based on the report of internal audit, process owners undertake corrective actions, if any, in their respective areas and thereby strengthen the controls.

Your Company has laid down a set of standards, processes and structures which enables the Company to implement internal financial control across the organisation and ensure that the same are adequate and operating effectively.

**25. PROHIBITION OF INSIDER TRADING:**

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a 'Code of Conduct for Prevention of Insider Trading' and 'Code for Fair Disclosure of Unpublished Price Sensitive Information'. The said Codes are available on the Company's website at [www.barbequenation.com/corporate-governance-policies](https://www.barbequenation.com/corporate-governance-policies).

**26. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

Pursuant to Section 177 of the Act and the rules made thereunder and SEBI (LODR) Regulations, the Company has in place a Whistle Blower Policy for Directors and employees to report any genuine concerns, unethical behaviours, misuse of any Unpublished Price Sensitive Information, actual or suspected fraud or violation of the Company's Code of Conduct. The vigil mechanism provides adequate safeguards against victimization of director(s) or employee(s) or any other person who avails the mechanism.

The said policy is available on the website of the Company at <https://www.barbequenation.com/corporate-governance-policies>.

**27. REMUNERATION TO DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES:**

Disclosures in relation to remuneration of Directors, Key Managerial Personnel and employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as Annexure-3.

Further, full details of remuneration paid to Directors is disclosed under the Corporate Governance Report which forms part of the Annual Report.



The statement and particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Annual Report.

In terms of proviso to Section 136(1) of the Act, the Board's Report and Financial Statements are being sent

to the Shareholders, excluding the aforesaid information. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary at [compliance@barbequonation.com](mailto:compliance@barbequonation.com). The said information is also open for inspection at the registered office of the Company during the working hours.

## 28. HOLDING, SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES:

The details of subsidiaries, associate companies and joint ventures of the Company are furnished below:

Type of Company	Name	Country of Incorporation	% of Shareholding held by the Company
Holding Company	The Company is not subsidiary to any other Company	NA	NA
Subsidiaries	Red Apple Kitchen Consultancy Private Limited	India	78.22%
Wholly Owned Subsidiaries	Barbeque Nation Mena Holding Limited (BBQ Mena)	Dubai	100%
	Barbeque Nation Holdings Private Limited	Mauritius	100%
Step Down Subsidiaries	Barbeque Nation Restaurant LLC	Dubai	BBQ Mena holds 100%
	Barbeque Nation (Malaysia) SDN. BHD.	Malaysia	BBQ Mena holds 100%
	Barbeque Nation International LLC	Oman	BBQ Mena holds 49%#
	Barbeque Nation Bahrain W.L.L	Bahrain	BBQ Mena holds 99%#
Associate Companies /Joint Ventures	Nil	NA	NA

#On the basis of voting rights and control, BBQ Mena has 100% control over the step down subsidiaries.

- Salient features of the financial statements, including performance and financial position of Subsidiaries of the Company for the financial year 2022-23 are given in Form AOC-1 which is annexed to this report as Annexure-4. Your Company has in place a policy for Determining Material Subsidiaries and the said policy is available on the website of the Company at <https://www.barbequonation.com/corporate-governance-policies>.
- Pursuant to the provisions of Section 136 of the Act, separate audited financial statements of the subsidiaries are available on the website of the Company at <https://www.barbequonation.com/investor>.
- Subsidiaries which are yet to commence business operations:  
As on the date of this report, Barbeque Nation Bahrain W.L.L is in the process of incorporation.
- Subsidiaries wound-up/ceased during the financial year 2022-23:  
Barbeque Nation Kitchen LLC, which had not commenced its business operation, has been wound-up during the financial year 2022-23.  
Except as disclosed above, no other company has become or ceased to be a subsidiary, joint venture or associate of the Company during the financial year.

## 29. AUDITORS AND AUDITOR'S REPORT:

### A. STATUTORY AUDITORS:

Pursuant to the provisions of Section 139(2) of the Companies Act, 2013, M/s. Deloitte Haskins & Sells, Chartered Accountants (ICAI Firm Registration No. 008072S), were re-appointed as Statutory Auditors of the

Company for the second term of 5 (five) consecutive years at the 12th Annual General Meeting held on June 4, 2018 and will hold office until the conclusion of 17th Annual General Meeting.

The Auditors' Report, read together with Annexure referred to in the Auditors' Report for the financial year ended March 31, 2023, do not contain any qualification, reservation, adverse remark or disclaimers.

Further, the Statutory Auditors have not reported any frauds in terms of Section 143(12) of the Act during the financial year 2022-23 and hence, the details which are required to be disclosed under Section 134(3)(ca) of the Act are not applicable.

### B. SECRETARIAL AUDITOR:

Mr. Vijayakrishna K T, Practising Company Secretary, Bengaluru, was appointed as Secretarial Auditor of the Company for the financial year 2022-23 by the Board at its meeting held on February 7, 2023. The Secretarial Audit Report for the financial year 2022-23 received from Mr. Vijayakrishna K T in Form MR-3 is enclosed to this report as Annexure-5. The report does not contain any qualifications, reservations, adverse remarks or disclaimers.

## 30. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act). The Company has constituted Internal Complaints

Committee (ICC) to redress the sexual harassment complaints. The constitution and composition of the ICC is in accordance with the POSH Act.

Following is the summary of sexual harassment complaints received and disposed-off during the financial year 2022-23:

Particulars	No. of complaints
No. of complaints pending at the beginning of the financial year	0
No. of complaints received during the financial year	2
No. of complaints disposed-off during the financial year	2
No. of complaints pending as at the end of the financial year	0

The necessary actions have been taken against whom the complaints were received.

### 31. SECRETARIAL STANDARDS:

During the financial year 2022-23, your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

### 32. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE:

There are no significant events to have occurred after the Balance Sheet date which have material impact on the financial statements.

### 33. MATERIAL CHANGES & COMMITMENTS:

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate to and the date of this report.

### 34. OTHER DISCLOSURES:

Disclosures	Board's Comment
Deposits	The Company has not accepted any deposits within the meaning of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during the financial year 2022-23. Hence, the disclosures as required under Rule 8(5)(v) of the Companies (Accounts) Rule, 2014 are not applicable.
Debentures	The Company has not issued any debentures during the financial year 2022-23.
Insolvency and Bankruptcy Code, 2016	During the financial year 2022-23, no application was made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.
One-Time Settlement with the banks and financial institutions	During the financial year 2022-23, your Company has not entered into any One-Time Settlement with banks or financial institutions.
Cost Audit	Maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company.
Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future	During the financial year 2022-23, no significant or material orders were passed by any regulators or courts or tribunals which impact the going concern status and operations in the future.
Statement of Deviation(s) or Variation(s)	During the financial year 2021-22, the Company had raised Rs.180 crores and Rs.99.99 crores from the Initial Public Offer (IPO) and Preferential Issue, respectively, and the said proceeds have been completely utilized as at March 31, 2023. Your Board hereby confirms that there were no deviation(s) or variation(s) in the utilization of proceeds from the objects stated in the offer document or explanatory statement to the notice for the general meeting, as applicable.

### 35. ACKNOWLEDGEMENTS:

The Directors place on record their sincere appreciation of the cooperation and continued support extended by customers, landlords, employees, shareholders, investors, partners, vendors, suppliers, bankers, the Government, statutory and regulatory authorities, stock exchanges, depositories and other intermediaries to the Company.

We look forward to the continued support and cooperation of all our stakeholders.

For and on behalf of the Board of Directors

**Kayum Razak Dhanani**  
Managing Director  
DIN: 00987597

**T. N. Unni**  
Chairman & Independent Director  
DIN: 00079237

Place: Bengaluru  
Date: May 27, 2023

## Annexure-1 to the Board's Report

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS REQUIRED UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To  
The Members  
**Barbeque-Nation Hospitality Limited**  
Bangalore

I have examined all the relevant records of Barbeque-Nation Hospitality Limited ('the Company') for the purpose of certifying the compliances of the conditions of Corporate Governance by the Company, for the year ended 31st March, 2023 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bangalore  
Date: 27.05.2023

**Vijaykrishna KT**  
Practising Company Secretary  
FCS No.: 1788; C P No.: 980  
UDIN: F001788E000395863

## ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2022-23

### 1. Brief outline on CSR Policy of the Company:

The Company has constituted Corporate Social Responsibility and Sustainability Committee (CSR&S Committee) and has adopted Corporate Social Responsibility Policy in terms of provisions section 135 of the Act and the rules made thereunder. The said policy is also available on the website of the Company at <https://www.barbequenation.com/corporate-governance-policies>.

Barbeque Nation, being a responsible corporate citizen, is mindful of its business and operational practices and is focusing on eliminating any negative impact on the stakeholders and environment. Practice responsible use of non-renewable resources, reduce wastage of food and engage in recycling efforts, wherever possible. Barbeque Nation continuously strive to go beyond the legal requirements and voluntarily take steps towards a sustainable society and sustainable environment.

The CSR activities and focus areas of the Company covers the activities specified under Schedule VII of the Act.

Pursuant to the provisions of Section 135 of the Act and rules made thereunder, the Company was not required to contribute any amount towards CSR in the Financial Year 2022-23. However, the Company made a voluntary contribution of Rs.2,00,000/- towards CSR.

### 2. Composition of the Corporate Social Responsibility and Sustainability Committee:

Name of the Directors	Category	Designation	No. of meetings	
			Held during tenure	Attended
Mr. T N Unni	Independent Director	Chairman		
Mr. Abhay Chaudhari	Independent Director	Member		
Mr. Kayum Dhanani	Executive Director	Member	Nil	Nil
Mrs. Suchitra Dhanani	Non-Executive Director	Member		

### 3. Web-link where Composition of CSR&S Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

- Composition of the CSR&S Committee as disclosed above is available on the Company's website at: <https://www.barbequenation.com/board-of-director>
- CSR Policy: <https://www.barbequenation.com/corporate-governance-policies>
- CSR Projects approved by the Board: Nil

### 4. Executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

Not Applicable

### 5.

(a)	Average net profit of the company as per sub-section (5) of section 135	Nil (avg. net loss of Rs.283.60 million)
(b)	2 (two) percent of average net profit of the company as per sub-section (5) of section 135	Not Applicable
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	Nil
(d)	Amount required to be set-off for the financial year, if any	Nil
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	Nil

### 6.

Sl. No.	Particulars	Amount (in Rs.)
(a)	Amount spent on CSR Projects:	
	(i) Ongoing Project:	Nil
	(ii) Other than Ongoing Project:	2,00,000
(b)	Amount spent in Administrative overheads	Nil
(c)	Amount spent on Impact Assessment, if applicable	Nil
(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	2,00,000

**(e) CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2,00,000	NA	NA	NA	NA	NA

**f. Excess amount for set-off, if any:**

Sl. No.	Particulars	Amount (in Rs.)
(i)	2 (two) percent of average net profit of the company as per sub-section (5) of section 135	Nil
(ii)	Total amount spent for the Financial Year	2,00,000
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	2,00,000
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	2,00,000

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

Nil.

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

No.

**9. Specify the reason(s), if the company has failed to spend 2 (two) per cent of the average net profit as per sub-section (5) of section 135:**

Not Applicable

For and on behalf of the Board of Directors

Place: Bengaluru

Date: May 27, 2023

**Kayum Razak Dhanani**

Managing Director

DIN: 00987597

**T. N. Unni**

Chairman of CSR Committee

DIN: 00079237

**Disclosures as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year 2022-23 (FY23):**

**(i) Executive Directors:**

Sl. No.	Name	Designation	Ratio to median remuneration of the employees for FY23	% increase in remuneration in FY23
1	Mr. Kayum Dhanani <sup>(1)</sup>	Managing Director	NA	NA
2	Mr. Rahul Agrawal	CEO & WTD	89.42	15%

<sup>(1)</sup> The Company is not paying any remuneration to Mr. Kayum Dhanani.

**(ii) Non-Executive Directors:**

The Company is not paying any remuneration to Non-Executive Directors, except the payment of sitting fees to the Independent Directors for attending Board and Committee meeting. The payment of sitting fees details are disclosed in the Corporate Governance Report.

**(iii) Key Managerial Personnel:**

Sl. No.	Name	Designation	Ratio to median remuneration of the employees for FY23	% increase in remuneration in FY23
1	Mr. Amit V Betala	Chief Financial Officer#	28.86	25%
2	Mr. Anurag Mittal <sup>(2)</sup>	Chief Financial Officer#	NA	NA
3	Ms. Nagamani C Y	Company Secretary & Compliance Officer	7.41	12%

<sup>(2)</sup> Not Applicable. As he was appointed after commencement of the financial year and resigned before the end of the financial year, the remuneration paid to him during the FY is not comparable with the previous year or with the median remuneration of the employees.

#Change in Chief Financial Officer:

Mr. Amit V Betala resigned from the office of Chief Financial Officer of the Company and moved to the role of Chief Growth Officer and Mr. Anurag Mittal had been appointed as Chief Financial Officer of the Company with effect from May 19, 2022.

Mr. Anurag Mittal resigned from the office of Chief Financial Officer with effect from February 6, 2023 and Mr. Amit V Betala has been appointed as Chief Financial Officer of the Company with effect from February 7, 2023.

**2. The percentage increase in the median remuneration of employees in the financial year 2022-23:**

7.1%

**3. The number of permanent employees on payroll of the Company:**

The Company had 8,614 employees on its payroll as on March 31, 2023.

**4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average percentage increase in the salary of employees other than managerial personnel for FY2023 is 5.45% and the average percentage increase in managerial remuneration for FY2023 is 15%.

Average percentage increase for excellent rated employees for FY2023 is between 13% to 15%.

There are no exceptional circumstances for increase in managerial remuneration and it is paid as per industry standards and overall performance of the managerial personnel.

- 5. Remuneration received by Managing Director /Whole-Time Director from holding or subsidiary company:**  
During the year under review, neither Managing Director nor Whole-Time Director have received any Remuneration or Commission from subsidiaries of the Company. Further, the Company is not a subsidiary of any other Company.
- 6. Affirmation that the payment of remuneration is as per the remuneration policy of the Company:**  
Your Board hereby affirms that the payment of remuneration is as per the Remuneration Policy of the Company.

**For and on behalf of the Board of Directors**

Place: Bengaluru  
Date: May 27, 2023

**Kayum Razak Dhanani**  
Managing Director  
DIN: 00987597

**T. N. Unni**  
Chairman & Independent Director  
DIN: 00079237

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of Subsidiaries/Associate companies/Joint Ventures for the financial year 2022-23

**Part - A: Subsidiaries**

(Amounts in Rupees million)

Sl. No.	1	2	3	4	5	6
Name of the Subsidiary	Red Apple Kitchen Consultancy Private Limited	Barbeque Nation Mena Holding Limited	Barbeque Nation Restaurant LLC	Barbeque Nation Malaysia SDN. BHD.	Barbeque Nation Holdings Pvt. Ltd.	Barbeque Nation International LLC
Country of Incorporation	India	Dubai (UAE)	Dubai (UAE)	Malaysia	Mauritius	Oman
The date since when subsidiary was acquired/ incorporated	29-11-2019	25-03-2015	25-02-2016	03-10-2017	15-09-2017	18-02-2018
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period is same (01/04/2022 to 31/03/2023)	Reporting period is same (01/04/2022 to 31/03/2023)	Reporting period is same (01/04/2022 to 31/03/2023)	Reporting period is same (01/04/2022 to 31/03/2023)	Reporting period is same (01/04/2022 to 31/03/2023)	Reporting period is same (01/04/2022 to 31/03/2023)
Reporting currency	INR	AED	AED	RM	USD	OMR
Exchange Rate (ER) as on the last date of the relevant financial year in the case of foreign subsidiaries*	Not Applicable	Cls. ER: 22.36 Avg. ER: 21.53	Cls. ER: 22.36 Avg. ER: 21.53	Cls. ER: 18.56 Avg. ER: 18.33	Avg. ER: 79.05	Cls. ER: 213.28 Avg. ER: 205.46
Share capital	0.65	356.46	6.71	18.56	5.92	31.99
Reserves & surplus	377.61	(43.77)	(736.79)	(84.81)	(7.17)	(59.21)
Total assets	839.24	1,029.56	317.93	46.90	0.23	75.61
Total liabilities	460.98	716.88	1,048.01	113.14	1.47	102.83
Investments	-	43.45	-	-	-	-
Turnover/Revenue	921.51	45.83	564.14	70.18	-	68.51
Profit/(Loss) before taxation	110.22	62.33	30.49	2.88	(1.48)	(5.73)
Provision for taxation	31.14	-	-	-	-	-
Profit/(Loss) after taxation	79.08	62.33	30.49	2.88	(1.48)	(5.73)
Proposed dividend	-	-	-	-	-	-
% of shareholding	78.22%	100%	100%	100%	100%	49%

\*In order to present a true and fair view, Closing Exchange Rate (Cls. ER) is considered for Balance Sheet items and Average Exchange Rate (Avg. ER) is considered for Profit & Loss Account items.

**Subsidiaries which are yet to commence Business:**

Barbeque Nation Bahrain W.L.L is yet to commence its business operations.

**Part - B: Associates and Joint Ventures**

The Company does not have any Associates and Joint Ventures and hence the disclosures on Associates and Joint Ventures is not applicable.

**For and on behalf of the Board of Directors**

**Kayum Dhanani**  
Managing Director  
DIN: 00987597

**Rahul Agrawal**  
CEO & Whole Time Director  
DIN: 07194134

**T. N. Unni**  
Director  
DIN: 00079237

**Amit V Betala**  
Chief Financial Officer

**Nagamani C Y**  
Company Secretary & Compliance Officer

Place: Bengaluru  
Date: May 27, 2023



## Annexure-5 to the Board's Report

## Form No. MR-3

## SECRETARIAL AUDIT REPORT

## FOR THE FINANCIAL YEAR ENDED 31.03.2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To  
The Members

**BARBEQUE-NATION HOSPITALITY LIMITED**

Bangalore

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by bearing BARBEQUE-NATION HOSPITALITY LIMITED, CIN: L55101KA2006PLC073031 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2023 according to the provisions of:

- (i). The Companies Act, 2013 (the Act) and the rules made there under;
- (ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv). Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (ii) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (iii) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (iv) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
  - (v) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (vi) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (vii) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
  - (viii) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (ix) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (x) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - (xi) Circulars/Guidelines issued thereunder;
- (vi) The Industry specific laws applicable to the Company are as follows:
 

Prevention of Food Adulteration Act, 1954

  - Food Safety and Standards Act, 2006
  - The Legal Metrology Act, 2009
  - The Narcotic Drugs and Psychotropic Substances (Karnataka) Rules, 1985
  - The Karnataka Excise Act, 1965
  - The Trade Marks Act, 1999
- (vii) The other general laws as may be applicable to the Company including the following:
  - Karnataka Shops & Commercial Establishment Act & Rules
  - The ESI Act
  - The Employees Provident Funds & Miscellaneous Provisions Act

- The Minimum Wages Act & Rules
- The Payment of Wages Act & Rules
- The Payment of Gratuity Act & Rule
- The Payment of Bonus Act & Rules
- The Maternity Benefit Act.
- The Equal Remuneration Act
- The Employment Exchanges (CNV) Act & Rules
- The Karnataka Labour Welfare Fund Act & Rules
- Industrial Employment Standing Orders Act
- The Karnataka (National & Festival) Holidays Act & Rules
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act
- For majority of Central Labour Laws, the States have introduced Rules [names of each of the Rules is not included here]
- The Competition Act, 2002
- The Indian Contract Act, 1872
- The Sales of Goods Act, 1930
- The Indian Stamp Act, 1899
- The Transfer of Property Act, 1882

(viii) Environment Related Acts & Rules:

- i. The Environment Protection Act, 1986
- ii. The Water (Prevention & Control of Pollution) Act, 1974
- iii. The Air (Prevention & Control of Pollution) Act, 1981

I have also examined compliances with the applicable clauses of the Secretarial Standards issued by the Institute of Company

Secretaries of India on the Board and General Meetings i.e. SS - 1 and SS - 2.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above and filings of the returns were undertaken in time or within the extended time limits.

Certain non-material findings made during the course of the audit relating to the provisions of the Act and Other Laws were communicated to the Company.

Further, I report that with regard to financial and taxation matters, I have relied on the Audit Report, Limited Review Report and the Internal Audit Report provided by the Statutory/ Internal Auditor as the case may be.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors which took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

Majority decision is carried through while the dissenting Members' views are captured and recorded as part of the minutes as per the practice followed. However, during the period under report, there case instance was no such.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Vijayakrishna KT**

Practising Company Secretary

FCS No.:1788;C P No.: 980

UDIN: F001788E000395841

Place: Bangalore

Date: 27.05.2023

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

**Annexure****My report of even date is to be read along with this letter:**

1. Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company including records under Income Tax Act, Central Excise Act, Customs Act, Goods and Services Tax Act.
4. Where ever required, the Company has represented about the compliance of laws, rules and regulations and happening of events etc as applicable from time to time.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bangalore  
Date: 27.05.2023

**Vijayakrishna KT**

Practising Company Secretary  
FCS No.:1788; C P No.: 980  
UDIN: F001788E000395841

# CORPORATE GOVERNANCE REPORT

## 1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

### Fostering a governance framework that navigates our effort to perform and conform:

At Barbeque Nation, it is imperative that our affairs are conducted and managed in a fair and transparent manner. We believe this is vital to gain and retain the trust of our stakeholders. This is ensured by taking ethical business decisions, conducting business with a firm commitment to values, continuously engaging with stakeholders to identify their expectations, and by making our communications in a transparent, clear and timely manner. Our key corporate governance practices and activities during the year ended March 31, 2023 are highlighted in this report as well as in the Board's Report.

Effective governance is a major determinant of the success of a corporate. Barbeque Nation is no different and we affirm our deep commitment to a high standard of corporate governance firmly entrenched on our four principles of stewardship, transparency, accountability and integrity. Further, we add a fifth principle which is adherence to our ESG approach and principles.

The Company has adopted a set of policies and codes as mandated by Securities and Exchange Board of India (SEBI) and other regulatory bodies for the purpose of ensuring streamlined corporate governance. The Company's corporate governance philosophy has been further bolstered through its Code of Conduct for Prevention of Insider Trading and Whistle Blower Policy. Your Company has been adhering and will endeavor to adhere to the same fully in true letter and spirit.

## 2. BOARD OF DIRECTORS:

The Company's Board has an appropriate mix of Executive, Non-Executive and Independent Directors to maintain independence of the Board and segregate its functions of governance and management.

As on the date of this report, the Board consists of 8 (eight) members, which includes 2 (two) Executive Directors, 3 (three) Independent Directors including 1 (one) woman Independent Director and 3 (three) Non-Executive Directors.

### a) The Board composition and categories of Directors, the number of Directorships, Committee Membership(s)/ Chairmanship(s) in other Companies as on March 31, 2023, along with their shareholding in the Company as on March 31, 2023 are exhibited below:

Sl. No.	Name of the Director	DIN	Designation & Category	Number of Directorship held in other Companies*	Number of Board Committees Membership held in other companies**		No. of equity shares held in the Company
					As Chairperson	As Member	
1	Mr. T N Unni	00079237	Chairman (Non-Executive, Independent Director)	5	2	2	Nil
2	Mr. Kayum Dhanani	00987597	Managing Director (Promoter & Executive Director)	8	0	0	86,113 (0.22%)
3	Mr. Rahul Agrawal	07194134	CEO & Whole Time Director (Executive Director)	0	0	0	1,00,990 (0.26%)
4	Mr. Raoof Dhanani	00174654	Non-Executive Director (Promoter)	12	0	0	0
5	Mrs. Suchitra Dhanani	00712187	Non-Executive Director (Promoter)	10	0	2	6
6	Mr. Abhay Chaudhari	06726836	Non-Executive Independent Director	2	0	2	0
7	Ms. Revathy Ashok	00057539	Non-Executive Independent Director	11	4	10	0
8	Mr. Devinjit Singh	02275778	Non-Executive Director	2	0	0	0

\*Excluding LLPs, Section 8 Companies and Foreign Companies as per the Companies Act, 2013 (Act).

\*\*Reckoned only the memberships/chairpersonships of the Audit Committee and Stakeholders' Relationship Committee of Indian public companies (Regulation 26(1)(b) of the SEBI (LODR) Regulations).

**b) Directorships held in other listed entities:**

Names of other listed entities in which Director/s holds Directorship and the category of Directorship as on March 31, 2023 are given below:

Sl. No.	Name of the Directors	Name of other listed entity	Category of Directorship
1	Mr. T N Unni	Sayaji Hotels Limited	Independent Director
2	Mr. Kayum Dhanani	Nil	NA
3	Mr. Rahul Agrawal	Nil	NA
4	Mr. Raof Dhanani	Sayaji Hotels Limited	Managing Director
5	Mrs. Suchitra Dhanani	Sayaji Hotels Limited	Whole-Time Director
6	Mr. Abhay Chaudhari	Sayaji Hotels Limited	Independent Director
7	Ms. Revathy Ashok	(i) AstraZeneca Pharma India Limited (ii) Welspun Corp Limited (iii) ADC India Communications Limited (iv) Sansera Engineering Limited (v) Qess Corp Limited	Independent Director
8	Mr. Devinjit Singh	Nil	NA

**c) Attendance of each Director at the Board meetings and Annual General Meeting (AGM) held during the financial year 2022-23:**

Sl. No.	Name of the Director	No. of Board meetings entitled to attend	No. of Board meetings attended	Whether attended the last AGM held on September 6, 2022
1	Mr. T N Unni	4	4	Yes
2	Mr. Kayum Dhanani	4	4	Yes
3	Mr. Rahul Agrawal	4	4	Yes
4	Mr. Raof Dhanani	4	2	Yes
5	Mrs. Suchitra Dhanani	4	2	Yes
6	Mr. Abhay Chaudhari	4	4	Yes
7	Ms. Revathy Ashok	4	4	Yes
8	Mr. Devinjit Singh	4	4	Yes

**d) Board meetings held during the financial year 2022-23:**

The Board met at least 1 (one) time in each of the quarter and maximum gap between two consecutive meetings did not exceed 120 (one hundred and twenty) days. During the year under review, the Board met 4 (four) times as per the details mentioned below.

The notice, agenda and notes to agenda of the meeting were circulated to the Directors in advance. Minutes of meetings of the Board are circulated to the Directors within the stipulated time limit and maintained according to the provisions of Secretarial Standards and the Companies Act, 2013.

Number of Board meetings held during the financial year 2022-23 and attendance of Directors:

Sl. No.	Date of the meeting	No. of Directors attended
1	Wednesday, May 18, 2022	6
2	Monday, August 1, 2022	8
3	Wednesday, November 9, 2022	8
4	Tuesday, February 7, 2023	6

**e) Disclosure of inter-se relationships between Directors:**

Except as disclosed below, none of the other Directors are related to each other.

1. Mr. Kayum Dhanani and Mr. Raof Dhanani are related to each other, being brothers; and
2. Mrs. Suchitra Dhanani is the sister-in-law of Mr. Kayum Dhanani and Mr. Raof Dhanani.

**f) Key skills, expertise and competencies of Board of Directors:**

Your Board comprises of qualified members who are experts in different fields and areas and bring forth the required skills, competence and expertise that allow them to make valuable contributions to the Board and its Committees and for sustainably navigating the growth of the Company. The key skills, expertise and competence identified by the Board of Directors as required in the context of the Company's business to function effectively and said skills available with the Board, are disclosed hereunder:

Particulars	Name of Directors							
	1	2	3	4	5	6	7	8
	Mr. T N Unni	Mr. Kayum Dhanani	Mr. Rahul Agrawal	Mr. Raoof Dhanani	Mrs. Suchitra Dhanani	Mr. Abhay Chaudhari	Ms. Revathy Ashok	Mr. Devijit Singh
<b>Leadership and management skills:</b>								
Strong leadership and management experience, business development, strategic thinking and vision, decision making. Entrepreneurial skills to evaluate risk and rewards and perform advisory role.	✓	✓	✓	✓	✓	✓	✓	✓
<b>Industry knowledge and experience:</b>								
Knowledge and experience in the food services industry, FMCG/retail, information technology and digital, major risks/threats and potential opportunities in the industry and customer insights.	✓	✓	✓	✓	✓	✓	✓	✓
<b>Governance, including legal compliance:</b>								
Experience in maintaining high governance standards with an understanding of the changing regulatory framework. Knowledge of the rules and regulations applicable to the Company, understanding rights of shareholders and obligations of the management.	✓	✓	✓	✓	✓	✓	✓	✓
<b>Financial knowledge:</b>								
Financial acumen, insights into capital management and investment analysis and knowledge of accounting, auditing and tax matters.	✓	✓	✓	✓	✓	✓	✓	✓
<b>Behavioral skills attributes and competencies:</b>								
Personal characteristics, such as integrity, accountability, attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.	✓	✓	✓	✓	✓	✓	✓	✓

**g) Performance evaluation of the Board and its criteria:**

The performance evaluation of the Board and its Committees is applicable to the Company from the financial year 2021-22. Accordingly, the annual performance evaluation of the Board and its Committees, Chairman, individual Directors including Independent Directors, was carried out by each of the Board member and the evaluation was carried out through a structured questionnaires covering various aspects and attributes which, inter-alia, includes following:

**Performance evaluation of the entire Board and its Committees:**

Performance of the entire Board and its Committees was evaluated by each Director on parameters such as qualifications, expertise and experience of the Board, compliance with corporate governance regulations and guidelines, discharge of roles and responsibilities, appropriateness of Board size and its composition, Board diversity, composition and constitution of Committees, terms of reference of the Committees, reporting of suggestions and recommendations of the Committees to the Board, understanding of operational programmes and risk exposure, frequency of meetings of the Board and its Committees, discussions on strategic and general issues, availability of quality information in a timely manner, etc.

**Performance evaluation of the Chairman:**

Performance of the Chairperson was evaluated by all the Directors and separately by Independent Directors after considering the views of Executive and Non-Executive Directors on parameters such as leadership, stakeholders' management, external insights into future functioning of the Company, updates with the latest developments, representing concerns of Independent Directors to executive management, Chairman's role in promoting good Corporate Governance practices.

**Performance evaluation of Executive Directors:**

The performance of Executive Directors was evaluated on the parameters such as understanding of the company's business model and allocation of its resources, anticipating business trends, opportunities, and priorities affecting the Company's prosperity and operations, establishment of effective organization structure, understanding of the company's financial measures relevant to its business and financial situation, etc.

**Performance evaluation of Individual Director:**

All Directors on the Board were individually evaluated by fellow Directors (except the Director himself/herself being evaluated) on parameters such as participation and contribution by a Director, his/her attendance at Board meetings and preparedness for Board meetings, devotion of time and efforts to understand the Company and its business, contribution at Board meetings, understanding of governance, regulatory, financial, fiduciary and ethical requirements of the Board and its Committees, maintenance of privacy of confidential information, etc.

**h) Independent Directors:**

Your Company has an appropriate combination of Independent and Non-Independent Directors on its Board. The Independent Directors of the Company have been appointed in compliance with the requirements of the Companies Act, 2013 (the "Act") and SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 ("SEBI (LODR) Regulations") and other applicable law for the time in force.

The Company has issued letter of appointment, setting out the terms and conditions of the appointment to all Independent Directors at the time of their appointment. The copy of terms and conditions of appointment of Independent Directors is available on the website of the Company (web link: <https://www.barbequenation.com/corporate-governance-policies>).

At the time of appointment and thereafter at the beginning of each financial year and whenever there is any change in the disclosures already made, Independent Directors submit a declaration to the effect that they meet the criteria of independence as provided under Section 149(6) of the Act and the SEBI (LODR) Regulations.

Based on the disclosures/declarations received from all Independent Directors, the Board is of the opinion that all Independent Directors fulfil the conditions specified in the Act and SEBI (LODR) Regulations and are independent of the management. No Independent Director of the Company serves as a Director or as an Independent Director in more than 7 listed companies.

**Familiarization Programmes for Independent Directors:**

Your Company has in place a Familiarization Programme for its Independent Directors. The objective of the said programme is to familiarize the Independent Directors with the industry scenario, corporate strategies, financial and business performance of the Company, and enable them to play an active role on the Board by contributing their thoughts, views, knowledge and experience with the Company. It also enables the Independent Directors to understand their roles, rights, responsibilities and liabilities in the Company, nature of industry, Company's strategy, organizational structure, business model, performance updates of the Company, risk management, code of conduct and policies of the Company, etc.

The disclosure on Familiarization Programme for Independent Directors, as required under SEBI (LODR) Regulations, is made available on the website of the Company (web link: <https://www.barbequenation.com/corporate-governance-policies>).

**Meeting of the Independent Directors:**

Meeting of the Independent Directors, without the attendance of Non-Independent Directors and members of the management of the Company, was held on Tuesday, February 7, 2023. The Independent Directors, inter-alia, evaluated the performance of Non-Independent Directors, the Chairperson of the Company, and the Board as a whole. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably discharge its duties.

Outcome of the evaluation was submitted to the Chairman of the Company. The Chairman briefed the outcome of performance evaluation to the Board. The Directors deliberated in detail and expressed their satisfaction with the entire evaluation process adopted by the Company.

**i) Compliance Certificate by Chief Executive Officer and Chief Financial Officer:**

Chief Executive Officer and Chief Financial Officer have together furnished Compliance Certificate, certifying that the Financial Statements for the financial year ended March 31, 2023 do not contain any materially untrue statement and present a true and fair view of the Company's affairs and other matters as specified under Regulation 17(8) read with Part B of Schedule-II of the SEBI (LODR) Regulations, to the Board in compliance with the said regulations. The said Compliance Certificate is annexed to this report as Annexure-1.

**j) Declaration by Chief Executive Officer and Whole-Time Director:**

All the members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management for the financial year 2022-23 in compliance with

Regulation 26(3) read with Para D of Schedule-V of the SEBI (LODR) Regulations. The declaration signed by the Chief Executive Officer and Whole-Time Director to that effect is annexed to this report as Annexure-2.

### 3. COMMITTEES OF THE BOARD:

Your Board has constituted several Committees of the Board with adequate delegation of powers to focus effectively on issues and to ensure expeditious resolution of diverse matters. Each Committee has specific terms of reference, setting forth the purpose, roles and responsibilities of the Committee. Members of the Committee are appointed by the Board as and when required with the consent of majority of the Directors. Further, the Company Secretary of the Company acts as a Secretary to all the Committees.

All recommendations of the Committees are placed before the Board for its approval or information and knowledge, if required. During the financial year ended March 31, 2023, all the recommendations of/submissions made by the Committees which were mandatorily required, were accepted by the Board. These Committees usually meet as per statutory and other business requirements. The existing Committees of the Board as on the date of this report are as follows:

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholders' Relationship Committee
- D. Corporate Social Responsibility and Sustainability Committee
- E. Risk Management Committee

The Constitution and Composition of the foregoing Committees is in accordance with the applicable provisions of the Act and SEBI (LODR) Regulations. The composition of the foregoing Committees, brief description of terms of reference and meetings held during the year, and attendance of members at the Committee meeting/s, are provided hereunder:

#### A. Audit Committee:

##### i. Terms of reference of the Audit Committee, inter-alia, includes the following:

- a) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- b) Recommending to the Board, the appointment, re-appointment and replacement, remuneration and terms of appointment of the Statutory Auditor and fixation of audit fee;
- c) Review and monitor the Auditor's independence and performance and the effectiveness of the audit process;
- d) Reviewing with the management, annual financial statements and the Auditors' Report thereon before submission to the Board for approval; and
- e) Such other roles as assigned by the Board from time to time.

Members of the Audit Committee are financially literate and the Chairman of the Audit Committee has accounting and financial management expertise.

##### ii. Composition of the Audit Committee and meetings held during the financial year:

Name of the members	Category	Designation	Meetings	
			Held during tenure	Attended
Mr. T N Unni	Independent Director	Chairman	4	4
Mr. Kayum Dhanani	Executive Director	Member	4	4
Mr. Abhay Chaudhari	Independent Director	Member	4	4

During the financial year 2022-23, 4 (four) Audit Committee meetings were held on May 18, 2022; August 1, 2022; November 9, 2022 and February 7, 2023.

#### B. Nomination and Remuneration Committee:

##### i. Terms of reference of the Nomination and Remuneration Committee, inter-alia, includes the following:

- a) Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of Directors, Key Managerial Personnel and other employees;
- b) Formulation of criteria for evaluation of Independent Directors and the Board;
- c) Devising a policy on Board diversity;



- d) Identify persons who are qualified to become Directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every Director's performance; and
- e) Such other roles as assigned by the Board from time to time.

**ii. Composition of Nomination and Remuneration Committee and meetings held during the financial year:**

Name of the members	Category	Designation	Meetings	
			Held during tenure	Attended
Mr. Abhay Chaudhari	Independent Director	Chairman	4	4
Mr. T N Unni	Independent Director	Member	4	4
Mr. Raof Dhanani	Non-Executive Director	Member	4	2

During the financial year 2022-23, 4 (four) Nomination and Remuneration Committee meetings were held on May 18, 2022; August 1, 2022; November 9, 2022 and February 7, 2023.

**iii. Performance evaluation criteria for Independent Directors:**

The criteria for performance evaluation of Directors, including Non-Executive Directors and Independent Directors of the Company is determined by the Nomination and Remuneration Committee. The performance evaluation of the Independent Directors was carried through a structured questionnaires covering various aspects and attributes which, inter-alia, includes participation and contribution by a Director, commitment, effective deployment of knowledge, views and expertise, effective management of relationship with stakeholders, role in Board constituted committees, maintenance of high standards of ethics and integrity, confidentiality of information and independence of behavior and judgement, fulfilment of criteria of independence and their independence from the Management, adheres to the applicable code of conduct for Independent Directors, understanding of governance, regulatory, financial, fiduciary and ethical requirements of the Board/Committee.

**C. Stakeholders' Relationship Committee**

**i. Terms of reference of Stakeholders' Relationship Committee, inter-alia, includes the following:**

- a) Redressal of grievances of shareholders, debenture holders and other security holders, including but not limited to the complaints with respect to transfer of shares, non-receipt of declared dividends, Annual Financial Statements, Annual Report, or any other documents or information to be sent by the Company to its shareholders;
- b) Consider and approve the allotment of equity shares consequent to the exercise of stock options in accordance with the Employee Stock Option Plan of the Company;
- c) To approve the offer letter and allotment of shares on preferential basis, rights issue, and approval of Form PAS-4 and PAS-5 and carry out all activities incidental thereto;
- d) To apply for dematerialisation of equity shares, preference shares, debentures or any other securities of the Company; and
- e) Such other roles and functions as assigned by the Board from time to time.

**ii. Composition of Stakeholders' Relationship Committee and meetings held during the financial year:**

Name of the members	Category	Designation	Meetings	
			Held during tenure	Attended
Mr. Abhay Chaudhari	Independent Director	Chairman	3	3
Mr. T N Unni	Independent Director	Member	3	3
Mr. Kayum Dhanani	Executive Director	Member	3	3
Mr. Rahul Agrawal	Executive Director	Member	3	3

During the financial year 2022-23, 3 (three) Stakeholders' Relationship Committee meetings were held on May 18, 2022; August 1, 2022 and February 7, 2023.

**iii. Name and designation of the compliance officer:**

Ms. Nagamani C Y, Company Secretary & Compliance Officer.

**iv. The number of shareholders' complaint(s) received, not resolved and pending at the end of the financial year 2022-23 are mentioned below:**

Number of shareholders' complaints received during the financial year	0
Number of complaints not solved to the satisfaction of shareholders	0
Number of pending complaints	0

**D. Corporate Social Responsibility and Sustainability (CSRS) Committee\*:**

- i. The terms of reference of the Corporate Social Responsibility and Sustainability Committee , inter-alia, includes the following:**
- Formulating and recommending Corporate Social Responsibility (CSR) Policy to the Board of Directors for its approval, including any amendments/modification thereto in accordance with applicable provisions of the Act and the rules made thereunder, SEBI (LODR) Regulations and other applicable laws, as amended from time to time;
  - Formulating relevant policies applicable to the Company from Environment, Social, Governance and Sustainability perspective and recommending the same to the Board of Directors for its approval, including any amendments/modification thereto in accordance with applicable provisions of the Act and the rules made thereunder, SEBI (LODR) Regulations and other applicable laws, as amended from time to time;
  - Identifying the areas of CSR activities and programmes and Recommending the amount of expenditure to be incurred on such activities;
  - Reviewing any applicable statutory requirements for CSR and Sustainability related reporting and recommending the same to the Board for its approval (e.g., Annual Report on CSR Activities, Business Responsibility and Sustainability Reporting (BRSR)); and
  - Performing such other duties and functions as the Board may require the Committee to undertake and promote the CSR and Sustainability related activities and reporting in accordance with the applicable laws.
- ii. Composition of the Corporate Social Responsibility and Sustainability Committee and meetings held during the financial year:**

Name of the members	Category	Designation
Mr. T N Unni	Independent Director	Chairman
Mr. Abhay Chaudhari	Independent Director	Member
Mr. Kayum Dhanani	Executive Director	Member
Mrs. Suchitra Dhanani	Non-Executive Director	Member

No CSRS Committee Meeting was held during the financial year 2022-23.

\*The Board of Directors have approved the modification of nomenclature of the Corporate Social Responsibility Committee as "Corporate Social Responsibility and Sustainability Committee" and terms of reference of the same with effect from February 7, 2023.

**E. Risk Management Committee**

- i. the terms of reference of Risk Management Committee, inter-alia, includes the following:**
- To formulate a detailed risk management policy;
  - To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
  - To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
  - To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity; and
  - Such other roles and functions as assigned by the Board from time to time.
- ii. Composition of the Risk Management Committee and meetings held during the financial year:**

Name of the members	Category	Designation	Meetings	
			Held during tenure	Attended
Mr. Kayum Dhanani	Executive Director	Chairman	2	2
Mr. Rahul Agrawal	Executive Director	Member	2	2
Ms. Revathy Ashok	Independent Director	Member	2	2

During the financial year 2022-23, 2 (two) Risk Management Committee meetings were held on November 9, 2022 and February 7, 2023.

#### 4. REMUNERATION OF DIRECTORS:

##### A. EXECUTIVE DIRECTORS:

###### a) Mr. Kayum Dhanani – Managing Director:

The Company is not paying any remuneration to Mr. Kayum Dhanani.

###### b) Mr. Rahul Agrawal – Chief Executive Officer & Whole-Time Director:

The details of remuneration paid to Mr. Rahul Agrawal during the financial year 2022-23 and other details are disclosed below:

###### (i) Salary and Other Allowances:

Particulars	Amount (in Rs. million)
Salary and allowances	15.31
Variable pay	3.13
Other allowance	1.70
Others (Mediclaime, Provident Fund)	0.86
<b>Total</b>	<b>21.01</b>

###### (ii) Details of Share Based Payments (Employee Stock Options (ESOPs):

Date of grant	No. of ESOPs granted (including re-issue)	Period of vesting	ESOPs exercised (as on 31/03/2023)
October 2020	2,98,214	2,00,000 ESOPs were vested on October 2021 98,214 ESOPs will vest in multiple tranches over a period of 3 years from the date of Grant	60,000 Nil
October 2021	89,200	100% of ESOPs will vest after a period of 3 years	Nil
November 2022	1,10,800	100% of ESOPs will vest after a period of 3 years	Nil

###### (iii) Service Contracts, Notice Period, Severance Fees:

Service contracts	There is no separate service contract executed for the appointment of Mr. Rahul Agrawal.
Notice period	He may resign from the office of the Company by giving 60 (sixty) days written notice, as per the Company's Policy.
Severance fees	The Company is not obligated to pay any severance fees in case of any termination.

###### (iv) Other Notes:

- Incentives, personal accident and term life insurance, Mediclaime coverage, etc., will be as per the Company's policy.
- The variable pay of Mr. Rahul Agrawal is linked to the desired performance and business objectives of the organization. The criteria for variable pay, which is paid out annually, includes business performance like revenue and other strategic goals.

##### B. NON-EXECUTIVE DIRECTORS:

###### a) All pecuniary relationship or transactions of Non-Executive Directors vis-à-vis the Company:

During the year under review, no such relationship or transaction were identified with the Non-Executive Directors.

###### b) Criteria of making payments to Non-Executive Directors:

The Company is not paying any remuneration to Non-Executive Directors of the Company, except the payment of sitting fees to the Independent Directors for attending the Board and Committee meetings.

Only Independent Directors were paid remuneration by way of sitting fees for attending the Board and Committee meetings held during the financial year under review. The details of sitting fees paid during the financial year 2022-23 are disclosed below:

Sl. No.	Name of Director	Sitting fees paid for the financial year 2022-23 (Amount in Rs. million)
1.	Mr. T N Unni	0.68
2.	Mr. Abhay Chaudhari	0.68
3.	Ms. Revathy Ashok	0.38
	<b>Total</b>	<b>1.74</b>

The Company has not executed any service contract with any of the Directors of the Company.

#### 5. CODES AND POLICIES:

Pursuant to the provisions of the Act and SEBI (LODR) Regulations the Company has adopted the following codes/policies:

- Code of conduct for prevention of insider trading;
- Code of conduct for Board of Directors and Senior Management Personnel;
- Nomination & Remuneration Policy;

- iv. Code for fair disclosure of unpublished price sensitive information;
- v. Policy on Board diversity;
- vi. Policy for determining materiality of event or information;
- vii. Policy on familiarization programmes for Independent Directors;
- viii. Policy for determining material subsidiaries;
- ix. Policy on preservation of documents/archival policy on website;
- x. Policy on related party transactions;
- xi. Corporate Social Responsibility policy;
- xii. Risk Management Policy;
- xiii. Whistle Blower Policy/vigil mechanism; and
- xiv. Dividend Distribution Policy.

The aforesaid codes/policies are made available on the website of the Company (web link: <https://www.barbequenation.com/corporate-governance-policies>).

## 6. GENERAL BODY MEETINGS:

### a) Details of Annual General Meetings (AGMs) held during the last 3 (three) financial years and special resolution passed thereat are mentioned below:

Financial year	Date	Time (IST)	Place/Location	No. of agenda items approved through Special Resolution
2021-22 (16th AGM)	06-09-2022	11:00 AM	Video Conference	4
2020-21 (15th AGM)	31-08-2021	11:00 AM	Video Conference	2
2019-20 (14th AGM)	31-12-2020	10:00 AM	Registered Office: Sy. No. 62, Site No. 13, 6th Cross, NS Palya, BTM Layout, Bengaluru- 560 076	2

AGM date	List of Special Resolutions passed
Tuesday, September 6, 2022	<ol style="list-style-type: none"> <li>Approval of Modification of 'Barbeque Nation Hospitality Limited - Employee Stock Option Plan 2015' (ESOP 2015).</li> <li>Approval and Adoption of New Employee Stock Option Scheme called 'Barbeque-Nation Hospitality Limited - Employees Stock Option Plan 2022' ("ESOP 2022").</li> <li>Approval of granting Employee Stock Options to the Employees/Directors of Subsidiary(ies) of the Company under ESOP 2022.</li> <li>Approval of Re-appointment of Mr. Abhay Chintaman Chaudhari (DIN:06726836) as an Independent Director of the Company for the second term of 5 consecutive years.</li> </ol>
Tuesday, August 31, 2021	<ol style="list-style-type: none"> <li>Appointment of Mr. Tarun Khanna (DIN: 02306480) as a Nominee Director of the Company.</li> <li>Approval of the revision in payment of remuneration to Mr. Rahul Agrawal (DIN: 07194134), Chief Executive Officer &amp; Whole-Time Director.</li> </ol>
Thursday, December 31, 2020	<ol style="list-style-type: none"> <li>Approval of the appointment of Mr. Natarajan Ranganathan (DIN: 00218008) as an Independent Director of the Company.</li> <li>Approval of the issue of equity shares through Private Placement on a Preferential basis.</li> </ol>

All the foregoing resolutions moved at the Annual General Meetings were passed by means of electronic voting or show of hands by the requisite majority of members.

### b) Passing of Resolutions through Postal Ballot:

#### (i) During the financial year 2022-23, the Company had passed following resolutions through Postal Ballot.

The details including voting pattern of the said Postal Ballot are mentioned below:

Date of Postal Ballot Notice	April 28, 2022
Voting period	From 09:00 A.M. (IST) on April 29, 2022 upto 05:00 P.M. (IST) on May 28, 2022
Date of declaration of result	May 31, 2022
Deemed date of approval	May 28, 2022

Particulars	Type of resolution	Total No. of Votes Polled	Votes cast in Favour		Votes cast Against	
			Number	%	Number	%
Re-appointment of Mr. Kayum Razak Dhanani (DIN: 00987597) as Managing Director of the Company.	Ordinary	3,04,62,145	3,04,41,294	99.93	20,851	0.07
Appointment of Ms. Revathy Ashok (DIN: 00057539) as an Independent Director of the Company.	Special	3,04,62,165	2,94,13,091	96.56	10,49,074	3.44

#### Appointment of Scrutinizer:

Pursuant to Rule 22(5) of the Companies (Management and Administration) Rules, 2014, the Board of Directors appointed Mr. Parameshwar G. Bhat, (C.P. No.:11004; Membership No.: FCS 8860) as a Scrutinizer for conducting the Postal Ballot e-voting process in a fair and transparent manner.

#### Procedure followed for passing resolution through Postal Ballot:

- The Postal Ballot was carried out in compliance with the provisions of Sections 108 and 110 of the Act read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (LODR) Regulations and circulars issued by the Ministry of Corporate Affairs.
- The Company engaged the services of Central Depository Services (India) Ltd. for the purpose of providing e-Voting facility to all its members, to enable them to cast their votes electronically.
- The Scrutinizer submitted his report on May 30, 2022 to the Chairman, who on the basis of the report, announced the results.
- The voting results of the Postal Ballot along with the Scrutinizer's report was intimated to the Stock Exchanges and was also placed on the website of the Company.

#### (ii) Whether any special resolution is proposed to be conducted through postal ballot:

As on the date of this report, there is no proposal for passing any resolution through postal ballot.

Resolution(s) which are required to be passed through Postal Ballot would be passed through Postal Ballot in accordance with the applicable laws.

## 7. MEANS OF COMMUNICATION:

Your Company believes that prompt and timely communication of information to the investors and shareholders reflects transparency and good corporate governance practices of an organization.

#### a) Financial results and newspaper publication:

The quarterly, half-yearly and annual financial results are submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), where shares of the Company are listed. The financial results are generally published in Financial Express (English newspaper-all India edition) and Hosa Digantha (Kannada-regional newspaper) and simultaneously uploaded on the Company's website.

#### b) Website:

Your Company has an active website ([www.barbequonation.com](http://www.barbequonation.com)) and has separate section for investors called "Investor Relations". Various sections of the Investor Relations tab keep investors updated on the key and material developments of the Company by providing timely information, like brief profile of the Company, Board structure and Committees of the Board, press releases, financial results, presentations made before institutional investors/analysts, annual reports, shareholding pattern, codes and policies, disclosure of material events and information and other stock exchange filings, etc.

#### c) Investors'/Analysts' Meetings:

Your Company holds meetings with analysts/investors, post disclosure of financial results in each quarter. The detailed schedule of analyst/investor meet and presentation made before them are disseminated to the stock exchanges and also uploaded on the Company's website at [www.barbequonation.com](http://www.barbequonation.com). The audio recordings and transcripts of analyst/investor meet are also available on the Company's website, as applicable.

## 8. GENERAL SHAREHOLDER INFORMATION:

#### a) Annual General Meeting:

Date	Monday, September 25, 2023
Time	11:00 AM (IST)
Venue	Video Conference (VC) or Other Audio Visual Means (OAVM)

For more details, please refer the Notice of the 17th Annual General Meeting which is annexed with the Annual Report and is also available on the website of the Company.

**b) Financial year:**

The Company's financial year begins on April 1 and ends on March 31.

**c) Dividend payment date:**

Your Company has not declared any dividend for the financial year 2022-23.

**d) The name and address of each of the stock exchange(s) at which the Company's securities are listed and Stock Code/Symbol:**

Name and address of Stock Exchanges	Stock Code/Symbol
<b>BSE Limited (BSE)</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	543283
<b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051	BARBEQUE

Your Company has paid Annual Listing Fees for the financial year 2023-24 to the Stock Exchanges where the shares of the Company are listed.

**e) International Securities Identification Number (ISIN) Number of the Security:**

The Company has only one class of equity shares and the ISIN is INE382M01027.

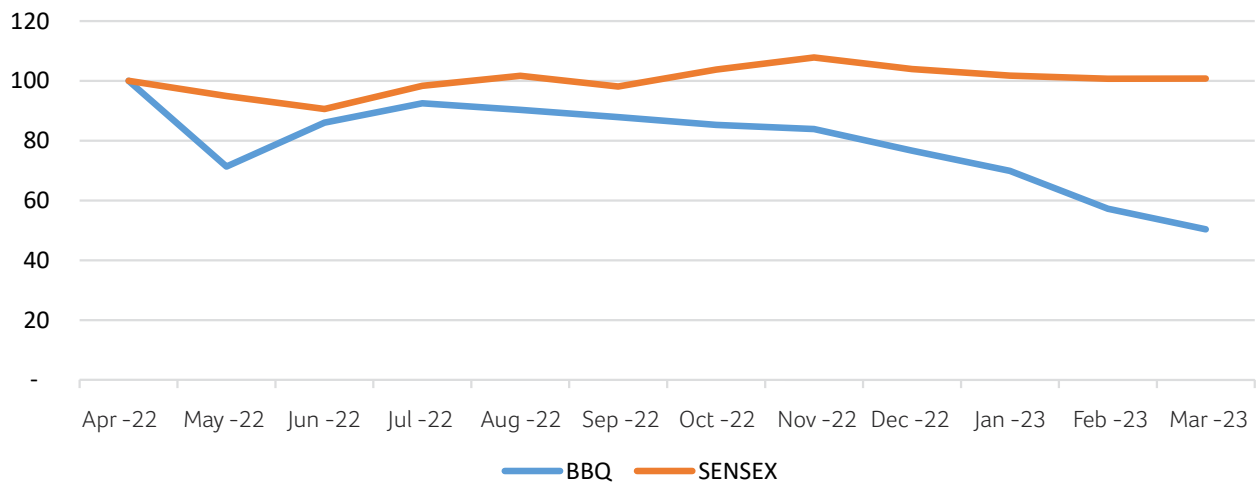
**f) Stock market price data:**

Monthly high and low (based on daily closing prices) during each month of the financial year 2022-23 on BSE and NSE is mentioned below:

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2022	1,358	1,149	1,359	1,148
May 2022	1,233	879	1,234	879
June 2022	1,110	893	1,110	893
July 2022	1,210	1,027	1,210	1,030
August 2022	1,270	1,062	1,270	1,068
September 2022	1,219	1,020	1,220	1,019
October 2022	1,112	1,030	1,113	1,028
November 2022	1,171	1,025	1,173	1,030
December 2022	1,059	945	1,064	943
January 2023	993	815	993	812
February 2023	957	686	958	686
March 2023	735	593	735	592

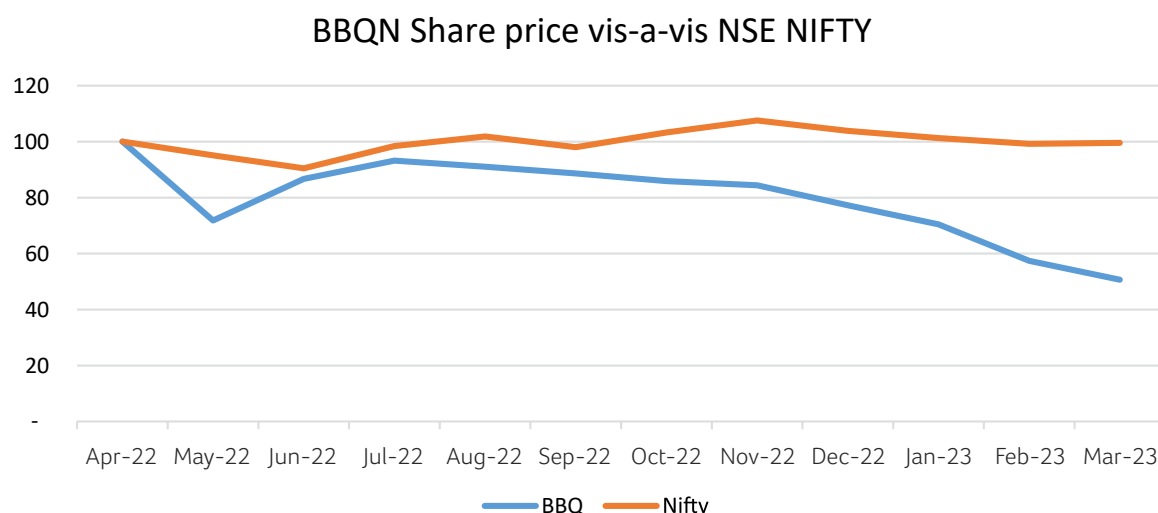
**g) Company's share performance (i.e. closing share price on last trading day of each month) in comparison to BSE-SENSEX and NSE-NIFTY:**

i. Company's share performance BBQ in comparison to BSE-SENSEX:

**BBQN Share price vis-a-vis BSE Sensex**

Note: For the purpose of the above graph, base value is taken as 100 as on April 2022

- ii. Company's share performance BBQ in comparison to NSE-NIFTY:



Note: For the purpose of the above graph, base value is taken as 100 as on April 2022

- h) Whether securities of the Company are suspended from trading during the financial year 2022-23:**

No.

- i) Registrar and Share Transfer Agents (RTA):**

Link Intime India Private Limited is the Registrar and Share Transfer Agent ('RTA') of the Company. All the investor related activities are attended to and processed by the Company's RTA, including but not limited to issue of new shares, transfer/transmission of shares, change of mandate, dematerialization and rematerialization of shares. The contact details of RTA are furnished below:

**Link Intime India Private Limited**

C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India. Tel: +91 22 49186000.

Detailed list of Link Intime Offices is available at their website ([www.linkintime.co.in](http://www.linkintime.co.in)).

- j) Share Transfer System:**

The entire shares of the Company are in dematerialized form and the Company does not have any shares in physical form. The transfer and transmission of shares are carried out through Depositories & Depository Participants based on the request of beneficial owner/s.

- k) Summary of category-wise Shareholding pattern and distribution of shareholding as on March 31, 2023:**

- i. Summary of category-wise Shareholding pattern as on March 31, 2023:

Sl. No.	Category of Shareholders	Number of Shareholders	Number of Shares held	% of Shareholding
<b>A.</b>	<b>Promoter &amp; Promoter Group Shareholding</b>			
1.	Indian	15	1,31,70,991	33.79
2.	Foreign	0	0	0
	<b>Total Promoter &amp; Promoter Group Shareholding (A)</b>	<b>15</b>	<b>1,31,70,991</b>	<b>33.79</b>
<b>B.</b>	<b>Public Shareholding</b>			
1.	Institutions	60	1,72,42,212	44.24
2.	Central Government/ State Government(s)	0	0	0
3.	Non-Institutions	47,512	85,65,198	21.97
	<b>Total Public Shareholding (B)</b>	<b>47,572</b>	<b>2,58,07,410</b>	<b>66.21</b>
<b>C.</b>	<b>Non Promoter- Non Public Shareholding</b>			
1.	Custodian/Depository Receipt Holder	0	0	0
2.	Employee Benefit Trust		0	0
	<b>Total Non-Promoter &amp; Non-Public Shareholding (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Grand Total (A+B+C)</b>	<b>47,587</b>	<b>3,89,78,401</b>	<b>100.00</b>

\*the detailed shareholding pattern as per regulation 31 of the SEBI (LODR) is available on the website of the stock exchanges and the Company.

ii. **Distribution of Shareholding as on March 31, 2023:**

Distribution range (No. of shares)		No. of shareholders	% of Total shareholders	Total No. of Shares for the range	% of Total Issued Shares
From	To				
1	500	46,757	98.26	1,163,638	2.99
501	1000	365	0.77	277,615	0.71
1001	2000	191	0.40	274,029	0.70
2001	3000	58	0.12	141,386	0.36
3001	4000	38	0.08	131,477	0.34
4001	5000	30	0.06	140,295	0.36
5001	10000	43	0.09	304,101	0.78
10001 and above		105	0.22	36,545,860	93.76
<b>Total</b>		<b>47,587</b>	<b>100.00</b>	<b>38,978,401</b>	<b>100.00</b>

l) **Dematerialization of shares and liquidity:**

As on March 31, 2023, the entire shares of your Company are in dematerialized form and the Company does not have any shares in physical form. As on the date of this report, the equity shares are frequently traded on the BSE and NSE. The shares of the Company are held with National Securities Depository Limited and the Central Depository Services (India) Limited and break-up of the same is as follows:

Name of the Depository	No. of shares	% of shares
National Securities Depository Limited	2,48,22,805	63.68
Central Depository Services (India) Limited	1,41,55,596	36.32
<b>Total</b>	<b>3,89,78,401</b>	<b>100.00</b>

m) **Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or Warrants or any convertible instruments, conversion date and likely impact on equity:**

During the year under review, the Company has not issued any Foreign Currency Convertible Bonds (FCCBs)/GDRs/ADRs/Warrants or any convertible instruments and has no outstanding FCCBs/GDRs/ADRs/Warrants or any convertible instruments as of March 31, 2023.

n) **Commodity price risk or foreign exchange risk and hedging activities:**

Your Company is exposed to the risk of price fluctuations in few raw materials/commodities being used by the Company to prepare food items which are served at the restaurants. However, there is a limited price risk attached to these as there is no significant dependency on any single commodity.

Further, the Company is mitigating the risks of price volatility by proactively entering into yearly/quarterly/monthly contracts with suppliers depending upon volatility and seasonality of the base commodity. The Company has a framework and governance mechanism in place to ensure that its interests are protected from market volatility in terms of price and availability.

As per the Company's Policy for Determination of Materiality of Events and Information, the Company does not have material exposure to any commodity and accordingly, no hedging activities for the same are carried out. Therefore, the disclosures as required under SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2018/0000000141 dated November 15, 2018 are not applicable to the Company.

o) **Restaurants/Outlet locations:**

As on March 31, 2023, the Company had 216 restaurants on a consolidated basis, which includes 196 Barbeque Nation restaurants in India, 6 Barbeque Nation restaurants outside India and 14 Toscano restaurants in India.

The location of each Barbeque Nation restaurant is available on the website of the Company at [www.barbequenation.com](http://www.barbequenation.com) and location of each Toscano restaurant is available at <https://toscano.world/>.

p) **Address for correspondence:**(i) **For Shareholders:**

**Ms. Nagamani C Y**  
**Company Secretary & Compliance Officer**  
**Barbeque-Nation Hospitality Limited**  
 "Saket Callipolis", Unit No. 601 & 602, 6th Floor,  
 Doddakannalli Village, Varthur Hobli, Sarjapur Road,  
 Bengaluru-560035, Karnataka, India  
 Tel. No.: +91 80 69134900  
 Email: [compliance@barbequenation.com](mailto:compliance@barbequenation.com)

**Registrar and Share Transfer Agent**  
**Link Intime India Private Limited**  
 C-101, 247 Park  
 LBS Marg, Vikhroli West  
 Mumbai – 400 083 Maharashtra, India  
 Tel: +91 22 49186000  
 Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
 Website: [www.linkintime.co.in](http://www.linkintime.co.in)



**(ii) For Institutional Investors:****Mr. Bijay Sharma****Head – Investor Relations****Barbeque-Nation Hospitality Limited**

"Saket Callipolis", Unit No. 601 &amp; 602, 6th Floor,

Doddakannalli Village, Varthur Hobli, Sarjapur Road,

Bengaluru-560035, Karnataka, India

Tel. No.: +91 80 69134900

Email: investor@barbequenation.com;

**q) Credit Ratings:**

During the financial year 2022-23, ICRA Limited, a credit rating agency, has upgraded its credit rating on the bank facilities availed by the Company as hereunder:

**Details of the bank limits rated by ICRA (Rated on Long-Term Scale)**

Name of the Bank & Instrument Details	Amount (Rs. Cr)	Rating assigned
Axis Bank	15.50	[ICRA]A (Stable)
Total limits rated on LT Scale	15.50	

**Details of the bank limits rated by ICRA (Rated on Short-Term Scale)**

Name of the Bank & Instrument Details	Amount (Rs. Cr)	Rating assigned
Axis Bank	5.00	[ICRA]A2+
Total limits rated on ST Scale	5.00	

**9. OTHER DISCLOSURES:****a) Related Party Transactions:**

Your Company has not entered into any materially significant transactions with the related parties that may have potential conflict with the interests of the Company at large. The details of related party transactions are provided in Notes to Financial Statements (both Standalone and Consolidated), as per the applicable Accounting Standards.

**b) Details of Non-Compliances and Penalties imposed:**

During the financial year or in the last 3 (three) years, there were no cases of non-compliance by the Company and no penalties or strictures were imposed on the Company either by the Stock Exchanges or SEBI or any other statutory authority for non-compliance of any matter related to the capital markets.

**c) Vigil Mechanism/Whistle Blower Policy:**

Pursuant to Section 177 of the Act and the rules made thereunder and SEBI (LODR) Regulations, your Company has in place a Whistle Blower Policy for Directors and employees to report any genuine concerns, unethical behaviours, actual or suspected fraud or violation of the Company's Code of Conduct. The vigil mechanism provides adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism.

The copy of the said policy is available on the website of the Company at <https://www.barbequenation.com/corporate-governance-policies>.

The Company affirms that no personnel has been denied access to the Audit Committee.

**d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

Your Company has complied with all the applicable mandatory requirements of SEBI (LODR) Regulations. Details of adoption of non-mandatory requirements are provided in clause 11 below.

**e) Web link for Policy on determination of Material Subsidiaries and Policy on Related Party Transactions of the Company:**

Aforementioned policies can be accessed at <https://www.barbequenation.com/corporate-governance-policies>.

**f) Disclosure of commodity price risks and commodity hedging activities:**

As disclosed in point no. 8(n) above, the disclosures as required under SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 are not applicable to the Company.

**g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):****i. Funds raised through preferential allotment:**

The Company had raised proceeds of Rs.99.999 crores through Preferential allotment during the financial year 2021-22. The said proceeds have been completely utilized by the Company as at the end of financial year 2022-23.

The funds raised were utilized for the purpose for which it had been raised as mentioned in the explanatory statement to the notice of general meeting and there were no deviations in the utilization of the same.

**ii. Funds raised through qualified institutions placement:**

During the financial year, the Company has not raised any funds through qualified institutions placement.

**h) Certificate from Practicing Company Secretary on Non-Disqualification of Directors:**

The Company has obtained a certificate from a Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs (MCA) or any such statutory authority in accordance with SEBI (LODR) Regulations. The said Certificate is annexed to this report as Annexure-3.

**i) Recommendation of Committees:**

During the financial year, the Board of Directors of the Company have accepted recommendations of/submission made by all the committees of the Board, which were mandatorily required.

**j) Auditors' Remuneration:**

The details of total fees paid by the Company to Deloitte Haskins & Sells, the Statutory Auditors, for all services including the reimbursement of out-of-pocket expenses during the financial year 2022-23, are as follows:

Particulars	Amount (in Rs. million)
For statutory audit and quarterly reviews	6.00
Other services (including reimbursement of expenses)	0.18
Taxes thereon	1.08
<b>Total</b>	<b>7.26</b>

**k) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Disclosed separately in the Board's Report.

**l) Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested:**

During the financial year 2022-23, the Company and its subsidiaries have not granted any loans or advances to firms/companies in which the Directors are interested.

Further, the details of loan granted by the Company to its Subsidiary are disclosed in the financial statement.

**m) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:**

The Company has 6 (Six) subsidiaries, out of which 1 (one) is in India and the remaining 5 (five) are overseas subsidiaries. Based on audited financial statements of FY2022, the Company has identified one subsidiary as its material subsidiary and details of the same are as follows:

Details of the material subsidiary of the Company are provided hereunder:

Name of material subsidiary	Date and place of incorporation	Name and date of appointment of the statutory auditors
Barbeque Nation Restaurant LLC	February 25, 2016 Dubai (UAE)	Name of Auditor: KSI Shah & Associates KSI Shah & Associates were appointed as statutory auditors in the first financial year and are continuing to act as statutory auditors of the said subsidiary. (Appointment of statutory auditors is in accordance with the provisions of UAE of Federal Commercial Companies Law, as amended from time to time)

**10. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT UNDER SUB-PARAS (2) TO (10) OF SECTION C OF SCHEDULE V OF SEBI (LODR) REGULATIONS IF ANY:**

Your Company has fully complied with all the requirements of corporate governance report under sub-paras (2) to (10) of para C of Schedule V of SEBI (LODR) Regulations and there are no such non-compliances in the said report.

**11. DISCRETIONARY REQUIREMENTS:**

Your Company has adopted the following discretionary requirements as specified in Part E of Schedule II of SEBI (LODR) Regulations:

**a) The Chairman:**

The Chairman of the Company is a Non-Executive Director and is allowed for the reimbursement of expenses incurred in performance of his duties.

**b) The Chairman and the Managing Director or the Chief Executive Officer:**

Your Company has appointed separate individuals for the offices of Chairman, Managing Director and Chief Executive Officer.

The Chairman of the Company is a Non-Executive Director and is not related to any Director or Key Managerial Personnel of the Company. The Chairman is not holding the office of Managing Director or Chief Executive Officer in the Company.

**c) Modified Opinion(s) in Audit Report:**

The Auditors of the Company have issued Audit Reports with unmodified opinion on the standalone and consolidated financial statements for the financial year ended March 31, 2023 and there are no qualifications in the Audit Report.

**d) Reporting of Internal Auditor:**

The Internal Auditors report directly to the Audit Committee and attend the Audit Committee meetings held every quarter and present their report.

**12. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:**

There are no outstanding shares of the Company in the Demat Suspense Account/Unclaimed Suspense Account as at the end of financial year.

**13. DISCLOSURE ON COMPLIANCE WITH CORPORATE GOVERNANCE AND THE SEBI (LODR) REGULATIONS**

Your Company is in compliance with the mandatory Corporate Governance requirements of the SEBI (LODR) Regulations. Further, the Company confirms the compliance with Corporate Governance requirements, as specified in Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the SEBI (LODR) Regulations.

The Company has obtained a certificate from Mr. Vijaykrishna KT, a Practising Company Secretary, on compliance of conditions of corporate governance as stipulated in SEBI (LODR) Regulations. The said certificate is annexed to the Board's Report.

**Compliance Certificate by Chief Executive Officer and Chief Financial Officer**

(Pursuant to Regulation 17(8) of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015)

To,  
The Board of Directors

**Barbeque-Nation Hospitality Limited**

We, Rahul Agrawal, Chief Executive Officer & Whole-Time Director, and Amit V Betala, Chief Financial Officer of Barbeque-Nation Hospitality Limited (the "Company"), to the best of our knowledge and belief, hereby certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief, we state that:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee:
1. significant changes, if any, in internal control over financial reporting during the year;
  2. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Barbeque-Nation Hospitality Limited**

**Rahul Agrawal**  
CEO & Whole-Time Director  
DIN: 07194134

**Amit V Betala**  
Chief Financial Officer

Place: Bengaluru  
Date: May 27, 2023

**Declaration on Code of Conduct**

(Pursuant to Part D of Schedule V of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015)

I, Rahul Agrawal, Chief Executive Officer & Whole-Time Director of Barbeque-Nation Hospitality Limited (the “Company”), hereby declare that all the members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management for the financial year 2022-23.

**For Barbeque-Nation Hospitality Limited****Rahul Agrawal**

CEO & Whole-Time Director

DIN: 07194134

Place: Bengaluru

Date: May 27, 2023

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members

**BARBEQUE-NATION HOSPITALITY LIMITED**

“Saket Callipolis”, Unit No. 601 & 602,  
6th Floor, Doddakannalli Village,  
Varthur Hobli, Sarjapur Road,  
Bangalore - 560035

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Barbeque-Nation Hospitality Limited (hereinafter referred to as 'the Company') having CIN: L55101KA2006PLC073031 and having the Registered Office at “Saket Callipolis”, Unit No. 601 & 602, 6th Floor, Doddakannalli Village, Varthur Hobli, Sarjapur Road, Bangalore - 560035, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2023 has been debarred or disqualified from being appointed or continuing as Directors of companies by Securities and Exchange Board of India, the Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1	Mr. Thottappully Narayanan Unni	00079237	09/02/2009
2	Mr. Kayum Razak Dhanani	00987597	30/11/2012
3	Mr. Raoof Razak Dhanani	00174654	01/07/2015
4	Ms. Suchitra Dhanani	00712187	01/07/2015
5	Ms. Ashok Revathy	00057539	28/03/2022
6	Mr. Devijit Singh	02275778	31/12/2020
7	Mr. Abhay Chintaman Chaudhari	06726836	28/02/2017
8	Mr. Rahul Agrawal	07194134	31/12/2020

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bangalore  
Date: 27.05.2023

**Vijayakrishna KT**  
Practising Company Secretary  
FCS No.:1788; C P No.: 980  
UDIN: F001788E000395896

# MANAGEMENT DISCUSSION AND ANALYSIS

## ECONOMIC REVIEW

### GLOBAL ECONOMY:

The macroeconomic scenario during the year 2022 remained challenging. As the pandemic related challenges started waning, emergence of geo-political tension between Russia and Ukraine resulted in supply chain disruptions and unprecedented high inflation which impacted the pace of global economic growth. The cascading effect of the same was also felt in terms of weaker consumer sentiment and demand. During 2022, global economy recorded a growth of 3.4% as per International Monetary Fund's (IMF) World Economic Outlook, April 2023.

Going forward, the economic scenario is anticipated to improve due to waning of all the challenges faced during last year. Furthermore, some moderation in inflation is also expected on back of tightening of monetary policies by majority of central banks during the last year. Some of the emerging and developing economies have already started experiencing early signs of improvement. As per IMF, global growth will bottom out at 2.8% in 2023 and will increase to 3.0% in 2024.

### INDIAN ECONOMY:

As per the Ministry of Finance's Economic Survey 2022-23, India is expected to report a GDP growth of 7% in real terms in FY2022-23. The Indian economy remained relatively resilient to the challenges posed by the pandemic and prevailing geopolitical tensions during the year. The Indian government undertook various measures including transformational policies that supported faster recovery of economic growth.

The Survey has assessed a growth of 6-6.8% in FY2023-24, primarily driven by private consumption and private investment on the back of government policies to improve infrastructure and business ecosystem.

## INDUSTRY REVIEW

The Indian food services industry includes various formats such as Fine-Dining Restaurants (FDR), Casual Dining Restaurants (CDR), Quick Service Restaurants (QSR), Cafes, Pub, Bar, Club and Lounge (PBCL) and home delivery. The industry accounts for around 3% of the country's GDP and is a large employment generator with significant exchequer contributions.

The industry has grown at a rapid pace over the past decade which was intermittently halted for a couple of years due to pandemic-related restrictions. However, the industry recovered fast and is poised to resume its historical growth pace owing to multiple factors such as favorable demographic profile, increasing urbanization, increase in eating-out frequency, etc.

As per NRAI, India's food services market is expected to project robust growth with an impressive CAGR of 11.19% and reach \$79.65 billion by 2028.

### GROWTH DRIVERS:

- **Rising per capita consumption**

India has been a consumption-led economy and ~60% of GDP (FY2023) is derived from consumption. India's per capita consumption is expected to grow at a CAGR of 8.9% between CY2020-25 to reach US\$ 2,909 by FY2025. Per capita consumption at current prices stood at US\$ 2,256 in CY2021. This growth is largely expected to be aided by an increase in the quality of education, rising income levels of the younger demographic groups, an increase in working age population, and a shift in socio-cultural factors. (Source: World Bank, IMF)

- **Attractive demographics**

India has one of the youngest populations globally compared to other leading economies. The median age in India is estimated at 28.1 years in 2021, vs. 38.1 years and 37.4 years in the US and China, respectively, and is expected to remain under 30 years until 2030. Furthermore, the size of India's young population is contributing to a decline in the dependence ratio, or the ratio of dependent population size compared to the working-age population size (15-64 years of age), which has declined steadily from 64% in FY2000 to 48% in CY2021. This trend is expected to lead to rising income levels per household as well as higher levels of discretionary expenditure. (Source: Census of India 2011, World Bank)

- **Urbanisation**

India has the world's second largest urban population in absolute terms at 498 mn in CY2021, second only to China. However, only 35% of India's population is classified as urban compared to the global average of 54%. It is the pace of India's urbanisation journey that is a key trend influencing economic growth. Moreover, implementation of Smart City initiative by the government aimed at the creation of new urban clusters is expected to accelerate urban development. Currently, the urban population contributes 63% to the country's GDP. It is estimated that 37% (541 mn) of India's population will be living in urban centers by FY2025 and the urban population is expected to contribute 75% to India's GDP in FY2030.

- **Growing middle-class**

The average size of households (family members) in FY2018 was 4.5. Out of these, the number of households with annual income between US\$ 5,000-10,000 has grown at a CAGR of 12% between FY2012-FY2018 and is expected to continue to expand at a CAGR of 12% to reach 153 mn by FY2020. The number of households with annual income between US\$ 10,000-50,000 has grown at a CAGR of 25% between FY2012-FY2018 to reach 86 mn households. This growth is expected to drive an increase in discretionary spends, which in turn is expected to cause an increase in spending on premium products leading to

higher expenditure in various categories, including food & beverages, etc.

- **Nuclearisation**

Growth in the number of households has exceeded population growth, which indicates an increase in nuclearisation in India. According to the 2011 census, 74% of urban households have five or less members, compared to 65% in 2001. It is expected that smaller households with higher disposable income will lead to greater expenditure in food services, etc.

- **Growing women participation in the workforce**

Numerous factors, including education and greater focus on workplace diversity are enabling women in India to exercise greater influence on their families and society. These changes are expected to have a broad impact on societal factors, including workforce demographics and economic independence of women. The increase of women in the workforce has accelerated the shift in household activity, including a downward trend in home-cooked meals and an increase in demand for out-of-home meals from households with working couples.

#### KEY CHALLENGES:

The Indian food service industry is constrained by some key challenges, including high levels of attrition, rising inflation, food cost and increased competition. Parallel to the industry attrition is the requirement of continuous investment in training to upskill the workforce.

Other challenge faced by the industry is lack of robust supply chain infrastructure, including cold chain, that tends to increase costs. Strong supply chain is critical for multi-location restaurant chains for delivering standard product reliably in a cost effective way. Organized players are investing in building backend infrastructure, which bodes well for the industry in the long term.

#### COMPANY OVERVIEW

Barbeque Nation is India's leading casual dining restaurant chain with 216 restaurants as on March 31, 2023. The Company operates 196 restaurants in India, 6 restaurants in three overseas countries viz., United Arab Emirates, Oman and Malaysia under the brand name "Barbeque Nation". It also operates 14

#### BUSINESS AND FINANCIAL REVIEW

Restaurant portfolio of the Company

	No. of outlets as on March 31, 2022	New additions in FY2023	Permanent closures in FY2023	No. of outlets as on March 31, 2023	Presence in no. of cities as on March 31, 2023
<b>India</b>					
Barbeque Nation	168	36	8	196	81
Toscano	11	3	-	14	3
<b>Overseas</b>					
Barbeque Nation	6	-	-	6	4
<b>Total</b>	<b>185</b>	<b>39</b>	<b>8</b>	<b>216</b>	<b>85</b>

As of March 31, 2023, the Company, on consolidated basis, had 216 restaurants, which includes 196 Barbeque Nation restaurants across 81 cities in India, 6 international Barbeque Nation restaurants across 4 cities outside India, and 14 Toscano restaurants in 3 Indian cities.

restaurants under the brand name 'Toscano, which is a fine dining Italian cuisine restaurant. In November 2018, Barbeque Nation launched "UBQ by Barbeque Nation" restaurant to provide à la carte Indian cuisine in the value segment. At present, UBQ by Barbeque Nation predominantly caters to the delivery segment. The Company also reimagined and innovated a completely new concept under the new brand "Barbeque in a Box" that comprises an affordable buffet packed in a box to cater to the delivery segment. Barbeque in a Box has been extremely well-received and has contributed significantly to the Company's delivery segment. As extension to the delivery segment, in FY2023, the Company launched a new brand called "Dum Safar" which offers a variety of biryani dishes in the delivery segment. The Company has successfully created multiple levers of growth and has established itself as a diversified food services company with scalable brands.

Barbeque Nation is a strong brand with a presence in more than 81 cities. Out of total 216 restaurants, 162 are located in metropolitan and Tier-1 cities. These cities remain the highest spenders in terms of eating-out/ordering frequencies and average outing/ordering spends. The Company added 39 new restaurants in FY2022-23.

#### Key Differentiators:

- Pioneered the format of 'over the table barbeque'
- Popular destination for celebration - fixed price, wide range of offerings and prompt service
- In-house chef training school for development of new products
- Strong emphasis on customer service - customer feedback through internally devised and managed Guest Satisfaction Index ("GSI")
- Strong business processes and back-end systems leading to efficient operations
- Higher proportion of revenue from weekday sales and lunch covers
- Successfully scaled-up delivery segment with 13% of revenue from operations being contributed by delivery in FY2023
- Ranked number 7 amongst 'India's Best Companies to Work For 2022' by the Great Place to Work® Institute



## Statement of Profit and Loss

(Amount in Rs. million)

Particulars	Consolidated		Standalone	
	FY23	FY22	FY23	FY22
Revenue from operations	12,337.55	8,605.54	10,737.80	7,610.52
(+): Other income	80.27	262.79	98.22	255.58
<b>Total revenue</b>	<b>12,417.82</b>	<b>8,868.33</b>	<b>10,836.02</b>	<b>7,866.10</b>
Cost of food and beverages consumed	4,151.86	3,047.36	3,744.17	2,791.37
Employee benefits expenses	2,676.03	1,886.09	2,303.99	1,646.79
Other operating expenses	3,203.85	2,334.77	2,844.05	2,098.30
<b>(-): Total expenses</b>	<b>10,031.74</b>	<b>7,268.22</b>	<b>8,892.21</b>	<b>6,536.46</b>
<b>Earnings before exceptional items, finance costs, depreciation and amortisation (EBITDA)</b>	<b>2,386.08</b>	<b>1,600.11</b>	<b>1,943.81</b>	<b>1,329.64</b>
(-): Finance costs	717.01	653.03	647.84	555.88
(-): Depreciation and amortisation expense	1,449.98	1,272.59	1,241.02	1,056.19
<b>Profit/(loss) before exceptional items and tax</b>	<b>219.09</b>	<b>-325.51</b>	<b>54.95</b>	<b>-282.43</b>
(+): Exceptional Items	38.23	4.93	46.91	2.77
<b>Profit/(loss) before tax</b>	<b>257.32</b>	<b>-320.58</b>	<b>101.86</b>	<b>-279.66</b>
(-): Total tax expense	65.85	-68.66	34.71	-64.66
<b>Profit/(loss) after tax</b>	<b>191.47</b>	<b>-251.92</b>	<b>67.15</b>	<b>-215.00</b>
<b>Business &amp; Financial Ratios</b>				
EBITDA Margin (in %)	19.34%	18.59%	18.10%	17.47%
Net Profit Margin (in %)	1.55%	NM	0.63%	NM
Trade Receivables Turnover Ratio (in times)	188.53	205.60	164.55	140.97
Inventory Turnover Ratio (in times)	13.18	12.59	12.18	12.60
Current Ratio (in times)	0.53	0.78	0.46	0.76
Debt-Equity Ratio (in times)	1.71	1.58	1.48	1.34
Interest Service Coverage Ratio (in times)	3.91	2.87	3.44	2.63
Return on Equity (in %)	4.87%	NM	1.59%	NM

Please refer to Note No.44 of the Standalone & Consolidated Financial Statements for key financial ratios and changes therein.

### Network expansion

During the year, the Company opened 39 new restaurants which included 36 Barbeque Nation in India and 3 Toscano restaurants.

### Strengthened digital assets

Share of own channels increased during the year in the dine-in business. Cumulative BBQ mobile app downloads increased from 4.2 mn in FY2022 to 5.7 mn in FY2023, representing a 34% increase.

### Liquidity position

As at March 31, 2023, the Company had cash and cash equivalents of Rs. 425.60 mn and external debt obligations of Rs. 195.56 mn (current & non-current) on consolidated basis.

### ADEQUACY OF INTERNAL CONTROLS:

Barbeque Nation has institutionalized a robust and comprehensive internal control mechanism across all major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals and compliance with policies, procedures, laws and regulations. The Company's internal audit function provides independent and reasonable assurance about the adequacy and operating effectiveness of internal controls to the Board and the Audit Committee. In FY2023, internal audits were conducted by Ernst & Young LLP (E&Y), Chartered Accountants. All significant audit observations and follow-up actions thereon are periodically reported to the Audit Committee and closely monitored for effective implementation.

The internal audit function also tests and reports on adequacy and operating effectiveness of internal financial controls over financial reporting, in line with the requirements of the Companies Act, 2013. The Company has established a sound risk framework to actively manage all material risks faced by the Company, in a manner consistent with the Company's strategy. Aligned with key business decisions, the enterprise risk management framework covers all business risks, including strategic risk, operational risk and financial risk. The Board of Directors have constituted Risk Management Committee which monitors the risk management framework and also has well-defined risk management policy that aims at establishing a risk-aware culture and governance framework to enable seamless identification, measurement, mitigation and reporting of risks within the Company, in line with the corporate strategy and risk-return trade-offs.

### OUR HUMAN RESOURCE:

At Barbeque Nation, we firmly believe that our most valuable asset is our people. Our employees are the driving force behind our success, and their dedication, skills and passion fuel the growth and prosperity of our organization.

- **People-Centric Culture:**

We believe that our people are the cornerstone of our success. We have fostered a people-centric culture that places employees at the heart of everything we do. Our six core values serve as the guiding principles that shape our actions, decisions and interactions with our employees, customers, partners and communities. Together, our people-centric culture and core values create a strong foundation for our organization's growth and positive impact.

- Employment Generation & Skills Building Initiatives:**  
This year, we introduced "Hunar Ki Udaan" initiative with the aim of equipping economically disadvantaged youth with employable skills. This program, fully sponsored by Barbeque Nation, addresses the challenge faced by those who cannot afford formal hotel management education. We partnered with over 50 hotel management institutes to support this noble cause. Through Hunar Ki Udaan, we have successfully trained and provided employability to more than 500 youth across India, empowering them with the skills needed to pursue meaningful careers.
- Employee Development and Learning:**  
Investing in our employees' professional development has been a priority this year. We recognize that a continuously learning workforce is essential for staying ahead in a rapidly evolving business landscape. The highlight for this year was "Barbeque Nation Future Leadership Academy" that has been instrumental in supporting our expansion goals post-pandemic. Our objective this year was to open a minimum of 40 new stores and surpass the milestone of 200+ stores. The academy has played a vital role in our achievement by identifying high-potential employees and nurturing them for their next roles. This initiative has helped us develop a robust bench of leaders at all levels, ensuring that we are prepared for future growth. Moreover, it has instilled confidence in our employees, as they have witnessed a strong and transparent promotion process in place. Over the past year, we have developed and promoted more than 2,500 employees, with 80% of our manpower requirement fulfilled through internal promotions facilitated by the "Barbeque Nation Future Leadership Academy."
- Employee Well-being and Work-Life Balance:**  
We are committed to ensuring the well-being of our employees. This year, we have taken proactive measures to support their physical, mental and emotional health. Wellness workshops and access to mental health resources have contributed to a balanced and harmonious work environment. We believe that a healthy and happy workforce is not only more productive but also more loyal to the organization.
- Recognition and Rewards:**  
We firmly believe in acknowledging and celebrating the contributions of our employees. As a testament to our commitment to fostering a culture of appreciation and recognition, we have made a strategic decision to organize regional Annual Meets this year instead of a centralized National Meet. This approach aligns with our goal of ensuring that our Outlet Leadership teams are closely connected to our Business Goals, while also providing the perfect platform to celebrate the remarkable contributions of our exceptional employees.
- Leveraging Technology for Employee Experience and Operational Excellence:**  
The successful adoption of new-age technology at Barbeque Nation has been a game-changer, enhancing employee experience and operational excellence.

The HRIS mobile app provides employees with easy access to HR services from anywhere, promoting efficiency and flexibility. The implementation of a robust Learning Management System (LMS) empowers employees to pursue continuous learning and upskilling. As we continue to evolve and optimize our HR Tech platform, we remain committed to innovation and creating a dynamic and inclusive organization. With modern HR Tech as a key enabler, we are confident in shaping a bright future for our employees and the company.

#### RISK MANAGEMENT:

We recognise risk management as a key building block to our business strategy to proactively manage risks and protect value for our stakeholders. Our institutional risk management framework establishes a culture of conducting business in a responsible manner and provides comfort to the management, the Board and external governance bodies, including auditors and regulators.

Some of the major objectives of our institutional risk management framework ensure protection of the interests of our key stakeholders, adherence to applicable laws and regulations, strong corporate governance culture, proactive identification, assessment, monitoring and reporting of risks, and a structured, comprehensive and dynamic mechanism for conducting business within acceptable risk parameters.

The Board has constituted a Risk Management Committee to monitor and review the Risk Management framework. The Company has in place a Risk Management policy, along with other risk mitigation related practices.

Some of the major risks and their mitigation initiatives as per our institutional risk management framework has been given below:

- Operational risk - Risk of loss resulting from inadequate or failed internal processes, people, systems or external events.**  
**Mitigation:** Operational risks are managed through proactive risk assessments, where all critical processes/projects are assessed and key risks are evaluated and managed. Furthermore, our specialist experience and expertise in the restaurant business itself represents a strong safeguard against potential operational risks.
- Compliance/regulatory risk - Risks emanating from non-adherence to regulatory, judiciary and legislative mandates and guidelines, resulting in imposition of fines and penalties.**

**Mitigation:** The risks are managed through practices such as disseminating regulatory notifications and actionable points and regular follow-ups, thus ensuring holistic implementation of the same. Further, we adopt the highest standards of governance with a zero tolerance approach to deviations. The tone is set from the top, and we have robust surveillance mechanisms in place that thwart any non-compliance, while also enabling identification of the same for appropriate action.

- **Strategy and planning risk** - Risks emanating from non-attainment of strategic objectives, deviation from strategic plans and external and internal factors.

**Mitigation:** Regular strategy review meetings by leadership team, monthly business review meetings, etc., enable strong cross-functional focus to handhold strategically important projects, such as new restaurant openings, supply chain security, talent management, etc. Further, as part of our broader operating focus, we have a strategic roadmap in place that ensures organisational alignment to reach our goals.

- **Financial risk** - Risks emerging from liquidity challenges or credit risks, especially in an inflationary environment.

**Mitigation:** During FY2023, the Company generated strong cash flow from operations which helped in maintaining requisite liquidity levels during the year.

As at March 31, 2023, the Company had cash and cash equivalents of Rs.425.60 mn and external debt obligations of Rs.195.56 mn (current & non-current) on consolidated basis.

- **Emerging risks** - According to the World Economic Forum's Global Risks Report 2023, some of the most severe risks that may impact businesses globally over the next decade include energy supply and food crisis, rising inflation, cyberattacks, failure to meet net-zero targets, weaponization of economic policy and weakening of human rights. These risks are being amplified by the persistent health and economic overhang of a global pandemic; a war in Europe and sanctions that impact a globally integrated economy; and an escalating technological arms race underpinned by industrial competition and enhanced state intervention.

**Mitigation:** While the timing of the risks remain uncertain, the Company's aim is to focus on key emerging risks and prepare mitigation plans accordingly. While we focus on factors directly under our control, we appraise external factors carefully to assess any probable impact on our Company or operations and take steps accordingly towards mitigation.

#### OUTLOOK:

As per IMF, India is anticipated to become a US\$ 5 trillion economy in 2026-27. To achieve this milestone, the Indian Government has undertaken various strategic initiatives.

The Union Budget of 2022-23 has focused on creating a sustainable economic growth path through such plans and initiatives as the PM Gati Shakti and Dedicated Freight Corridor (DFC) that envisage robust multi-modal countrywide connectivity. Moreover, the National Infrastructure Pipeline, Production Linked Incentive (PLI) Scheme and thrust on new energy are some of the other mega growth-supportive projects of the country with large employment generation potential.

Consumption is strongly linked to economic growth, which gives thrust to the restaurant industry. With the established propensity to eat-out and order-in, and growing experimentation amongst consumers with regards to cuisines bodes well for the long-term prospects of the industry. Furthermore, preference for safe, established and hygienic restaurants will tilt the balance in favour of organised chains.

Within the food services industry, casual dining restaurants (CDRs) are expected to grow at a faster clip against other segments, as consumer food preferences shift on the back of a rise in nuclear families and rising household income with busy lifestyles. Additionally, India is a price-sensitive market and looking at its huge middle-income population that loves to eat-out and eat-in makes casual dining the right platform for providing a wholesome and value-driven family experience, thus large and fast-growing food services chains like Barbeque Nation are anticipated to benefit from this trend in medium to long term.

#### CAUTIONARY STATEMENT:

Certain statements in the Management Discussion and Analysis report regarding our business operations may constitute forward-looking statements. While these statements reflect our future expectations, it is important to remain mindful that a number of risks, uncertainties and other important factors could cause actual results to differ materially from our expectations.

# Business Responsibility and Sustainability Reporting

We are pleased to publish our Business Responsibility and Sustainability Report for the Financial Year 2022-23. Being a responsible corporate citizen, we are mindful of our operational practices, focusing on eliminating any negative impact on our stakeholders and the environment. We continuously strive to go beyond the legal requirements and voluntarily take steps towards a sustainable society and sustainable environment.

We take great pride in serving our guests around the country and in overseas markets every day with safe, wholesome and hygienic foods which are socially, environmentally and economically sustainable. Our ability to consistently deliver quality that meets our requirements as well as all applicable laws and regulations is of critical importance to our continued success.

Founded in 2006, Barbeque Nation is India's leading casual dining restaurant chain with 216 restaurants (including 14 Toscano and 6 international restaurants) as on March 31, 2023 with an expansive network and strong brand recognition. The Company has pioneered the popular "over the table barbeque" concept, and the nature and quality of its food offerings, ambience and service quality create a one-of-a-kind guest experience. We are reinforcing our position as a leading foodservices company with an established dine-in proposition and a growing delivery vertical.

We prioritize Environment, Social & Governance (ESG) issues that are of the highest importance to our stakeholders and where the business can have the greatest impact.

## Our Sustainability Framework has 4 pillars:

### Good Food & Responsible Sourcing

- Reduce ingredients having artificial preservatives / food colors / taste enhancers
- Sustainable sourcing of sea food and meat based on certifications like Best Aquaculture Practices (BAP) / Hazard Analysis Critical Control Points (HACCP) and similar
- Increase in organic food ingredients (responsible pesticide and fertilizer use, soil health)
- Progressively reduce deep fried products

### Our Planet

- Energy efficiency and renewable energy
- Green House Gas (GHG) emission reduction
- Food waste management
- Used cooking oil disposal
- Reducing plastics in packaging material and water bottles

### Employee Training, Development and Welfare

- Employee Training Management
- Employee Welfare & Benefits
- Safe and respectful workplaces

### Community

We organized 'Daan Utsav' to celebrate the milestone of 200+ restaurants by serving meals to 200 neighboring underprivileged children across each of our 200 restaurants in collaboration with NGOs.



We invite children from neighboring NGOs to celebrate the launch of new outlets and give them gift hampers. We are also engaged in secure practices around procurement of food ingredients and cater to expectations around dietary preferences and healthy eating choices.



*"We have an increased focus on ESG, including compliance with legislation, responsible sourcing, food security and the impact of our business on the environment.*

*We practice responsible use of non-renewable resources, reduce wastage of food and engage in recycling efforts, wherever possible."*

The biggest competitive edge of our Company is the commitment of our employees, evidenced by the excellent work they do every day. Our frontline team members and their spirit of service makes all the difference at Barbeque Nation.

We have developed comprehensive policies, including whistleblower policy, related party transactions policy, anti-sexual harassment policy, etc., to guide us in our business conduct and ensure compliance with regulations, while also fostering a culture that is rooted in respect and responsibility. We invest in the personal and professional development of our people which can be seen in multiple training and growth programs we offer our employees across all levels. We create a responsible workplace by attracting and retaining diverse talent. Our Board independence is reflected in the fact that 1/3rd of our Board, i.e., three Directors are Independent Directors. We have 2 women Directors, including one Independent Director.

We are proud to be a largescale employer contributing to generating local jobs in the communities we operate in. As we continue to grow, we prioritize our inclusion and diversity efforts that lead to innovation of thought, helps fuel our growth as a company and creates a great place to work for our team members. Our agenda is to be financially successful and create growth vectors that helps to deliver value to our shareholders.

Numerous factors, including education and greater focus on workplace diversity are enabling women in India to exercise greater influence on their families and society. These changes are expected to have a broad impact on societal factors, including workforce demographics and economic independence for women.

As we continue to grow, we prioritize our four pillars of Sustainability Framework that enhances our competitive strength and at the same time highlights our contribution to Sustainable Development Goals.

**Kayum Dhanani**  
MANAGING DIRECTOR



## SECTION A : General Disclosures

### I. Details of the listed entity:

1.	Corporate Identity Number (CIN) of the Listed Entity	L55101KA2006PLC073031
2.	Name of the Listed Entity	Barbeque-Nation Hospitality Limited
3.	Year of Incorporation	2006
4.	Registered Office Address	"Saket Callipolis" Unit No. 601 & 602, 6th Floor, Doddakannalli Village, Varthur Hobli, Sarjapur Road, Bengaluru, Karnataka – 560035, India
5.	Corporate Address	"Saket Callipolis" Unit No. 601 & 602, 6th Floor, Doddakannalli Village, Varthur Hobli, Sarjapur Road, Bengaluru, Karnataka – 560035, India
6.	E-mail id	corporate@barbequenation.com
7.	Telephone	+91 80 6913 4900
8.	Website	www.barbequenation.com
9.	Financial year for which reporting is being done	FY2023 (1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2023)
10.	Name of the Stock Exchange(s) where shares are listed	BSE Ltd. (BSE); and National Stock Exchange of India Ltd.(NSE)
11.	Paid up Capital (₹)	19,48,92,005 /- (31 <sup>st</sup> March 2023)
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	<b>Mr. Bijay Sharma</b> HEAD OF INVESTOR RELATIONS investor@barbequenation.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Disclosures made in this report are on a standalone basis and pertain only to Barbeque-Nation Hospitality Limited.

### II. Products / Services:

14.	Details of business activities (accounting for 90% of the Turnover):		
Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Food Service (Operating and Managing Restaurant Business)	Food and beverage services provided by restaurants	100%
15.	15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):		
Sl. No.	Product/Service	NIC Code	% of total contributed Turnover
1.	Food and beverage service activities	Division 56	100%

### III. Operations

16.	Number of locations where plants and/or operations/offices of the entity are situated:			
Location	Number of plants (Restaurants/Outlets)	Number of offices	Total	
National	196 <sup>*</sup>	6	202	

<sup>\*</sup> 14 restaurants under the brand Toscano operated by the subsidiary of the company, are not reckoned in the above count.

<sup>\*\*</sup> 6 restaurants in International market are operated through our overseas subsidiary companies.

17.	Markets served by the entity:	
<i>a. Number of locations:</i>		
Locations	Number	
National (No. of States)	23 States	
International (No. of Countries)	0 <sup>†</sup>	

<sup>†</sup>International market is served through our overseas subsidiary companies.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Barbeque-Nation Hospitality Limited has no export earnings on standalone basis.

c. A brief on types of Customers:

Barbeque Nation is one of India's leading casual dining chains that has adopted the "All you can Eat" menu and "over the table barbeque" concept. This concept facilitates guests with an option to grill their own barbeque on their tables and offers a value-for-money diversified range of menus to fulfill the food preference of customers in a group. The restaurants are well articulated and arranged for different types of celebrations such as office parties, birthday parties, anniversaries, kitty parties etc.

Hence, customers are mostly a group of family, colleagues or friends across all age groups and income profile.

#### IV. Employees:

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES:						
1.	Permanent (D)	<b>8,614</b>	8,114	94%	500	6%
2.	Other than Permanent (E)	<b>423</b>	423	100%	0	0%
3.	Total employees (D + E)	<b>9,037</b>	8,537	94%	500	6%

WORKERS:

The Company does not have any workers as defined in the guidance note for BRSR.

b. Differently abled Employees and workers:

The Company does not have any differently abled employees as on 31<sup>st</sup> March 2023.

19. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	<b>8</b>	2	25%
Key Management Personnel	<b>4*</b>	1	25%

\*including 2 Board members i.e. Managing Director and CEO & WTD.

20. Turnover rate for permanent employees and workers:

Particulars	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	88.1%	90.5%	<b>88.2%</b>	63.3%	54.3%	<b>63.1%</b>	72.7%	40.7%	<b>72.0%</b>

#### V. Holding, Subsidiary and Associate Companies (including joint ventures):

21. Names of holding / subsidiary / associate companies / joint ventures:

Sl. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary/ Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity?
1.	Barbeque Nation MENA Holding Limited, Dubai	Wholly Owned Subsidiary	100%	No.
2.	Barbeque Nation Holdings Private Limited, Mauritius	Wholly Owned Subsidiary	100%	The subsidiary/associate companies have their own business responsibility (BR) initiatives and generally do not participate in the BR initiatives of the company. However, there are instances where the Barbeque Nation group of companies make joint commitments to support BR initiatives such as COVID-19 relief measures.
3.	Red Apple Kitchen Consultancy Private Limited, India	Subsidiary	78.22%	
4.	Barbeque Nation (Malaysia) SDN. BHD.	Step Down Subsidiary	100%	
5.	Barbeque Nation Restaurant LLC, Dubai	Step Down Subsidiary	100%	
6.	Barbeque Nation International LLC, Oman	Step Down Subsidiary	49%	
7.	Barbeque Nation Bahrain W.L.L., Bahrain	Step Down Subsidiary	99%	

## VI. CSR Details:

22.	Whether CSR is applicable as per section 135 of Companies Act, 2013: No	
(i)	Turnover (in Rs.)	1,073.78 Crores (FY 2022-23)
(ii)	Net worth (in Rs.)	429 Crores (FY 2022-23)

## VII. Transparency and Disclosures Compliances

23.	Complaints/Grievances on any of the Principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:							
Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22			
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	
Communities	Yes	-	-	-	-	-	-	
Investors (other than shareholder)	Yes	-	-	-	-	-	-	
Shareholders	Yes	-	-	-	-	-	-	
Employees and workers	Yes	4	-	All the complaints were resolved during the year	2	-	All the complaints were resolved during the year	
Customers	Yes	2,838	-	All the complaints were resolved during the year	3,247	-	All the complaints were resolved during the year	
Value Chain Partners	Yes	-	-	-	-	-	-	

No complaints have been received from communities, value chain partners and investors during the FY 2021-22 and FY 2022-23.

There are several mechanisms in place to receive and redress grievances such as access to e-mail ID, Website, Customer help-line/Toll-free number and Barbeque Nation App. Also, we have a Guest Satisfaction Index (GSI) wherein 20% of the guests who visit the restaurant/outlet are contacted on a daily basis for their feedback. Based on the feedback relevant actions are taken.

Board has constituted several Committees with adequate delegation of powers to focus effectively on issues and ensure expeditious resolution of diverse matters. The Stakeholders' Relationship Committee deals with all the grievances and complaints of the Investors and Shareholders.

The details of grievance redressal mechanism for employees and workers are provided in Principle 3, point No. 6

Complaints / Grievances from Value Chain Partners are addressed by relevant Departments on a case-to-case basis.

The contact details for investor's grievance redressal is available on the website of the Company at <https://www.barbequenation.com/investors-contact>.



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying The risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
24.	<p>Overview of the entity's material responsible business conduct issues:</p> <p>Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format</p>				
1.	Environmental Sustainability	Risk	Environmental sustainability has become very important for all businesses.	We comply with applicable legal requirements which relate to our environmental aspects. The company prevents pollution, reduces waste and minimizes the consumption of resources. We educate, train and motivate employees to carry out tasks in an environmentally responsible manner and encourage environmental protection among suppliers.	Negative
2.	Training & Skill Development of employees	Opportunity	HR Team organizes several trainings for employees to induction and upskill. We also collaborate with our external partners to train our employees.	Not Applicable	Positive

## SECTION B : Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

We have implemented following policies towards adopting National Guidelines on Responsible Business Conduct (NGRBC):

### Principle P1

#### **Transparency & Accountability**

- Code of Business Conduct
- Whistle Blower Policy
- Code of conduct for board of directors and senior management personnel
- Policy on board diversity
- Policy on related party transactions

### Principle P2

#### **Product Responsibility**

- Sustainable Sourcing Policy
- Food Safety Management System

### Principle P3

#### **Employee Development**

- Code of Conduct for employees
- Anti-Sexual Harassment Policy/ POSH Policy
- Equal Opportunity Policy

### Principle P4

#### **Stakeholder Engagement**

- Corporate Social Responsibility Policy
- Charter of the Stakeholders' Relationship Committee

### Principle P5

#### **Human Rights**

- Labour and Human Rights Policy
- Anti-Sexual Harassment Policy
- Equal Opportunity Policy

### Principle P6

#### **Environment Principle**

- Environment, Health and Safety Policy
- Corporate Social Responsibility Policy

### Principle P7

#### **Public Advocacy**

- Public Advocacy Policy

### Principle P8

#### **Inclusive Growth and Equitable Development**

- Corporate Social Responsibility Policy

### Principle P9

#### **Customer Value**

- Guest Satisfaction Index
- Data Privacy Policy
- Information Security Policy

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9															
<b>POLICY AND MANAGEMENT PROCESSES</b>																									
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y															
	b. Has the policy been approved by the Board? (Yes/No)	YES																							
	c. Web Link of the Policies, if available	<a href="https://www.barbequenation.com/corporate-governance-policies">https://www.barbequenation.com/corporate-governance-policies</a>																							
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y															
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	N	Y	N	N	N	N	N	N	N															
4.	Name of the national and international codes/certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All the Policies have been adopted in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder, SEBI Listing Regulations, the National Guidelines on Responsible Business Conduct, 2019 released by the Ministry of Corporate Affairs and other applicable laws.																							
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Our strategies, business model and operations are based on environment protection, employees and customers safety.																							
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	NA																							
<b>GOVERNANCE, LEADERSHIP AND OVERSIGHT</b>																									
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	The message from our Managing Director has been included at the beginning of this report.																							
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Implementation and oversight of the Business Responsibility Policies and the decision making on sustainability related issues is the responsibility of the Corporate Social Responsibility and Sustainability Committee of the Board of Directors, which comprises of following members as on March 31, 2023:																							
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<table border="1"> <thead> <tr> <th>Name of Director</th> <th>Category of Directorship</th> <th>Chairperson/ Member</th> </tr> </thead> <tbody> <tr> <td>Mr. T N Unni</td> <td>Non-Executive, Independent Director</td> <td>Chairman</td> </tr> <tr> <td>Mr. Abhay Chaudhari</td> <td>Non-Executive, Independent Director</td> <td>Member</td> </tr> <tr> <td>Mr. Kayum Dhanani</td> <td>Managing Director</td> <td>Member</td> </tr> <tr> <td>Mrs. Suchitra Dhanani</td> <td>Non-Executive Director</td> <td>Member</td> </tr> </tbody> </table>									Name of Director	Category of Directorship	Chairperson/ Member	Mr. T N Unni	Non-Executive, Independent Director	Chairman	Mr. Abhay Chaudhari	Non-Executive, Independent Director	Member	Mr. Kayum Dhanani	Managing Director	Member	Mrs. Suchitra Dhanani	Non-Executive Director	Member
Name of Director	Category of Directorship	Chairperson/ Member																							
Mr. T N Unni	Non-Executive, Independent Director	Chairman																							
Mr. Abhay Chaudhari	Non-Executive, Independent Director	Member																							
Mr. Kayum Dhanani	Managing Director	Member																							
Mrs. Suchitra Dhanani	Non-Executive Director	Member																							
10.	<b>Details of Review of NGRBCs by the Company:</b>																								
	<b>Subject for Review</b>	<b>Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee</b>					<b>Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)</b>																		
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9						
	Performance against above policies and follow up action	The review has been done by Corporate Social Responsibility and Sustainability Committee and Chief Executive Officer.					The frequency of the review is Annual with Corporate Social Responsibility and Sustainability Committee and Quarterly with Chief Executive Officer.																		
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Compliance with the laws of the land is the first step in responsible business conduct. The compliance review with all the statutory requirements of relevance to the principles of National Guidelines on Responsible Business Conduct has been done by the respective committees of the Board.																							
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. <b>No. The assessment / evaluation of the working of its policies is being done internally as part of the business operating policies and procedures.</b>																								
12.	If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:																								
	<b>Questions</b>	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9															
	The entity does not consider the Principles material to its business (Yes/No)																								
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)																								
	The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-----Not Applicable -----																							
	It is planned to be done in the next financial year (Yes/No)																								
	Any other reason (please specify)																								

## SECTION C : Principle wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership.” While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

### PRINCIPLE 1:

#### Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

We are following and adhering to best governance practices to ensure a robust value system of integrity, fairness, transparency, accountability, and adoption of the highest standards of business ethics that will benefit all stakeholders.

We have laid down appropriate structures, policies, and procedures to promote this principle and ensure that contravention is prevented and timely action is taken against any transgressions.

#### Essential Indicators

##### 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

We have introduced an online Learning Management System (LMS), by mapping the learning curve of every individual to inculcate the culture of continuous learning and growth in our people.

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
<b>Board of Directors</b>	<b>1</b>	<b>All Principles</b>	<b>100%</b>
Key Managerial Personnel	1	All Principles	100%
Employees other than BoD and KMPs	8,608	Employees have been given training on Principle 1 and other Principles as applicable to their respective functional area	100%

##### 2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format. (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

No fines / penalties /punishment/ award/ compounding fees/ settlement amount has been paid by the company considering the materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015.

##### 3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
<b>Not Applicable</b>	

##### 4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Code of Conduct for Board of Directors & Senior Management and Code of Conduct for Employees covers the concerns regarding anti-corruption or anti-bribery. The said Code of Conduct is available on the website of the Company at <https://www.barbequenation.com/corporate-governance-policies>.

##### 5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

No disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption against any of the Directors/ KMPs/employees.

##### 6. Details of complaints with regard to conflict of interest:

No complaint was received with regard to conflict of interest of the Directors, KMPs or any other employee.

##### 7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

**PRINCIPLE 2:****Businesses should provide goods and services in a manner that is sustainable and safe**

We are engaged in secure practices around procurement of food ingredients and cater to expectations around dietary preferences and healthy eating choices. Sustainable sourcing has become an important ESG strategy for us as we aim towards creating value to our stakeholders and preserve our natural resources. We are focusing on procuring raw materials from certified sources such as obtaining seafood and meat from organisations which are certified for BAP/HACCP and other quality and sustainability certifications.

During the year, Hygiene audits were conducted for all our operational restaurants by an external agency, Cotecna Inspection India Pvt. Ltd. All our operational outlets scored more than the minimum prescribed score.

We would be continuously increasing our efforts on this front and are committed to contribute positively towards providing sustainable and safe goods and services to our stakeholders.

**Essential Indicators****1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Segment	Current Financial Year 2022-23	Previous Financial Year 2021-22	Details of improvements in environmental and social impacts
R & D	Not Applicable	-	-

During the financial year 2022-23, the following eco-friendly measures have been incorporated in all new restaurants opened during the year with a capex of Rs.39.35 million.

- Smoke eliminators have been installed to reduce Carbon level inside the outlets in addition to air scrubbers that cleans the air before releasing it in the environment.
- Grease traps in conjunction with ETP/STPs ensures efficient and effective wastewater treatment before discharging.
- IOT Based Electricity management: Use of Variable Frequency Device (VFD) panels that automatically detects power requirements and adjust all equipment operations to save power

**2. a. Does the entity have procedures in place for sustainable sourcing?**

Yes. The Company has procedure in place for sustainable sourcing.

**b. If yes, what percentage of inputs were sourced sustainably?**

Sustainable sourcing is an important part of our sustainability framework. To achieve our sustainability goals, we have started the journey towards sustainable sourcing. The focus areas for sustainability sourcing are reduction in ingredients having artificial preservatives, colors and taste enhancers. We are increasingly procuring seafood and meat from organisations which are certified for BAP/ HACCP and other quality and sustainability certifications. We acknowledge that long-term sustainable development of our suppliers is critical to our joint success and we value our relationship with suppliers who share the same approach and vision towards doing business. We have increased our procurement directly from MSME and SHG vendors.

- Currently 70% of the Prawns are sourced from BAP compliant facilities and 2-Star farms.
- Basa Fish used in operations is HACCP certified.
- More than 80% of the chicken products are sourced from standard processors who are certified for food safety.
- All cleaning chemicals are bio degradable and food safe.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Not Applicable considering the nature of the business.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

EPR is not applicable considering the nature of the business.

**PRINCIPLE 3:****Businesses should respect and promote the well-being of all employees, including those in their value chains**

Our employees are our true asset and brand ambassadors. This is reflected in our structured and friendly initiatives and policies that help deliver seamless brand and culture experience, right from the hiring stage to throughout the employee's tenure. We have recognized that diversifying and building scale with the right management has become foundational for our future growth.

As part of our initiative to provide a safe and respectful working places we participate in the 'Great Place to Work' initiative. The recognition from the 'Great Place to Work' Institute is a vindication of our employee-centric culture and robust HR best practices. The recognition which has been bestowed upon us include India's Best Companies to Work for in 2022 – 7th rank, Best Large Workplaces in Asia 2022-13th rank, Top 10 in India's Best Workplaces in Retail 2022. Also, we are the only company from food services segment to feature in this list.

To inculcate the culture of continuous learning and growth in our people, we introduced an online Learning Management System (LMS), with the learning curve of each individual mapped through this platform.

Our comprehensive EHS Policy portrays our commitment to safe and healthy working environment and practices. We have several grievance redressal mechanisms in place such as Employee helpdesk, Employee Happiness Index, Open house, Voice of Employee and SKIP session to ensure our employees feel safe and secure and any grievances are redressed in a fair and timely manner.

**Essential Indicators****1. a. Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	8,114	8,114	100%	8,114	100%	NA	NA	8,114	100%	-	-
Female	500	500	100%	500	100%	500	100%	NA	NA	-	-
<b>Total</b>	<b>8,614</b>	<b>8,614</b>	<b>100%</b>	<b>8,614</b>	<b>100%</b>	<b>500</b>	<b>100%</b>	<b>8,114</b>	<b>100%</b>	-	-
<b>Other than Permanent employees</b>											
Male	423	-	-	-	-	-	-	-	-	-	-
Female	0	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>423</b>	-	-	-	-	-	-	-	-	-	-

**b. Details of measures for the well-being of workers:**

Not Applicable

**2. Details of retirement benefits, for Current FY and Previous Financial Year:**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total Employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
ESI	54%	NA	Y	49%	NA	Y
Other (please specify)	NA					

### 3. Accessibility of workplaces:

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. The offices and the outlets are accessible with elevators and ramps for persons with disabilities.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The Company has adopted equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016.

### 5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent Employees	
	Return to work rate	Retention rate
Male	100%	17%
Female	100%	100%
<b>Total</b>	<b>100%</b>	<b>57%</b>

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable
Other than Permanent Workers	
Permanent Employees	<p><b>Employee Helpdesk:</b> All employees in the organization can raise their day-to-day grievances to the centralized HR Shared Services (HRSS) team through mobile app. Centralized HRSS team ensures to resolve their grievances within 24 Hours.</p> <p><b>Employee Happiness Index:</b> We as an organization always believe that a happy employee makes our customer happy. To ensure our employees are happy we conduct a quarterly survey to understand how much our employees are happy &amp; satisfied. A questionnaire is designed to share employees' feedback on various aspects of their work life, Organization Culture &amp; Physical amenities. Findings of the survey with areas of improvements shared with respective Business Manager and Cluster Manager to resolve. The survey score also impacts the Balance Score Card of respective employees.</p> <p><b>Open House:</b> Every month respective HRBP (Human Resource Business Partner) visits to outlets and conduct Open House Session with all employees working in the outlet. All employees share their specific grievances with HRBP.</p> <p><b>Voice of Employee (VOE):</b> An employee can directly report any illegal, unethical behavior and misconduct or fraudulent activities in the company to the Audit Committee, which investigates the reported complaint and take appropriate actions.</p> <p><b>SKIP Session:</b> On Periodical basis, Respective Cluster Manager conducts SKIP session with outlet employees to understand and resolve any specific issues.</p>
Other than Permanent Employees	

### 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

There are no employee association(s) or unions recognized by the company.

### 8. Details of training given to employees and workers:

We invest in the personal and professional development of our people, evident in the multiple training and growth programs we offer our employees across all levels and groups. We create a responsible workplace by attracting and retaining diverse talent.

In FY 2021-22, we introduced an online Learning Management System (LMS) where we offer courses to all our employees to enhance their competence level – from entry-level to outlet leadership. It includes a structured set of learning activities with certifications on technical competencies required for different roles. Further, LMS also provides a platform where each individual can have access to e-learning modules in order to grow and enhance their competence levels. We launched courses for everyone, from entry-level employees to outlet leadership through LMS. We also looped in digital learning content development partners to develop video-based training modules so that understanding could be improved amongst frontline employees.

Moreover, we have launched the Barbeque Nation Leadership Academy at Delhi and Kolkata to identify potential leaders and transform them to take up future roles. The Academy outlines a transparent career growth path, chalking learning and competency requirements for promotions and organization-supported development processes. Around 1,500 high-potential employees were promoted last year in various roles.

Category	FY 2022-23					FY 2021-22				
	Total (A)*	On Health and safety measures		On Skill upgradation		Total (D)*	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	<b>8,537</b>	8537	100%	8,537	100%	<b>7,913</b>	7,913	100%	7,913	100%
Female	<b>500</b>	500	100%	500	100%	<b>280</b>	280	100%	280	100%
Total	<b>9,037</b>	9037	100%	9,037	100%	<b>8,193</b>	8,193	100%	8,193	100%

\*including permanent and non-permanent employees

#### 9. Details of performance and Career development reviews of employees:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	<b>8,114</b>	8,114	100%	<b>7,913</b>	7,913	100%
Female	<b>500</b>	500	100%	<b>280</b>	280	100%
Total	<b>8,614</b>	8,614	100%	<b>8,193</b>	8,193	100%

#### 10. Health and safety management system:

##### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, we are committed to providing and maintaining a safe and healthy working environment by developing and maintaining a health and safety management system. We have an EHS policy (Environment, Health and Safety policy) in place that provides guidance and control measures to ensure the Health & Safety of all Employees, Visitors, Vendors, Customers and Contractors etc. in the Barbeque Nation Environment. The Policy is intended to ensure that the activities of employees do not put Health and Safety of themselves and others at risk. The aim of the well implemented health and safety management system are as follows:

- Comply with all Health & Safety Legislation, Regulations, Codes of Practice and Guidance Notes.
- Provide and maintain safe and healthy working conditions for all our employees and all others who work on our behalf.
- Identify risks and where they cannot be eliminated, control them to an acceptable level.
- Value the efforts of all employees in the field of Health & Safety equally with their other contributions to the business.
- Require every employee, and others who work on our behalf, to exercise personal responsibility in preventing harm to themselves and others.
- Actively work to prevent all workplace accidents and near miss incidents.
- Encourage the open reporting of all accident and near miss incidents and their investigation to facilitate the prevention of recurrence.
- Provide such information, instruction and training as needed to enable employees to co-operate fully with us in achieving compliance with the policy.
- Routinely monitor and review EHS performance to achieve continuous improvement.
- Set Health & Safety targets and maintain an improvement plan to address areas where management has indicated an improvement is necessary.

The occupational health and safety coverage management system are in place across all the outlets and offices. The Cluster Managers are entrusted with the responsibility of implementing the EHS Standards at all our Outlets and they are assisted by the entire Outlet team to ensure that the EHS practices are properly implemented at site. The Cluster Managers reviews the EHS status at least once in a month and records the proceedings.

The responsibility of the Business Manager implementing the EHS Standard at outlet is:

- Developing a "Safe Work Culture"
- Induction of New Joiners on Health and Safety Practices



- Organize meetings /trainings /awareness spreading
- Ensure effective EHS Inspection, rules, procedure, and discipline and implement Permit System.
- Create continuous awareness through motivational talk, Safety meetings and safety slogans.
- Ensure effective housekeeping
- Maintain EHS records for all statutory compliance.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**  
EHS policy provides for the processes to identify work-related hazards and assess risks on a routine and non-routine basis.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

Yes, the employees can report the work-related hazards to the Business Manager and they are trained to remove themselves from risks.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?**

Yes, all the employees are covered under accident insurance, health insurance and ESI as applicable to them.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.11	1.20
Total recordable work-related injuries	Employees	19	18
No. of fatalities	Employees	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

A robust EHS management system with assigned roles and responsibilities is established to ensure the systems are well executed on ground. PoSH (Prevention of Sexual Harassment) Policy is in place to promote a healthy work environment that is free from harassment of all kinds and to ensure all employees are protected at workplace from sexual harassment. A Grievance redressal mechanism under the PoSH policy provides for an effective complaint and redressal mechanism for any cases of harassment including sexual harassment. The grievance redressal mechanism for all kind of concerns have been explained given in point no. 6 of this principle.

**13. Number of Complaints on the following made by employees and workers:**

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	4	0	All the complaints have been resolved during the year	2	0	All the complaints have been resolved during the year
Health & Safety	-	-	-	-	-	-

**14. Assessments for the year:**

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	All our outlets and offices were assessed for health, safety and working condition as part of the business operating processes as per the EHS Policy, apart from the statutory assessments done by FSSAI, Fire Services etc. Also we have an Internal Audit team which reviews all our outlets and offices on a monthly basis on various parameters.
Working Conditions	

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

No corrective action was necessitated for the above mentioned indicators during the financial year.

We undertake numerous initiatives to ensure the safety and security of our patrons and employees. We conduct regular audits and safety checks to ensure smooth and safe running of our operations. Our staff is given regular fire safety and emergency evacuation training to deal with any kind of emergency where they would need to safely evacuate large numbers of people with varying abilities.

**PRINCIPLE 4:****Businesses should respect the interests of and be responsive to all its stakeholders**

As guardians of stakeholders' trust, our Board is responsible for strategic stewardship that helps in advancing value creation for all our stakeholders. We are a responsible corporate citizen and are mindful of our operational practices, focusing on eliminating any negative impact on our stakeholders and the environment in general.

**Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity:**

Stakeholders are individuals or groups that have interests that are affected or could be affected by an organization's activities. The internal and external groups of key stakeholders have been identified on the basis of their immediate impact on the operations and working of the company and where the business can have the greatest impact.

Barbeque-Nation Hospitality Limited recognizes existing and potential customers, employees, shareholders, investors, regulatory authorities, media, and community as its stakeholders.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	N	Customer Feedback/Guest Satisfaction Index (GSI) for each outlet, BBQ loyalty program (SMILES), Website, Social Media Platforms	Ongoing	Customer Satisfaction, Safety & Security
Employees	N	Notice Boards, Website, Employee Survey feedback, Annual Performance Review, Meetings, Trainings, Town hall	Ongoing	Working condition, Employee performance, Employee Satisfaction
Shareholders and Investors	N	AGM, Investor meets, Investor Grievance redressal mechanism, Stock Exchange Intimations, Annual Reports	Ongoing	Apprise on Business Strategies and Performance
Government and Regulatory Authorities	N	Regulatory Filings	Ongoing	Legal Compliance
Media	N	Press Releases, Social Media Platforms, Media interactions	Ongoing	Information dissemination, communicating company's perspective
Community	Y, Underprivileged communities (particularly Children at Risk) around its business locations;	Corporate Social responsibility initiatives	Ongoing	Social welfare

## PRINCIPLE 5: Businesses should respect and promote human rights

### Essential Indicators

We are committed to ensure that we protect the Human Rights of all stakeholders impacted by our business especially our employees and people who are vulnerable and marginalized. We have in place Anti-Sexual Harassment Policy and Equal Opportunity Policy as well as access to various grievance redressal mechanisms to address grievances related to human rights issues.

#### 1. Employees who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

PoSH (Prevention of Sexual Harassment) Training has been carried out to create awareness on the PoSH Policy as well as Grievance redressal mechanism available to all employees. The details of employees trained is provided below.

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Permanent	8,614	8,614	100%	8,193	8,193	100%
Other than Permanent	423	423	100%	-	-	-
<b>Total Employees</b>	<b>9,037</b>	<b>9,037</b>	<b>100%</b>	<b>8,193</b>	<b>8,193</b>	<b>100%</b>

#### 2. Details of minimum wages paid to employees, in the following format:

Category	FY 2022-23				FY 2021-22					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Permanent</b>										
Male	8,114	-	-	8,114	100%	7,913	-	-	7,913	100%
Female	500	-	-	500	100%	280	-	-	280	100%
<b>Other than Permanent</b>										
Male	423	-	-	423	100%	0	-	-	-	-
Female	0	-	-	0		0	-	-	-	-

#### 3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Rs. in million)	Number	Median remuneration/ salary/ wages of respective category (Rs. in million)
Board of Directors (BoD)*	6	21.01	2	-
Key Managerial Personnel*	1	6.78	1	1.74
Employees other than BoD and KMP	7,172#	0.24	323#	0.21
Workers	NA	NA	NA	NA

\*Managing Director and Whole Time Director are not included in the Key Managerial Personnel for median remuneration workings, but are included in the Board of Directors.

The Company is not paying any remuneration to Managing Director and Non-Executive Directors except the sitting fee to the Independent Directors for attending the Board & Committee meetings.

#Excludes trainees.

4. *Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)*

Yes. The Chief People Officer is the focal point for addressing human rights impacts or issues caused or contributed to by the business

5. *Describe the internal mechanisms in place to redress grievances related to human rights issues.*

POSH Committee has been set up to redress complaints received regarding sexual harassment. With respect to other human rights issues, complaints can be filed directly with Chief People Officer and complaints will be resolved accordingly.

6. *Number of Complaints on the following made by employees and workers:*

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	0	All the complaints have been resolved during the year itself	3	0	All the complaints have been resolved during the year itself
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. *Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:*

The Whistle Blower Policy, Sexual harassment Policy provides the mechanism to prevent adverse consequences and provide adequate safeguard against victimization of the complainant in discrimination and harassment cases.

8. *Do human rights requirements form part of your business agreements and contracts*

Yes. The Sustainable Sourcing Policy of the Company provides for safeguarding and protecting basic human rights requirement by its suppliers and business partners.

9. *Assessments for the year:*

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

All the assessments have been done by the entity during the course of operations of business and according to the applicable laws and EHS policy of the organization.

10. *Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.*

Not Applicable

**PRINCIPLE 6:****Businesses should respect and make efforts to protect and restore the environment**

We have implemented various measures to reduce the impact of our business on the environment by adopting appropriate energy conservation measures, waste management protocols, across all our restaurants and office premises.

We have regular training program for our employees on waste segregation, and disposal of hazardous wastes such as used oil and batteries in a responsible manner through authorized vendors.

**Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total electricity consumption (A)	GJ	1,33,445	80,773
Total fuel consumption (B)	GJ	1,89,257	1,41,400
Energy consumption through other sources (C)	-	-	-
<b>Total energy consumption (A+B+C)</b>	<b>GJ</b>	<b>3,22,702</b>	<b>2,22,173</b>
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	GJ / INR cores	300.5	291.9
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:  
No independent assessment/ evaluation/assurance has been carried out by an external agency.

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

The operations of the company are not covered under the Performance, Achieve and Trade (PAT) Scheme of the Government of India

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	-	-
(ii) Groundwater	3,66,406	2,00,238
(iii) Third party water*	3,77,974	4,16,054
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	7,44,380	6,16,292
Total volume of water consumption (in kiloliters)	7,44,380	6,16,292
Water intensity per rupee of turnover (KL Water consumed / turnover in INR crores)	693.2	809.7
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

\*Municipal Water Supply.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:  
No independent assessment/ evaluation/assurance has been carried out by an external agency.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not Applicable

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	mg/Nm <sup>3</sup>	21.9	-
Sox	mg/Nm <sup>3</sup>	36.9	-
Particulate matter (PM)	mg/Nm <sup>3</sup>	42	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No independent assessment/ evaluation/assurance has been carried out by an external agency.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	6,755*	5,629*
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	30,025	17,725
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	<b>Metric tonnes of CO<sub>2</sub> equivalent / Turnover in INR Crores</b>	<b>34.3</b>	<b>30.7</b>
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

\*In addition to the above scope 1, the biogenic emission (Charcoal / Briquette) is: 17,135 T CO<sub>2</sub>e (In 2022-23) & 12,676 T CO<sub>2</sub>e (In 2021-22)

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

We are prudently adopting and implementing appropriate energy conservation measures at every possible step. It has been working efficiently to conserve energy used across all its restaurants and office premises.

The major steps taken by the Company towards conservation of energy and reducing Green House Gas emissions are as follows:

- 35% to 40% of the total energy consumption is through renewable sources (Charcoal and Briquettes)
- The Company is using LED lighting system to ensure that consumption of energy is at minimal levels in operations.
- We have installed IOT Based Electricity management wherein all new outlets have Variable Frequency Device (VFD) panels that automatically detects power requirements and adjust all equipment's in operation to save power.
- The Company is in the process of implementing energy management system for AC units and refrigerators to monitor energy usage.
- Use of Briquette Coal as it has lower carbon emission as compared to wood charcoal.
- Replaced single-use plastic bottles with glass bottles across 150+ outlets resulting in expected annual plastic waste reduction of ~100 tonnes.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	-	-
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste: Used Oil (G)	2.46	2.00
Other Non-hazardous waste generated (H). Please specify, if any.	1.04	0.81
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>3.50</b>	<b>2.81</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
Category of waste		
(i) Recycled*	3.50	2.81
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total</b>	<b>3.50</b>	<b>2.81</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

\*All Material sent to recyclers / Composters through authorized collectors.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No independent assessment/ evaluation/assurance has been carried out by an external agency.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Waste segregation is a mandatory process followed in all outlets for wet waste and dry waste. Waste segregation is part of the regular employee training programs. All the wastes are sent for recycling through authorized collectors. E-Waste - We are reusing all physical assets and at the end of life, E-waste is given to authorized recyclers / collectors. Batteries and Used oil generated are disposed of through authorized vendors.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

None of our restaurants/outlets are located in/around ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the entity is compliant with the applicable environmental law/ regulations/ guidelines in India.

**PRINCIPLE 7:**

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.

2

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	National Restaurant Association of India (NRAI)	National
2	Retail Association of India (RAI)	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Not applicable as no adverse orders from regulatory authorities has been received during the year.

**PRINCIPLE 8:**

Businesses should promote inclusive growth and equitable development

We promote inclusive growth and equitable development among all our stakeholders. We have strengthened how we serve our team members by investing in their success, providing pathways for career enhancement and growth, and ensuring an inclusive and diverse culture where everyone can earn a productive and respectable livelihood. We are proud to be a largescale employer contributing to generating local jobs in the communities we operate in. As we continue to grow, we prioritise our inclusion and diversity efforts that lead to innovation of thought, helps fuel our growth as a Company and creates a great place to work for our team members.

Our Corporate Social Responsibility Policy and Equal opportunity policy outlines our commitment to promote inclusive growth and equitable development. As part of our engagement with the community and particularly the vulnerable and marginalized people surrounding our operations, we have invited children from neighboring NGOs to celebrate the launch of new outlets and have given them gift hampers. We continue to strive and create a positive impact on all our stakeholders for long-term sustainability.

**Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Social Impact Assessments (SIA) of projects was not applicable to the company.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

There was no project involving R&R during the FY 2021-22 or 2022-23.

3. Describe the mechanisms to receive and redress grievances of the community:

There are several mechanisms in place to receive grievances from the community such as e-mail ID, Website, Customer help-line/ Toll-free number and Barbeque Nation App and redressed accordingly.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	10.0%	9.7%
Sourced directly from within the district and neighbouring districts	22.0%	Not Available



**PRINCIPLE 9:****Businesses should engage with and provide value to their consumers in a responsible manner**

We are an organization that constantly endeavors to ensure our customers are highly engaged and delighted through our operational excellence. We are committed to provide experiences that exceed customer expectations and enhances the level of trust we build with the customers and communities. Our well-trained team members and their spirit of service to provide our guests with the best quality experiences makes all the difference at Barbeque Nation.

We have various mechanisms in place to receive and respond to consumer complaints and feedback thus fostering continual improvement and creating value for our customers.

**Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:**

The various mechanisms are in place to receive and respond to consumer complaints and feedback are Customer helpline number/ Toll-free number, Website, Guest Satisfaction Index wherein 20% of the guests who visit the restaurant/outlet are contacted on a daily basis for their feedback. The actionable points received from feedbacks are uploaded on outlet manager's dashboard for implementation and continual improvement.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	<b>As a percentage to total turnover</b>
Environmental and social parameters relevant to the product	4.1%
Safe and responsible usage	4.5%
Recycling and/or safe disposal	8.0%

**3. Number of consumer complaints in respect of the following:**

The Company is committed to provide products and services that exceed customer expectations and enhance the level of business profitability. We consistently strive forth to ensure higher customer satisfaction

	<b>FY 2022-23</b>			<b>FY 2021-22</b>		
	Number of complaints received during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints received during the year	Number of complaints pending resolution at close of the year	Remarks
Data Privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber Security*	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Others	2,838	-	-	3,247	-	-

\*IT Security incident had occurred in the IT system of the Company on March 31, 2023. CERT-In empaneled cyber security expert was appointed to investigate the incident. Based on their report it was confirmed that no data exfiltration happened during the incident.

*4. Details of instances of product recalls on account of safety issues:*

We take great efforts to serve the food with best quality ingredients and the best of the preparation methods. We have had no such instances of product recall during the year.

*5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.*

The following initiatives have been taken to ensure cyber security and customer's data privacy:

- Regular upgradation of both network infra and applications carried out regularly based on requirements, e.g., Recently we have upgraded the server of Nutanix (which represents latest server technology) and ERP.
- Cloud components (AWS, Azure) are used to ensure that we are on latest tech stack.
- From vulnerability risk perspective:
  - Firewalls are kept updated.
  - Anti-virus software (Trend Micro) has been deployed, with two-layer protection (gateway & endpoint).
  - Internal data movement for the entire organization is on SD-WAN technology.
  - Planned for Vulnerability Assessment and Penetration Testing (VAPT) by external agency.
- Data protection and disaster recovery solution with Veeam Backup & Replication, which builds image-level backups of virtual, physical and cloud machines and restore from them.

*6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:*

Nil. The Company endeavors to take corrective actions, wherever necessary.

# STANDALONE FINANCIAL STATEMENTS

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**Barbeque-Nation Hospitality Limited**

Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of BARBEQUE-NATION HOSPITALITY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (together referred as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl.No	Key Audit Matter	Response to Key Audit Matter
1.	<p><b>Impairment of investments in Red Apple Kitchen Consultancy Private Limited</b></p> <p>Refer note 7 of the standalone financial statements.</p> <p>In the standalone financial statements of the Company, the gross carrying value of investments in Red Apple Kitchen Consultancy Private Limited, a subsidiary of the Company, is Rs. 979.41 million as on March 31, 2023, against which a provision of Rs. 271 million recognised.</p> <p>Determination of the carrying value of the investment in the subsidiary is a key audit matter as the determination of recoverable value and/ or impairment involves significant management estimates and judgement and have been derived from discounted forecast cash flow models of the underlying assets of such subsidiary. These models use several key assumptions, of which the assumptions with highest degree of estimation, subjectivity and impact on value in use, are forecasted sales volumes and revenues, and the weighted average cost of capital (discount rate).</p> <p>The aforesaid impairment testing was significant to our audit, because of the significance of the carrying value of the investment and involvement of significant judgement, estimates and assumptions as aforesaid.</p>	<p><b>Principal audit procedures performed:</b></p> <ul style="list-style-type: none"> <li>Tested the design and operating effectiveness of the Company's controls around the impairment testing of the investment.</li> <li>Understood the key assumptions considered in the management's estimates of future cash flows related to forecasted revenue and discount rate.</li> <li>Involved our internal valuation specialist to assist in evaluating the discount rate applied, which included benchmarking the weighted average cost of capital with sector averages for the relevant markets in which the CGU operates and considering Company specific factors.</li> <li>Evaluated the reasonable of Management projections for forecasted revenue by comparing the historical cash flows including cashflows subsequent to reporting date with the past projections of the management for the same periods.</li> <li>Performed sensitivity analysis on the key assumptions of revenue growth during the forecast period and the discount rate applied to the future cash flows. We ascertained the extent to which a change in these assumptions, both individually or in aggregate, would result in impairment, and considered the likelihood of such events occurring.</li> </ul>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to Board's report and Corporate Governance report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

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

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

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate

the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for keeping backup on daily basis of such books of account maintained in electronic mode, in a server physically located in India (refer Note 35 to the financial statements).
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.

- g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in note 37 of its standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 48 to the standalone financial statements, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 48 to the standalone financial statements, no funds have

- been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
Firm’s Registration No. 008072S

**Sathya P Koushik**  
Partner  
(Membership No. 206920)  
UDIN: 23206920BGYMEV4308

Place : Bengaluru  
Date : May 27, 2023

# ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

## Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of **BARBEQUE-NATION HOSPITALITY LIMITED (“the Company”)** as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included

obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to standalone financial statements.

### Meaning of Internal Financial Controls with reference to standalone financial statements

A company’s internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference

to standalone financial statements and such internal financial controls with respect to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Bengaluru  
Date : May 27, 2023

For **Deloitte Haskins & Sells**  
Chartered Accountants  
Firm's Registration No. 008072S

**Sathya P Koushik**  
Partner  
(Membership No. 206920)  
UDIN: 23206920BGYMEV4308



## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Some of the Property, Plant and Equipment, capital work-in-progress and right-of-use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) The Company do not have any immovable properties of freehold land. In respect of immovable properties of buildings that have been taken on lease and disclosed as right of use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (d) The Company has not revalued its Property, plant and equipment including Right of use asset and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. Based on the information and explanations given to us, there are no quarterly returns or statements filed by the Company with such banks.
- (iii) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:
  - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(a) of the Order is not applicable.
  - (b) The investments made, , during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - (c) The Company has granted loans or provided advances in the nature of loan are payable on demand. During the year the Company has not demanded such loan or advances in the nature of loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause (iii)(f) below)
  - (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
  - (e) None of the loans or advances in the nature of loans granted by the Company have fallen due during the year.
  - (f) The Company has granted Loans or advances in the nature of loans which are repayable on demand or without specifying any terms or period of repayment details of which are given below:

(Rs. in million)

Particulars	All Parties*	Promoters*	Related Parties*
<b>Aggregate of loans/ advances in nature of loans –</b>			
Repayable on demand (A)	961.25	-	961.25
Agreement does not specify any terms or period of repayment (B)	-	-	-
<b>Total (A+B)</b>	<b>961.25</b>	<b>-</b>	<b>961.25</b>
<b>Percentage of loans/ advances in nature of loans to the total loans</b>	<b>100%</b>	<b>-</b>	<b>100%</b>

\*The amounts reported are at gross amounts, without considering provisions made.

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:

- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Services Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) Details of dues of Income-tax, Value Added Tax and Provident Fund which have not been deposited as on March 31, 2023 on account of disputes are given below:

(Rs. in million)

Name of Statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount involved	Amount unpaid
Punjab Value Added Tax Act, 2005	Value Added Tax	Commercial Tax Officer, Chandigarh	2011-2015	4.26	3.02
Maharashtra Value Added Tax, 2002	Value Added Tax	Commercial Tax Officer, Maharashtra	2011-2014	0.46	0.29
Gujarat Value Added Tax Act, 2005	Value Added Tax	Commercial Tax Officer, Gujarat	January 2013 to December 2017	7.53	5.19
Delhi Value Added Tax Act, 2005	Value Added Tax	Commercial Tax Officer, Delhi	2014-16	2.67	2.48
Rajasthan Value Added Tax Act, 2003	Value Added Tax	Commercial Tax Officer, Rajasthan	2014-16	0.63	0.00
Tamilnadu Value Added Tax Act, 2006	Value Added Tax	Commercial Tax Officer, Tamilnadu	2016-17	155.41	155.41
Goa Value Added Tax Act 2005	Value Added Tax	Commercial Tax Department Goa	2017-18	0.03	0.02
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	2011-18	165.80	140.22
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	2016-17	266.07	266.07*
EPFO Bengaluru	Provident Fund Act	Provident Fund Officer	2020-21	3.61	3.61

\*Represents the disputed due relating to subsidiary disposed off during the FY 2018-19.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements, the Company has not raised funds on short-term basis during the year and hence, reporting under clause (ix)(d) of the Order is not applicable.

- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-Section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 31, 2022 and the draft of the internal audit reports were issued after the balance sheet date covering the period January 01, 2023 to March 31, 2023 for the period under audit.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors, subsidiary company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b), (c) not applicable.
- The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
Firm's Registration No. 008072S

**Sathya P Koushik**  
Partner

Place : Bengaluru  
Date : May 27, 2023

(Membership No. 206920)  
UDIN: 23206920BGYMEV4308

# Standalone Balance Sheet

as at 31 March 2023

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

Particulars	Note	As at	
		31 March 2023	31 March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4(a)	3,421.88	2,747.67
Right-of-use assets	5	5,179.41	4,442.12
Capital work-in-progress	4(c)	188.91	183.13
Goodwill	6	189.66	189.66
Other Intangible assets	4(b)	46.93	44.70
<b>Financial Assets</b>			
Investments	7	708.41	579.25
Loans	8	503.24	503.24
Other financial assets	9	358.40	342.05
Deferred tax assets (net)	36	496.21	529.87
Other non-current assets	10	53.09	48.02
<b>Total Non-current assets [A]</b>		<b>11,146.14</b>	<b>9,609.71</b>
<b>Current assets</b>			
Inventories	11	390.98	330.42
<b>Financial assets</b>			
Trade receivables	12	68.32	62.19
Cash and cash equivalents	13	180.10	628.11
Other financial assets	14	30.57	40.62
Current tax assets (net)	16	36.85	3.74
Other current assets	15	183.91	164.67
<b>Total current assets [B]</b>		<b>890.73</b>	<b>1,229.75</b>
<b>Total assets [A+B]</b>		<b>12,036.87</b>	<b>10,839.46</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	17	194.90	194.55
Other equity	19	4,095.13	3,940.28
<b>Total Equity [C]</b>		<b>4,290.03</b>	<b>4,134.83</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	20	75.43	137.51
Lease Liability	18	5,632.65	4,863.08
Provisions	21	96.86	92.82
<b>Total Non-current liabilities [D]</b>		<b>5,804.94</b>	<b>5,093.41</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	22	116.88	67.99
Lease Liability	18	544.20	491.18
Trade payables	23		
- total outstanding dues of micro enterprises and small enterprises		73.32	20.29
- total outstanding dues of creditors other than micro and small enterprises		944.04	795.42
Other financial liabilities	24	83.04	61.09
Other current liabilities	25	118.12	118.24
Provisions	26	62.30	57.01
<b>Total current liabilities [E]</b>		<b>1,941.90</b>	<b>1,611.22</b>
<b>Total liabilities [F= [D+E]]</b>		<b>7,746.84</b>	<b>6,704.63</b>
<b>Total equity and liabilities [C+F]</b>		<b>12,036.87</b>	<b>10,839.46</b>

See accompanying notes to standalone financial statements Note 1 to 51  
In terms of our report attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

For and on behalf of the Board of Directors

**Sathya P Koushik**  
Partner  
(Membership No. 206920)

**Kayum Dhanani**  
Managing Director  
DIN No: 00987597

**Rahul Agrawal**  
Chief Executive Officer & Whole Time Director  
DIN No: 07194134

**T.N Unni**  
Director  
DIN No: 00079237

**Amit V Betala**  
Chief Financial Officer

**Nagamani C Y**  
Company Secretary

Bengaluru, 27 May 2023

Bengaluru, 27 May 2023

# Standalone Statement of Profit and Loss

For the year ended 31 March 2023

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

Particulars	Note	For the year ended	
		31 March 2023	31 March 2022
<b>REVENUE</b>			
Revenue from operations	27	10,737.80	7,610.52
Other income	28	98.22	255.58
<b>Total (A)</b>		<b>10,836.02</b>	<b>7,866.10</b>
<b>Expenses</b>			
Cost of food and beverages consumed	29	3,744.17	2,791.37
Employee benefits expenses	30	2,303.99	1,646.79
Other operating expenses	31	2,844.05	2,098.30
<b>Total (B)</b>		<b>8,892.21</b>	<b>6,536.46</b>
<b>Earnings before exceptional items, finance costs, depreciation and amortisation (EBITDA) (C) = (A-B)</b>		<b>1,943.81</b>	1,329.64
Finance costs (D)	32	647.84	555.88
Depreciation and amortisation expense (E)	33	1,241.02	1,056.19
<b>Profit/ (loss) before tax and exceptional items (F) = (C-D-E)</b>		<b>54.95</b>	<b>(282.43)</b>
Exceptional items gain/ (loss) (G)	34	46.91	2.77
<b>Profit / (Loss) before tax (H) = (F+G)</b>		<b>101.86</b>	<b>(279.66)</b>
<b>Tax expense / (benefit):</b>	36		
Current tax		-	-
Deferred tax		34.71	(64.66)
<b>Net tax expense / (benefit) (I)</b>		<b>34.71</b>	<b>(64.66)</b>
<b>Net Profit / (Loss) for the year (J) = (H-I)</b>		<b>67.15</b>	<b>(215.00)</b>
<b>Other Comprehensive Income / (Losses) (K)</b>	38		
Items that will not be reclassified to Statement of profit and loss			
Remeasurements of the defined benefit plans		(4.20)	(1.14)
Income tax on the above		1.06	0.29
<b>Total comprehensive income / (Losses) for the year (J + K)</b>		<b>64.01</b>	<b>(215.85)</b>
<b>Earnings per share</b>	41		
Basic (in Rs.) (Face value of Rs.5 each)		1.72	(9.23)
Diluted (in Rs.) (Face value of Rs.5 each)		1.71	(9.23)

See accompanying notes to standalone financial statements Note 1 to 51  
In terms of our report attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

For and on behalf of the Board of Directors

**Sathya P Koushik**  
Partner  
(Membership No. 206920)

**Kayum Dhanani**  
Managing Director  
DIN No: 00987597

**Rahul Agrawal**  
Chief Executive Officer & Whole Time Director  
DIN No: 07194134

**T.N Unni**  
Director  
DIN No: 00079237

**Amit V Betal**  
Chief Financial Officer

**Nagamani C Y**  
Company Secretary

Bengaluru, 27 May 2023

Bengaluru, 27 May 2023

# Standalone Cash Flow Statement

For the year ended 31 March 2023

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

Particulars	For the year ended	
	31 March 2023	31 March 2022
<b>A. Cash flow from operating activities</b>		
<b>Profit / (loss) before tax</b>	<b>101.86</b>	<b>(279.66)</b>
Adjustments for:		
Depreciation and amortisation	1,241.02	1,056.19
Interest expense on borrowings	14.76	38.96
Interest on lease liabilities	550.29	461.21
Interest expenses on provision for asset retirement obligations	5.14	5.26
Interest income	(87.76)	(88.58)
Rent concession due to Covid 19	(1.27)	(163.00)
Expense on employee stock option scheme	76.30	41.03
Provision no longer required	(8.71)	(4.00)
Net gain relating to restaurant units closed / relocated	(78.91)	(2.77)
Provision for impairment	32.00	-
<b>Operating profit before working capital changes</b>	<b>1,844.72</b>	<b>1,064.64</b>
<b>Changes in working capital:</b>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(60.56)	(146.81)
Trade receivables	(6.13)	(16.41)
Other assets (financial & non financial)	(113.49)	(78.00)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	201.65	(476.27)
Other liabilities	(0.12)	35.30
Non-current provisions	9.61	18.02
Current provisions	0.15	(2.66)
<b>Cash generated from operations</b>	<b>1,875.83</b>	<b>397.81</b>
Net income tax (paid) / refunds	(34.15)	(24.39)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>1,841.68</b>	<b>373.42</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on property, plant and equipment, including Right-of-use assets, CWIP and capital advances	(1,262.22)	(843.68)
Proceeds from sale of property, plant and equipment	1.19	0.73
Investment in subsidiary	(129.16)	(171.82)
Loan given to subsidiary	-	(509.18)
Deposits placed for margin money	22.43	(27.60)
Interest received	97.71	56.76
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(1,270.05)</b>	<b>(1,494.79)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity shares	14.89	1,844.17
Share Application money pending allotment	-	0.65
Share issue expenses / Expenses towards offer for sale of shares	-	(138.06)
Proceeds from long-term borrowings	21.92	161.70
Repayment of long-term borrowings	(84.44)	(772.64)
Net increase / (decrease) in working capital borrowings	49.33	(218.71)
Payments of lease liabilities	(1,006.58)	(702.16)

# Standalone Cash Flow Statement

For the year ended 31 March 2023

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

Particulars	For the year ended	
	31 March 2023	31 March 2022
Liabilities towards selling shareholders (net)	-	(806.23)
Interest paid	(14.76)	(43.70)
<b>Net cash flow from / (used in ) financing activities (C)</b>	<b>(1,019.64)</b>	<b>(674.98)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(448.01)</b>	<b>(1,796.35)</b>
Cash and cash equivalents at the beginning of the year	628.11	2,424.46
<b>Cash and cash equivalents at the end of the year</b>	<b>180.10</b>	<b>628.11</b>
<b>Reconciliation of cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents as per Balance Sheet		
Cash on hand	9.56	9.49
Balances with bank	170.54	618.62
<b>Cash and cash equivalents at the end of the year</b>	<b>180.10</b>	<b>628.11</b>

See accompanying notes to standalone financial statements Note 1 to 51  
In terms of our report attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

For and on behalf of the Board of Directors

**Sathya P Koushik**  
Partner  
(Membership No. 206920)

**Kayum Dhanani**  
Managing Director  
DIN No: 00987597

**Rahul Agrawal**  
Chief Executive Officer & Whole Time Director  
DIN No: 07194134

**T.N Unni**  
Director  
DIN No: 00079237

**Amit V Betala**  
Chief Financial Officer

**Nagamani C Y**  
Company Secretary

Bengaluru, 27 May 2023

Bengaluru, 27 May 2023

# Standalone Statement of Changes in Equity

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

## (a) Equity share capital

Particulars	As at	
	31 March 2023	31 March 2022
Opening balance	194.55	169.72
Changes in equity share capital during the year		
Issue of the equity share during the year	0.35	24.83
<b>Closing balance</b>	<b>194.90</b>	<b>194.55</b>

## (b) Other equity

Particulars	Share application money pending allotment	Reserves and Surplus			Total other equity
		Securities premium	Share options outstanding account	Retained earnings	
<b>Balance as at 01 April 2021</b>	<b>994.27</b>	<b>3,096.22</b>	<b>41.69</b>	<b>(1,699.01)</b>	<b>2,433.17</b>
Profit / (Loss) for the year	-	-	-	(215.00)	(215.00)
Remeasurements of the defined benefit plans (net of tax)	-	-	-	(0.85)	(0.85)
Issue of equity shares	(994.27)	-	-	-	(994.27)
Transfer on exercise of employee stock options	-	22.59	(22.59)	-	-
Premium received on shares issued during the year	-	2,813.61	-	-	2,813.61
Share issue expenses	-	(138.06)	-	-	(138.06)
Share application money pending allotment	0.65	-	-	-	0.65
Share based compensation to employees	-	-	41.03	-	41.03
<b>Balance as at 31 March 2022</b>	<b>0.65</b>	<b>5,794.36</b>	<b>60.13</b>	<b>(1,914.86)</b>	<b>3,940.28</b>
<b>Balance as at 01 April 2022</b>	<b>0.65</b>	<b>5,794.36</b>	<b>60.13</b>	<b>(1,914.86)</b>	<b>3,940.28</b>
Profit / (Loss) for the year	-	-	-	67.15	67.15
Remeasurements of the defined benefit plans (net of tax)	-	-	-	(3.14)	(3.14)
Premium received on shares issued during the year	-	15.19	-	-	15.19
Share based compensation to employees	-	-	76.30	-	76.30
Transfer on exercise of employee stock options	(0.65)	8.14	(8.14)	-	(0.65)
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>5,817.69</b>	<b>128.29</b>	<b>(1,850.85)</b>	<b>4,095.13</b>

See accompanying notes to standalone financial statements Note 1 to 51  
In terms of our report attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

For and on behalf of the Board of Directors

**Sathya P Koushik**  
Partner  
(Membership No. 206920)

**Kayum Dhanani**  
Managing Director  
DIN No: 00987597

**Rahul Agrawal**  
Chief Executive Officer & Whole Time Director  
DIN No: 07194134

**T.N Unni**  
Director  
DIN No: 00079237

**Amit V Betala**  
Chief Financial Officer

**Nagamani C Y**  
Company Secretary

Bengaluru, 27 May 2023

Bengaluru, 27 May 2023



## Notes forming part of the Standalone financial statements

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

### 1. Corporate information

Barbeque-Nation Hospitality Limited (the 'Company') is primarily engaged in the business of operating casual dining restaurant chain in India. The registered office of the Company is situated at "Saket Callipolis", Unit No. 601 & 602, 6th Floor, Doddakannali Village, Varthur Hobli, Sarjapur Road, Bengaluru-560035.

### 2. Significant accounting policies

#### 2.1 Statement of compliance:

These financial statements have been prepared to comply in all material aspects with the 'Indian Accounting Standards' ("Ind AS") notified under section 133 of the Companies Act, 2013 (the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter, as applicable to the Company, and other relevant provisions of the Act. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### 2.2 Basis of preparation and presentation

The financial statements have been prepared in accordance with the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

#### Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer.

Revenue from sale of food and beverages is recognized at the time of underlying sale to the customer. Revenue is presented net of discounts given to the customers and any taxes collected from customers for remittance to the government. In case of discount to customers in the form of "Smiles", the value of such discount is determined based on the percentage of redemption in the past. Customer purchases of gift cards are recognized as sales upon redemption of gift card or upon expiry.

Revenue from displays and sponsorships are recognized in the period in which the products or the sponsor's advertisements are promoted/displayed.

Royalty arrangements based on sales are recognised at the time the underlying sales occur.

Government incentives are accrued for based on fulfilment of eligibility criteria for availing the incentives and when there is no uncertainty in receiving the same. These incentives include estimated realisable values/benefits from special import licenses and benefits under Serve From India Scheme.

#### 2.3 Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### 2.4 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration

## Notes forming part of the Standalone financial statements

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

transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange of control of the acquiree. Acquisition-related costs are generally recognised in Statement of profit and loss as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

### 2.5 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to the Company's cash-generating units.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss.

### 2.6 Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, Plant and Equipment comprises its purchase price net of any

trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of profit and loss.

Depreciable amount for assets is the cost of asset less its estimated residual value. Depreciation on tangible assets have been provided on the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The useful life of assets is given below:

Leasehold improvements	Amortised over the period of the lease
Furniture and fittings	10 Years
Plant & machinery	15 Years
Service equipments	10 Years
Computer equipments	3-6 Years
Vehicles	8 Years

### 2.7 Intangible assets

Acquired Intangible Assets - Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses,

## Notes forming part of the Standalone financial statements

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

on the same basis as intangible assets that are acquired separately.

Liquor licenses with perpetual term purchased for restaurant chain business:	Amortised over the lease term of the respective restaurants
Software and other licenses	3 Years
Brand name	Indefinite useful life

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Statement of profit and loss when the asset is derecognised.

### 2.8 Investments in subsidiary

Investment in subsidiaries are measured at cost less impairment.

### 2.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Cost of inventories include all costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### 2.10 Financial Instruments

#### Financial assets and financial liabilities:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

#### Initial recognition and measurement:

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

#### Subsequent measurement:

Financial assets at amortised cost: Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at fair value through other comprehensive Income: Financial assets are measured at fair value through other comprehensive income if these financial assets are held within business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss: Financial assets are measured at fair value through profit or loss unless it measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

#### Financial liabilities

Financial liabilities are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### Equity Instrument

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments

## Notes forming part of the Standalone financial statements

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

recognised by the Company are recognised at the proceeds received net off direct issue cost.

### Impairment of financial assets (other than at fair value)

The Company assesses at each date of balance sheet, whether a financial asset or a Company of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

### Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of profit and loss if such gain or loss would have otherwise been recognised in Statement of profit and loss on disposal of that financial asset.

### Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of profit and loss.

### 2.11 Share issue expense

The transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction.

### 2.12 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.13 Foreign Currency transactions and translations

The functional currency of the Company is Indian Rupee (Rs.).

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

### 2.14 Employee Benefits

#### Defined Contribution Plan

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Defined Benefit Plan

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses is recognised in other comprehensive income in the period in which they occur.

#### Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

## Notes forming part of the Standalone financial statements

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

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

### Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective

### 2.15 Share based payment transaction

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

### 2.16 Borrowing Costs

#### Borrowing costs include:

- (a) interest expense calculated using the effective interest rate method and

- (b) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in Statement of profit and loss in the period in which they are incurred.

### 2.17 Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Further, in respect of lease contracts of its outlet premises, the Company has elected not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

#### Measurement of the right-of use asset:

At the commencement date, the right-of-use asset is measured at cost and comprises:

- the amount of the initial measurement of the lease liability, to which is added, if applicable, any lease payments made at or before

## Notes forming part of the Standalone financial statements

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

- the commencement date, less any lease incentives received;
- where relevant, any initial direct costs incurred by the lessee for the conclusion of the contract. These are incremental costs which would not have been incurred if the contract had not been concluded;
- estimated costs for restoration and dismantling of the leased asset according to the terms of the contract, through a return obligation liability or provision determined as a discounted amount of the restoration and dismantling costs.

Following the initial recognition, the right-of-use asset is depreciated from the commencement date on a straight-line basis over the lease term. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

### Measurement of the lease liability

At the commencement date, the lease liability is recognized for an amount equal to the present value of the lease payments over the lease term.

### Amounts involved in the measurement of the lease liability are:

- fixed payments (including in-substance fixed payments; meaning that even if they are variable in form, they are in-substance unavoidable);
- variable lease payments that depend on an index or a rate, initially measured using the index or the rate in force at the lease commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently measured based on a process similar to the amortized cost method using the discount rate:

- the liability is increased by the accrued interests resulting from the discounting of the lease liability, at the beginning of the lease period;
- less payments made. The interest cost for the period as well as variable payments, not taken into account in the initial measurement of the lease liability and incurred over the relevant period are recognized as costs.

In addition, the lease liability may be remeasured in the following situations:

- change in the lease term,
- modification related to the assessment of the reasonably certain nature (or not) of the exercise of an option,
- remeasurement linked to the residual value guarantees,
- adjustment to the rates and indices according to which the rents are calculated when rent adjustments occur.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## 2.18 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax:** The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax:** Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects

## Notes forming part of the Standalone financial statements

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

neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

A deferred tax asset is recognised on the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

### Current and deferred tax for the period

Current and deferred tax are recognised in Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### 2.19 Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). These are reviewed at

each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

### 2.20 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

### 2.21 Earnings per share (EPS)

Basic earnings per share are computed by dividing 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 earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity

## Notes forming part of the Standalone financial statements

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

shares are determined independently for each period presented.

### 2.22 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### 2.23 Receivable discounting charges

Receivables discounting charges are recognised in Statement of profit and loss in the period in which they are incurred.

## 3 Use of estimates and judgements

In the application of the Company's accounting policies, which are described in note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

### Impairment of investments made and loans given to

### subsidiaries

The Company reviews its carrying value of investments made and loans given to subsidiaries at cost, annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

### Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives.

### Useful lives of property, plant and equipment

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

### Provision for site restoration obligations:

The Company has recognised provision for site restoration obligation associated with the stores opened. In determining the value of the provision, assumptions and estimates are made in respect of the expected cost to dismantle and remove the furniture/fixtures from the stores and the expected timing of those costs.

### Uncertain tax positions

The Company's current tax provision relates to management's assessment of the amount of tax payable on open tax positions where the liabilities remain to be agreed with relevant tax authorities. Uncertain tax items for which a provision is made relate principally to the interpretation of tax legislation applicable to arrangements entered into by the Company. Due to the uncertainty associated with such tax items, it is possible that, on conclusion of open tax matters at a future date, the final outcome may differ significantly.



## Notes forming part of the Standalone financial statements

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

### 4. Property, plant and equipment and intangible assets

Particulars	Cost			Deletions	Balance as at 31-Mar-2023	Balance as at 01-Apr-22	Accumulated depreciation/amortisation			Net Block		
	Balance as at 01-Apr-22	Additions					Depreciation / amortisation expense for the year	Provision for impairment (refer note 34)	Eliminated on disposal of assets	Balance as at 31-Mar-2023	Balance as at 31-Mar-2022	
<b>4(a) Property, plant and equipment</b>												
Lease hold improvement	1,508.11	335.29	12.82		<b>1,830.58</b>	703.23	180.75	32.00	6.62		<b>909.36</b>	<b>921.22</b>
Furniture and fixtures	1,310.69	269.33	12.11		<b>1,567.91</b>	588.68	148.08	-	5.46		<b>731.30</b>	<b>836.61</b>
Plant & machinery	1,033.65	257.83	6.37		<b>1,285.12</b>	287.34	85.34	-	2.36		<b>370.32</b>	<b>914.80</b>
Service equipment	930.67	344.28	0.61		<b>1,274.34</b>	526.53	106.15	-	0.56		<b>632.12</b>	<b>642.22</b>
Computer equipment	221.58	57.15	0.07		<b>278.66</b>	171.38	33.11	-	0.07		<b>204.42</b>	<b>74.24</b>
Vehicles	285.2	22.82	0.79		<b>50.54</b>	8.39	9.77	-	0.41		<b>17.75</b>	<b>32.79</b>
<b>Total</b>	<b>5,033.22</b>	<b>1,286.71</b>	<b>32.78</b>		<b>6,287.15</b>	<b>2,285.55</b>	<b>563.20</b>	<b>32.00</b>	<b>15.47</b>		<b>2,865.27</b>	<b>3,421.88</b>
<b>4(b) Intangible assets (others)</b>												
Liquor licenses	8.83	-	-		<b>8.83</b>	6.40	0.77	-	-		<b>7.17</b>	<b>1.66</b>
Software and licenses	58.09	6.32	-		<b>64.41</b>	44.16	4.79	-	-		<b>48.95</b>	<b>15.46</b>
Brand name	32.15	1.47	-		<b>33.62</b>	3.81	-	-	-		<b>3.81</b>	<b>29.81</b>
<b>Total</b>	<b>99.07</b>	<b>7.79</b>	<b>-</b>		<b>106.86</b>	<b>54.37</b>	<b>5.56</b>	<b>-</b>	<b>-</b>		<b>59.93</b>	<b>46.93</b>
<b>Grand Total</b>	<b>5,132.29</b>	<b>1,294.50</b>	<b>32.78</b>		<b>6,394.01</b>	<b>2,339.92</b>	<b>568.76</b>	<b>32.00</b>	<b>15.47</b>		<b>2,925.20</b>	<b>3,468.81</b>

### 4. Property, plant and equipment and intangible assets

Particulars	Cost			Deletions	Balance as at 31-Mar-2022	Balance as at 01-Apr-21	Accumulated depreciation/amortisation			Net Block		
	Balance as at 01-Apr-21	Additions					Depreciation / amortisation expense for the year	Provision for impairment (refer note 34)	Eliminated on disposal of assets	Balance as at 31-Mar-2022	Balance as at 31-Mar-2021	
<b>4(a) Property, plant and equipment</b>												
Lease hold improvement	1,387.29	186.71	65.89		<b>1,508.11</b>	613.72	152.89	-	63.38		<b>703.23</b>	<b>804.88</b>
Furniture and fixtures	1,159.86	182.51	31.68		<b>1,310.69</b>	494.99	124.34	-	30.65		<b>588.68</b>	<b>722.01</b>
Plant & machinery	900.61	146.07	13.03		<b>1,033.65</b>	233.35	64.41	-	10.42		<b>287.34</b>	<b>746.31</b>
Service equipment	821.44	133.98	24.75		<b>930.67</b>	465.63	83.81	-	22.91		<b>526.53</b>	<b>404.14</b>
Computer equipment	182.30	43.00	3.72		<b>221.58</b>	137.73	37.32	-	3.67		<b>171.38</b>	<b>50.20</b>
Vehicles	15.98	12.79	0.25		<b>28.52</b>	3.82	4.79	-	0.22		<b>8.39</b>	<b>20.13</b>
<b>Total</b>	<b>4,467.48</b>	<b>705.06</b>	<b>139.32</b>		<b>5,033.22</b>	<b>1,949.24</b>	<b>467.56</b>	<b>-</b>	<b>131.25</b>		<b>2,285.55</b>	<b>2,747.67</b>
<b>4(b) Intangible assets (others)</b>												
Liquor licenses	8.23	0.60	-		<b>8.83</b>	6.20	0.20	-	-		<b>6.40</b>	<b>2.43</b>
Software and licenses	56.68	1.42	0.02		<b>58.09</b>	34.91	9.27	-	0.02		<b>44.16</b>	<b>13.93</b>
Brand name	29.93	2.22	-		<b>32.15</b>	1.59	2.22	-	-		<b>3.81</b>	<b>28.34</b>
<b>Total</b>	<b>94.84</b>	<b>4.24</b>	<b>0.02</b>		<b>99.07</b>	<b>42.70</b>	<b>11.69</b>	<b>-</b>	<b>0.02</b>		<b>54.37</b>	<b>44.70</b>
<b>Grand Total</b>	<b>4,562.32</b>	<b>709.30</b>	<b>139.34</b>		<b>5,132.29</b>	<b>1,991.94</b>	<b>479.25</b>	<b>-</b>	<b>131.27</b>		<b>2,339.92</b>	<b>2,792.37</b>

**Note:** The above assets are owned by the Company unless otherwise specified.

## Notes forming part of the Standalone financial statements

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

### 4(c) Capital-Work-in Progress (CWIP)

#### (i) CWIP ageing schedule

Particulars	Amount in CWIP for the period				Total
	less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
FY 2022-23	180.79	8.12	-	-	188.91
FY 2021-22	183.13	-	-	-	183.13

Note: As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

### 5 Right-of-use asset

#### Gross carrying value

Particulars	Amount Rs.
<b>As at March 31, 2021</b>	<b>5,892.41</b>
Additions	1,761.00
Deletions	(140.68)
<b>As at Mar 31, 2022</b>	<b>7,512.73</b>
Additions	1,626.38
Deletions	(705.89)
<b>As at Mar 31, 2023</b>	<b>8,433.22</b>

#### Accumulated depreciation

Particulars	Amount Rs.
<b>As at March 31, 2021</b>	<b>2,619.48</b>
Depreciation charge for the year	576.95
Deletions	(125.82)
<b>As at Mar 31, 2022</b>	<b>3,070.61</b>
Depreciation charge for the year	672.26
Deletions	(489.06)
<b>As at Mar 31, 2023</b>	<b>3,253.81</b>

#### Net carrying value

Particulars	Amount Rs.
<b>As at Mar 31, 2023</b>	<b>5,179.41</b>
<b>As at Mar 31, 2022</b>	<b>4,442.12</b>

### 6 Goodwill

Particulars	As at	
	31-Mar-23	31-Mar-22
Goodwill allocated to the business of operating restaurant outlets	189.66	189.66

The recoverable amount of the above cash generating units have been determined based on a value in use approach by considering cash flow projections approved by the management. The following inputs have been used for arriving the said recoverable amount.

Particulars	31-Mar-23	31-Mar-22
<b>Input considered</b>		
Discount rate	12.00%	12.00%
Growth rate	2.00%	2.00%

The carrying value of brand referred in Note 4(b) and the goodwill referred above have been allocated to the business of operating restaurant outlets, which is considered cash generating unit by the Company for the purpose of impairment assessment. The recoverable amount of the above cash generating unit has been determined based on 'Value in use' model, wherein, the value of cash generating unit is determined as a sum of the net present value of the projected post tax cash flows for a period of 5 years and terminal value. The terminal value of each cash generating unit is arrived at by extrapolating cash flows of latest forecasted year to perpetuity using a constant long term growth rate. The Directors and the Management have assessed and concluded that the reasonably possible change in the key assumptions would not result in carrying amount of brand and goodwill to exceed the aggregate of their recoverable amounts.

## Notes forming part of the Standalone financial statements

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

### 7 Investments

(Classified under non-current assets)

Particulars	31-Mar-23	31-Mar-22
Unquoted investments in equity instruments of subsidiaries (carried at cost):		
<b>Barbeque Nation Mena Holding Limited (formerly known as Barbeque Nation Holdings Limited)</b>		
Cost of investment	313.09	313.09
Less:- Allowance for impairment (Refer note 8A)	(313.09)	(313.09)
Number of equity shares (Equity shares of AED 100 each)	159,425	159,425
Percentage of holding	100%	100%
<b>Barbeque Nation Holdings Pvt Ltd</b>		
Cost of investment	5.43	5.43
Less:- Allowance for impairment (Refer note (a) below)	(5.43)	-
Number of equity shares (Equity shares of USD 1 each)	74,950	74,950
Percentage of holding	100%	100%
<b>Red Apple Kitchen Consultancy Private Limited</b>		
Cost of investment (Refer note (b) below)	979.41	844.82
Less:- Allowance for impairment (Refer note 8A)	(271.00)	(271.00)
Number of equity shares (Equity shares of Rs 100 each)	5,107	4,493
Percentage of holding	78.22%	68.82%
<b>Total</b>	<b>708.41</b>	<b>579.25</b>
<b>Aggregate amount of un-quoted investments</b>	<b>708.41</b>	<b>579.25</b>

#### Note

- (a) Based on the impairment assessment carried out by the Management, investment in Barbeque Nation Holdings Pvt Ltd is impaired.
- (b) During the current year, the Company has acquired additional equity shares of Red Apple Kitchen Consultancy Private Limited ("Red Apple") representing 9.40% stake on a fully diluted basis, for a total consideration of Rs.134.59 million towards 614 equity shares of face value of Rs. 100 each of Red Apple. This additional investment was approved by the Board of Directors.

### 8 Loans

(Classified under non-current assets)

Particulars	31-Mar-23	31-Mar-22
<b>Measured at amortised cost</b>		
Loans to related parties (Refer note 45B)		
Considered good	503.24	503.24
Credit impaired	458.01	458.01
Less: Allowance for impairment (Refer note 8A)	(458.01)	(458.01)
<b>Total</b>	<b>503.24</b>	<b>503.24</b>

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related Parties	503.24	100%
	<b>503.24</b>	<b>100%</b>

#### 8A (i) Impairment assessment of investments made and loans and advances given to subsidiaries:

Following is the exposure towards subsidiaries :

Particulars	Red Apple Kitchen Consultancy Private Limited		Barbeque Nation Mena Holding Limited	
	As at		As at	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Prior to impairment</b>				
Investments	979.41	844.82	313.09	313.09

## Notes forming part of the Standalone financial statements

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

Particulars	Red Apple Kitchen Consultancy Private Limited		Barbeque Nation Mena Holding Limited	
	As at		As at	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Loans and advances	-	-	961.25	961.25
Interest on loans granted	-	-	27.41	40.52
Bank guarantee given towards loans taken by subsidiary	-	6.75	-	-
<b>Total</b>	<b>979.41</b>	<b>851.57</b>	<b>1,301.75</b>	<b>1,314.86</b>
Less: Provision for impairment	(271.00)	(271.00)	(777.05)	(777.05)
<b>Exposure post impairment</b>	<b>708.41</b>	<b>580.57</b>	<b>524.70</b>	<b>537.81</b>

As on the reporting date, the management has conducted impairment evaluation on value of investments and loans and advances in these subsidiaries and has concluded that there is no further provision required for diminution/impairment in the value of investments and loans and advances in these subsidiaries. The management of the Company performed impairment assessment of the above exposure by determining the "value in use" of these subsidiaries as an aggregate of present value of cash flow projections covering a five year period and the terminal value. Determination of value in use involves significant estimates and assumptions that affect the expected future cash flows. These estimates and assumptions, primarily include, but are not limited to, the revenue growth and profitability during the forecast period, the discount rate and the terminal growth rate.

The following inputs have been used for arriving the said recoverable amount.

### In respect of Red Apple Kitchen Consultancy Private Limited:

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Input considered</b>		
Discount rate	13.00%	12.00%
Growth rate	3.00%	3.00%

### In respect of Barbeque Nation Mena Holding Limited:

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Input considered</b>		
Discount rate	10.00%	12.00%
Growth rate	2.00%	2.00%

The table below shows the level upto which key assumptions (individually) can be changed to reach the point at which the value in use approximates the carrying value (post impairment).

Particulars	31-Mar-23		31-Mar-22	
	Red Apple Kitchen Consultancy Private Limited	Barbeque Nation Mena Holding Limited	Red Apple Kitchen Consultancy Private Limited	Barbeque Nation Mena Holding Limited
Discount rate can be increased upto	15.21%	24.90%	17.65%	20.00%
Projected Revenue can be decreased by	10.85%	15.65%	26.30%	4.50%

## 9 Other financial assets

### (Classified under non-current assets)

Particulars	31-Mar-23	31-Mar-22
Balances held as margin money or security (Measured at amortised cost)	22.88	45.31
<b>Unsecured, considered good</b>		
Security deposits		
Considered good	335.52	296.74
Credit impaired	16.08	11.69
Less: Allowance for impairment	(16.08)	(11.69)
<b>Total</b>	<b>358.40</b>	<b>342.05</b>

## Notes forming part of the Standalone financial statements

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

### Movement in allowance for security deposits

Particulars	31-Mar-23	31-Mar-22
Opening balance	11.69	11.69
Add : Additional provision during the year	9.74	-
Less : Written-off during the year	5.35	-
<b>Closing balance</b>	<b>16.08</b>	<b>11.69</b>

### The above includes dues from a private company in which a director of the Company is a member or director:

Particulars	31-Mar-23	31-Mar-22
<b>Security deposits</b>		
Red Apple Kitchen Consultancy Private Limited		
- at amortised cost	-	2.50
- at refundable value	-	2.50
Samar Retail Private Limited		
- at amortised cost	-	0.60
- at refundable value	-	0.60
Sana Reality Private Limited		
- at amortised cost	3.00	2.71
- at refundable value	3.00	3.00

## 10 Other non-current assets

Particulars	31-Mar-23	31-Mar-22
<b>Unsecured, considered good:</b>		
Amounts paid to statutory authorities under protest	30.97	30.69
Other security deposits	22.12	17.33
<b>Total</b>	<b>53.09</b>	<b>48.02</b>

## 11 Inventories\*

Particulars	31-Mar-23	31-Mar-22
<b>(At lower of cost and net realisable value)</b>		
Food & beverages**	331.37	283.57
Stores & consumables	59.61	46.85
<b>Total</b>	<b>390.98</b>	<b>330.42</b>

\* Refer note 2.9 for mode of valuation of inventories

\*\* Net of Rs. 5 million (previous year : NIL) provision for inventory obsolescence

## 12 Trade receivables

Particulars	31-Mar-23	31-Mar-22
Trade receivables (unsecured) consist of following		
Considered good	68.32	62.19
Credit impaired	1.78	1.78
	70.10	63.97
Less: Allowance for credit loss	(1.78)	(1.78)
<b>Total</b>	<b>68.32</b>	<b>62.19</b>

### Movement in allowance for doubtful debts is as follows:

Particulars	31-Mar-23	31-Mar-22
Opening balance	1.78	1.69
Movement in Expected credit loss (ECL) allowance on trade receivables calculated at lifetime ECL	-	0.09
Written off during the year	-	-
<b>Closing balance</b>	<b>1.78</b>	<b>1.78</b>

## Notes forming part of the Standalone financial statements

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

### Trade receivables ageing schedule

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 month	6 month - 1 year	1-2 Years	2-3 Years	More than 3 Years	
<b>FY 2022-23</b>							
(i) Undisputed Trade receivables - considered good	37.60	30.10	0.62	-	-	-	68.32
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	0.09	-	1.69	1.78
<b>FY 2021-22</b>							
(i) Undisputed Trade receivables - considered good	24.82	27.65	7.73	1.43	0.56	-	62.19
(ii) Undisputed Trade receivables - considered doubtful	-	-	0.09	-	1.69	-	1.78

### 13 Cash and cash equivalents

Particulars	31-Mar-23	31-Mar-22
Cash on hand	9.56	9.49
Balances with banks :		
In current accounts	59.70	116.59
In deposit accounts	110.84	502.03
<b>Total</b>	<b>180.10</b>	<b>628.11</b>

### 14 Other financial assets (current)

Particulars	31-Mar-23	31-Mar-22
Interest accrued on fixed deposits	3.16	-
Interest accrued on loan to Subsidiary	27.41	40.52
Less: Allowance for impairment	(5.95)	(5.95)
Other receivables from subsidiaries	5.95	6.05
<b>Total</b>	<b>30.57</b>	<b>40.62</b>

### 15 Other current assets

Particulars	31-Mar-23	31-Mar-22
Advance to employees	21.19	24.22
Prepaid expenses	113.77	96.05
Advances paid for supply of materials / rendering of services		
Unsecured, considered good	34.25	43.62
Doubtful	5.42	5.42
	39.67	49.04
Less: Allowance for bad and doubtful advances	(5.42)	(5.42)
	34.25	43.62
Balance with Government authorities	14.70	0.78
<b>Total</b>	<b>183.91</b>	<b>164.67</b>

#### Movement in allowance for bad and doubtful advances

Particulars	31-Mar-23	31-Mar-22
Opening balance	5.42	8.98
Additional provision during the year	-	-
Written-off during the year	-	(3.56)
<b>Closing balance</b>	<b>5.42</b>	<b>5.42</b>

### 16 Current tax assets (net)

Particulars	31-Mar-23	31-Mar-22
Income tax assets (net)	36.85	3.74
<b>Total</b>	<b>36.85</b>	<b>3.74</b>

## Notes forming part of the Standalone financial statements

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

### 17 Equity Share capital

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Authorised capital</b>		
<b>Equity shares of Rs.5/- each, with voting rights</b>		
Number of shares	60,000,000	60,000,000
Amount	300.00	300.00
<b>Issued, subscribed and fully paid up capital</b>		
<b>Equity shares of Rs.5/- each, fully paid-up, with voting rights</b>		
Number of shares	38,978,401	38,909,166
Amount	194.90	194.55
<b>Total</b>	<b>194.90</b>	<b>194.55</b>

#### (a) Reconciliation of the number of shares and amount outstanding as at the beginning and at the end of the year

Particulars	Number of shares	Amount
<b>Outstanding at the 31 March 2021</b>	<b>33,942,920</b>	<b>169.72</b>
Add: Issued during the year #	4,966,246	24.83
<b>Outstanding at the 31 Mar 2022</b>	<b>38,909,166</b>	<b>194.55</b>
Add: Issued during the year #	69,235	0.35
<b>Outstanding at the 31 Mar 2023</b>	<b>38,978,401</b>	<b>194.90</b>

- # (i) 69,235 equity shares of Rs. 5 each were issued to employees pursuant to Employee stock options scheme in FY 2022-23.
- (ii) 11,77,855 equity shares of Rs. 5 each were issued under Preferential Issue at a premium of Rs. 844 per share in FY 2021-22.
- (iii) 1,88,391 equity shares of Rs. 5 each were issued to employees pursuant to Employee stock options scheme in FY 2021-22.
- (iv) 36,00,000 equity shares of Rs. 5 each were issued to public at the time of IPO at a premium of Rs. 495 per share in the FY 2021-22

#### (b) Details of shares held by each shareholder holding more than 5% shares

Particulars	As at			
	31-Mar-23		31-Mar-22	
	No. of Shares	% holding	No. of Shares	% holding
Sayaji Housekeeping Services Limited	11,602,828	29.77%	11,602,828	29.82%
Tamara Private Limited	-	0.00%	2,755,296	7.08%
Pace Private Limited	-	0.00%	3,182,964	8.18%
Jubilant FoodWorks Limited	3,650,794	9.37%	3,650,794	9.38%
ICICI Prudential Small Cap Fund	2,329,162	5.98%	584,148	1.50%
UTI Flexi Cap Fund	2,646,270	6.79%	2,462,287	6.33%

#### (c) Number of equity shares reserved for issuance

Particulars	As at	
	31-Mar-23	31-Mar-22
Equity shares of Rs. 5/- each to eligible employees under Employee Stock Option Scheme	1,734,600	1,803,835

- (d) The Company has only one class of equity share having a par value of Rs.5/- each. Holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to number of equity shares held by the shareholders.

#### (e) Details of shares held by Promoters:

Promoter Name	As at 31-03-2023			As at 31-03-2022	
	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares
Sayaji Housekeeping Services Limited	11,602,828	29.77%	0.00%	11,602,828	29.82%
Kayum Dhanani	86,113	0.22%	-0.64%	333,400	0.86%
Suchitra Dhanani	6	0.00%	0.00%	6	0.00%
<b>Total of the above</b>	<b>11,688,947</b>	<b>29.99%</b>		<b>11,936,234</b>	<b>30.68%</b>
<b>Total no. of Shares</b>	<b>38,978,401</b>			<b>38,909,166</b>	

## Notes forming part of the Standalone financial statements

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

### 18 Lease liabilities

Particulars	31-Mar-23	31-Mar-22
<b>Opening balance</b>	<b>5,354.26</b>	4,051.27
Addition	1,572.03	1,724.51
Accretion of interest	550.29	461.21
Payments	(1,006.58)	(702.16)
Rent concessions (Refer note 28)	(1.27)	(163.00)
Deletions	(291.88)	(17.57)
<b>Closing balance</b>	<b>6,176.85</b>	<b>5,354.26</b>
Current	544.20	491.18
Non-Current	5,632.65	4,863.08
<b>Maturity Analysis - contractual undiscounted cash flows</b>		
Less than one year	1,080.42	975.10
One to five years	3,696.98	3,406.51
More than five years	4,887.79	4,012.22
<b>Total Undiscounted Lease Liability as at</b>	<b>9,665.19</b>	<b>8,393.83</b>

### 19 Other equity

Particulars	31-Mar-23	31-Mar-22
Share application money pending allotment	-	0.65
Reserves and surplus (Refer Note (i) below)		
Securities premium	5,817.69	5,794.36
Share based payment reserve	128.29	60.13
Retained earnings	(1,850.85)	(1,914.86)
<b>Total</b>	<b>4,095.13</b>	<b>3,940.28</b>

#### (i) Reserves and Surplus

Particulars	31-Mar-23	31-Mar-22
<b>Securities premium account</b>		
Opening balance	5,794.36	3,096.22
Add: Premium on shares issued during the year [Refer Note 17 (a)]	23.33	2,836.20
Less : Share issue expenses	-	(138.06)
<b>Closing balance</b>	<b>5,817.69</b>	<b>5,794.36</b>
<b>Share based payment reserve</b>		
Opening balance	60.13	41.69
Add: Charge for the year	76.30	41.03
Less: Transfer to securities premium on account of exercise of employee stock options	(8.14)	(22.59)
<b>Closing balance</b>	<b>128.29</b>	<b>60.13</b>
<b>Retained earnings</b>		
Opening balance	(1,914.86)	(1,699.01)
Add: Profit /(loss) for the year	67.15	(215.00)
Less: Remeasurement loss recognised in Other comprehensive Income (net of tax)	(3.14)	(0.85)
<b>Closing balance</b>	<b>(1,850.85)</b>	<b>(1,914.86)</b>

#### Nature and purpose of reserves

Securities premium account: Securities premium account is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Share based payment reserve: The fair value of the equity-settled share based payment transactions with employees is recognised in statement of profit and loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to securities premium on exercise of the related stock options.

Retained earnings: Retained earnings are the profits / loss that the Company has earned / incurred till date, less any transfers to other reserves, dividends or other distributions paid to its equity shareholders.



## Notes forming part of the Standalone financial statements

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

### 20 Borrowings

Particulars	As at	
	31-Mar-23	31-Mar-22
Secured at amortised cost: (For details of terms and security, refer notes)		
Term loan from banks	-	30.13
Working capital term loan from bank	61.82	98.93
Vehicle loan from banks	13.61	8.45
<b>Total</b>	<b>75.43</b>	<b>137.51</b>

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

Terms of repayment and security	As at	
	31-Mar-23	31-Mar-22
Term loans from banks		
<b>(i) Term loan 1:</b>		
Non -Current portion	-	18.00
Current maturities of long-term debt	18.00	18.25
Repayment terms: Repayable in 60 equal monthly instalments starting from October 2018 and carries an interest rate of 12 month MCLR plus 1% p.a		
Security :		
1) First paripassu charge by way of hypothecation on entire fixed assets of the Company (including leasehold improvements excluding vehicles) both present and future.		
2) First paripassu charge on entire current assets and security deposits of the Company, both present and future.		
3) First paripassu charge by way of hypothecation over the Brand of the Company		
<b>(ii) Working Capital Term Loan 2:</b>		
Non -Current portion	61.82	98.93
Current maturities of long-term debt	37.10	37.10
Repayment terms: Repayable in 48 defined monthly installments starting from November 2021 and carries an interest rate 8.45% 1 year MCLR"		
Security :		
1) Second paripassu charge over all current assets and security deposits of the Company, both present and future.		
2) Second Pari-passu over entire fixed assets (including leasehold improvements and excluding vehicles).		
3) Second Pari-passu on brand name 'Barbeque Nation'.		
4) 100% Credit Guarantee by National Credit Guarantee Trustee Company Ltd.		
<b>(iii) Term loan 3:</b>		
Non -Current portion	-	12.13
Current maturities of long-term debt	-	7.27
Repayment terms: The Company has prepaid the loan during the current year.		
Security :		
First Paripassu charge by way of hypothecation along with other term lenders on		
1. Entire fixed assets of the Company (including leasehold improvements excluding vehicles) both present and future		
2. Entire current assets and security deposits of the Company, both present and future		
3. Brand of the Company		
<b>(iv) Vehicle loans:</b>		
Non -Current portion	13.61	8.45
Current maturities of long-term debt	11.23	4.15
Repayment terms: Repayable in 36 equated monthly installments from the date of respective loans availed and carries an variable interest rate which is linked to value and condition of Vehicle purchased		
Security :		

## Notes forming part of the Standalone financial statements

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

Terms of repayment and security	As at	
	31-Mar-23	31-Mar-22
Hypothecation of underlying vehicle in favor of lender		
<b>Total</b>	<b>141.76</b>	<b>204.28</b>
<b>Non -Current portion</b>	<b>75.43</b>	<b>137.51</b>
<b>Current maturities of long-term debt</b>	<b>66.33</b>	<b>66.77</b>

### 21 Provisions

Particulars	31-Mar-23	31-Mar-22
Provision for employee benefits:		
Compensated absences	10.09	9.82
Gratuity	31.66	31.86
Provision for asset retirement obligations	55.11	51.14
<b>Total</b>	<b>96.86</b>	<b>92.82</b>

### 22 Borrowings

Particulars	31-Mar-23	31-Mar-22
<b>Secured loans repayable on demand from banks:</b>		
(i) Working capital loan	50.00	-
The rate of interest is 1 month MCLR plus 65 base points		
Security		
1) First pariassu charge by way of hypothecation on entire fixed assets of the Company (including leasehold improvements excluding vehicles) both present and future.		
2) First pariassu charge on entire current assets and security deposits of the Company, both present and future.		
3) First pariassu charge by way of hypothecation over the Brand of the Company		
<b>Unsecured</b>		
(i) AXIS credit card	0.22	0.26
Repayable in fifty two days credit period		
(ii) AMEX credit card	0.09	0.63
Repayable in fifty two days credit period		
(iii) ICICI credit card	0.24	0.33
Repayable in fifty two days credit period		
<b>Current maturities of long-term borrowings</b>		
From banks (refer note 20)	66.33	66.77
<b>Total</b>	<b>116.88</b>	<b>67.99</b>

### 23 Trade payables

Particulars	31-Mar-23	31-Mar-22
Other than Acceptances		
Total outstanding dues of micro enterprises and small enterprises	73.32	20.29
Total outstanding dues of creditors other than micro enterprises	944.04	795.42
<b>Total</b>	<b>1,017.36</b>	<b>815.71</b>

#### Disclosure required under section 22 of the micro, small and Medium Enterprises Development Act, 2006:

Particulars	31-Mar-23	31-Mar-22
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	68.11	16.41
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	1.33	0.42
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	1.33	0.42
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	5.21	3.88
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

## Notes forming part of the Standalone financial statements

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

### Trade payables ageing schedule

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
<b>FY 2022-23</b>						
(i) MSME	-	73.32	-	-	-	73.32
(ii) Others	378.82	548.03	17.19	-	-	944.04
<b>FY 2021-22</b>						
(i) MSME	14.65	5.64	-	-	-	20.29
(ii) Others	150.01	627.96	9.57	4.88	3.00	795.42

### 24 Other financial liabilities

Particulars	31-Mar-23	31-Mar-22
Other payables		
Payables on purchase of property, plant and equipment	<b>83.04</b>	61.09
<b>Total</b>	<b>83.04</b>	<b>61.09</b>

### 25 Other current liabilities

Particulars	31-Mar-23	31-Mar-22
Payable towards statutory remittances	<b>66.60</b>	80.04
Contract liability		
Gift card liability (Refer note below)	<b>24.18</b>	38.20
Other liability	<b>27.34</b>	-
<b>Total</b>	<b>118.12</b>	<b>118.24</b>

**Note:** The Company recognised revenue from contractual liability in the statement of profit and loss in the following years.

### 26 Provisions

Particulars	31-Mar-23	31-Mar-22
Provision for employee benefits:		
Compensated absences	<b>23.79</b>	20.45
Gratuity	<b>33.73</b>	31.35
Provision for asset retirement obligations	<b>4.78</b>	5.21
<b>Total</b>	<b>62.30</b>	<b>57.01</b>

### 27 Revenue from operations

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
<b>Revenue from operations</b>		
Sale of food & beverages	<b>10,699.32</b>	7,570.85
<b>Other operating revenues</b>		
Revenue from displays and sponsorships	<b>2.86</b>	2.59
Share of profits and income from royalty	<b>22.14</b>	19.13
Sale of scrap	<b>2.79</b>	2.57
Income from Professional Fees	<b>1.20</b>	9.39
Other receipts from outdoor catering	-	2.14
Guarantee commission	-	0.78
Others	<b>9.49</b>	3.07
<b>Total</b>	<b>10,737.80</b>	<b>7,610.52</b>

### 28 Other income

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Interest income from other financial assets at amortised cost	<b>30.20</b>	23.04
Interest income on fixed deposits and loan	<b>57.56</b>	65.54
Rental Income from sub lease	<b>0.48</b>	-
Rent Concession Due to Covid 19 pandemic (Refer note below)	<b>1.27</b>	163.00
Provision no longer required	<b>8.71</b>	4.00
<b>Total</b>	<b>98.22</b>	<b>255.58</b>

## Notes forming part of the Standalone financial statements

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

**Note:** The Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24th July 2020 on IND- AS 116 for all rent concessions which are granted due to COVID-19 pandemic upto June 30, 2022. Accordingly, these rent concessions confirmed for the year ended March 31, 2022 & March 31, 2023 have been accounted as Other Income.

### 29 Cost of food and beverages consumed

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Opening stock	283.57	159.46
Add: Purchases	3,791.97	2,915.48
	4,075.54	3,074.94
Less Closing stock	(331.37)	(283.57)
<b>Total</b>	<b>3,744.17</b>	<b>2,791.37</b>

### 30 Employee benefits expenses

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Salaries and wages	1,526.37	1,124.35
Contributions to provident fund	122.24	82.02
Gratuity expenses	12.89	11.89
Expense on employee stock option scheme	76.30	41.03
Staff welfare expenses	566.19	387.50
<b>Total</b>	<b>2,303.99</b>	<b>1,646.79</b>

### 31 Other operating expenses

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Consumption of stores & operating supplies	469.29	421.54
Power and fuel	896.53	594.52
Commission to the delivery agents	212.88	240.12
Rent including lease rentals	347.00	225.31
Repairs and maintenance:		
Buildings	8.15	3.53
Machinery	53.80	39.23
Others	50.04	35.44
House keeping services	118.90	63.81
Water charges	55.47	36.67
Insurance	31.66	13.12
Rates and taxes	118.94	84.51
Communication	49.08	39.63
Travelling and conveyance	46.82	31.16
Printing and stationery	50.63	28.82
Laundry expenses	0.89	2.84
Security service charges	19.19	10.96
Recruitment expenses	0.85	0.72
Business promotion	162.74	94.21
Vehicle hiring charges	-	10.28
Legal and professional	57.30	52.06
Payments to auditors (Refer note below)	7.26	7.76
Parking Charges	3.31	3.01
Miscellaneous expenses	83.32	59.05
<b>Total</b>	<b>2,844.05</b>	<b>2,098.30</b>
<b>Note:</b>		
<b>Payment to auditors</b>		
For statutory audit and quarterly reviews	6.00	6.00
Other services	-	0.50

## Notes forming part of the Standalone financial statements

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

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Reimbursement of expenses	0.18	0.18
Taxes thereon	1.08	1.08
<b>Total</b>	<b>7.26</b>	<b>7.76</b>

### 32 Finance costs

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Interest expense on:		
Borrowings	14.76	38.96
Provision for asset retirement obligations	5.14	5.26
Interest on lease liabilities	550.29	461.21
Receivable discounting charges	63.17	39.97
Other bank charges	14.48	10.48
<b>Total</b>	<b>647.84</b>	<b>555.88</b>

### 33 Depreciation and amortisation expense

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Depreciation (Refer note 4(a))	563.20	467.56
Amortisation (Refer note 4(b))	5.56	11.69
Derecognition on right-of-use asset (Refer note 5)	672.26	576.94
<b>Total</b>	<b>1,241.02</b>	<b>1,056.19</b>

### 34 Exceptional items

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Net profit / (loss) relating to restaurant units and regional office closed / relocated during the year*	78.91	2.77
Provision for impairment of property, plant and equipment**	(32.00)	-
<b>Total</b>	<b>46.91</b>	<b>2.77</b>

\* Net profit of 78.91 million for the year ended March 31, 2023 relates to :

- (i) Gain of Rs. 3.86 million towards Liquidated damages received from lessors relating to outlets closed and offset with the write off of leasehold improvement pertaining to above outlets vacated
- (ii) Gain (net) of Rs. 75.05 million towards termination of lease relating to the outlets closed as per IND AS 116

\*\* (i) Loss of Rs. 32 million towards provision for impairment of property, plant and equipment.

### 35 The Companies (Accounts) Fourth Amendment Rules, 2022 mandate the keeping of backup of books of account and other books and papers maintained in electronic mode, including at a place outside India, if any, on servers physically located in India on a daily basis with effect from August 5, 2022.

During the year, IT Security incident had occurred in the IT system of the Company on March 31, 2023. The Company had multiple copies of Backups which was kept on cloud and the Management had restored the servers and books of account.

The Company has defined process to take daily back-up of books of account and other books and papers maintained electronically and maintain the logs of the back-up of such books of account. However, due to the forgoing incident, the logs of the back-up of such books of account are not accessible.

The Company also appointed CERT-In empaneled cyber security experts to investigate the incident. Based on their report it was confirmed that no data exfiltration happened during the incident. The management is of the view that the foregoing incident does not have any impact on its business operations and Financial Statements for the year ended March 31, 2023.

## Notes forming part of the Standalone financial statements

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

### 36 Tax expense / (benefit):

#### Tax expenses recognised in Statement of Profit and Loss

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Current tax	-	-
Deferred tax	34.71	(64.66)
<b>Total</b>	<b>34.71</b>	<b>(64.66)</b>

The reconciliation between the income tax expense and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
<b>Profit before tax</b>	<b>101.86</b>	(279.66)
Enacted income tax rate in India	25.17%	25.17%
<b>Computed expected tax expense</b>	<b>25.64</b>	<b>(70.38)</b>
Tax impact on:		
Effect on account of non-deductible expenses under income tax	9.23	5.41
Others	(0.16)	0.31
<b>Income tax expense recognised in Statement of profit and loss</b>	<b>34.71</b>	<b>(64.66)</b>

#### Movement in deferred tax balances

Particulars	For the year ended Mar 31, 2023			
	Opening balance	Recognised in profit and Loss	Recognised in Other Comprehensive Income	Closing balance
<b>Tax effect of items constituting deferred tax assets</b>				
On unused tax losses (Refer note below)	167.42	(85.97)	-	81.45
Property, Plant and Equipment and other intangible assets	93.52	28.07	-	121.58
Right-of-use and lease liabilities (net)	263.27	21.47	-	284.74
Provision towards asset retirement obligations	14.18	0.89	-	15.07
Employee Benefits and other provisions	35.23	0.21	1.06	36.50
Others	3.98	0.62	-	4.60
<b>Tax effect of items constituting deferred tax liabilities</b>				
Goodwill	(47.73)	-	-	(47.73)
<b>Net deferred tax asset / (liabilities)</b>	<b>529.87</b>	<b>(34.71)</b>	<b>1.06</b>	<b>496.21</b>

Particulars	For the year ended Mar 31, 2022			
	Opening balance	Recognised in profit and Loss	Recognised in Other Comprehensive Income	Closing balance
<b>Tax effect of items constituting deferred tax assets</b>				
On unused tax losses (Refer note below)	161.71	5.71	-	167.42
Property, Plant and Equipment and other intangible assets	75.31	18.21	-	93.52
Right-of-use and lease liabilities (net)	229.60	33.67	-	263.27
Provision towards asset retirement obligations	11.05	3.13	-	14.18
Employee Benefits and other provisions	31.44	3.50	0.29	35.23
Others	3.54	0.44	-	3.98
<b>Tax effect of items constituting deferred tax liabilities</b>				
Goodwill	(47.73)	-	-	(47.73)
<b>Net deferred tax asset / (liabilities)</b>	<b>464.92</b>	<b>64.66</b>	<b>0.29</b>	<b>529.87</b>

Note : The Company has recognised deferred tax asset on carried forward loss (including unabsorbed depreciation) of Rs. 323.56 million (previous year : Rs. 662.98 million)

## Notes forming part of the Standalone financial statements

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

### 37 Contingent liabilities and commitments (to the extent not provided for)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
<b>A. Contingent liabilities</b>		
Indirect tax matters #	174.60	171.06
Direct tax matters	431.87	401.96
Other matters	19.21	-
Stand-by Letter of Credit given to bank on borrowings by subsidiary (to the extent of loans outstanding)	-	6.75
<b>B. Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for tangible assets	128.92	128.30

# The Company was subject to Anti-profiteering investigation for the period Nov 15, 2017 to Mar 31, 2019 by Director General of Anti-Profiteering (DGAP). During the year ended March 31, 2020, DGAP conducted the investigation and submitted the report to National Anti-Profiteering Authority (NAA) with a demand amounting Rs. 325.88 million and the Company has disclosed such demand as a contingent liability as of March 31, 2020. Subsequently, the NAA has examined this report and passed an order dated 20 May 2020, holding that although the finding of the DGAP was correct with respect to anti-profiteering, however, the methodology adopted by DGAP while arriving at the demand is incorrect and directed DGAP to conduct further investigation. Being aggrieved, the Company has filed a writ petition before the High Court of Karnataka, seeking a stay of the above order passed by the NAA. The Court passed an order dated 15 July 2020 staying the operation of the order dated 20 May 2020 passed by the NAA. Accordingly, the demand of Rs. 325.88 million has been excluded from contingent liability as of March 31, 2023 as the investigation is under process. Thereafter, a transfer petition was filed by the NAA before the Supreme Court seeking transfer of the said writ petition from Karnataka High Court to Delhi High Court and it is transferred.

### 38 Employee benefit plans

#### Defined contribution plans

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the said Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Particulars	As at	
	31-Mar-23	31-Mar-22
Contribution to Provident Fund and Employee State Insurance Scheme	153.55	103.87

#### Defined benefit plans

The Company offers gratuity, a defined employee benefit scheme to its employees. The said plan typically exposes the company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk

#### Investment risk

The fund has invested 100% of the funds in 'Schemes of insurance - conventional products' which are risk averse as whole of the risk is borne by the Insurance company.

#### Interest risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

#### Longevity risk

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

#### Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

## Notes forming part of the Standalone financial statements

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

Gratuity: The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at	
	31-Mar-23	31-Mar-22
Discount rate	7.15%	4.50%
Salary escalation	5.00%	5.00%
Attrition rate	53.00%	53.00%
Retirement age	58 years	58 years
Mortality	100% of IALM 2012-14	

Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Service cost:</b>		
Current service cost	9.94	9.33
Net interest expense	2.95	2.56
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>12.89</b>	<b>11.89</b>
<b>Remeasurement on the net defined benefit liability:</b>		
Return on plan assets [excluding amounts included in net interest expense] (excess) / Short return	0.07	0.06
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	(3.49)	(0.38)
Actuarial (gains) / losses arising from experience adjustments	7.62	1.46
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>4.20</b>	<b>1.14</b>
<b>Total</b>	<b>17.09</b>	<b>13.03</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at	
	31-Mar-23	31-Mar-22
Present value of funded defined benefit obligation	67.97	65.61
Fair value of plan assets	(2.58)	(2.40)
<b>Funded status</b>	<b>65.39</b>	<b>63.21</b>
Restrictions on asset recognised	-	-
<b>Net liability arising from defined benefit obligation</b>	<b>65.39</b>	<b>63.21</b>
Current	33.73	31.35
Non-current	31.66	31.86

Movements in the present value of the defined benefit obligation are as follows:

Particulars	As at	
	31-Mar-23	31-Mar-22
Opening defined benefit obligation	65.61	61.10
<b>Expenses recognised in the statement of profit and loss</b>		
Current service cost	9.94	9.33
Interest cost	2.95	2.56
<b>Remeasurement (gains)/losses recognised in other comprehensive income:</b>		
Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	(3.49)	(0.38)
Actuarial gains and losses arising from experience adjustments	7.62	1.46
Benefits paid	(14.66)	(8.46)
<b>Closing defined benefit obligation</b>	<b>67.97</b>	<b>65.61</b>



## Notes forming part of the Standalone financial statements

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

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Opening fair value of the Plan asset</b>	<b>2.40</b>	2.36
Acquisition adjustment	-	-
Interest income on plan assets	<b>0.18</b>	0.04
Employer contributions	-	-
Return of plan assets greater / (lesser) than discount rate	-	-
Benefits paid	-	-
<b>Closing fair value of assets</b>	<b>2.58</b>	<b>2.40</b>

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The below sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Discount Rate	As at	
	31-Mar-23	31-Mar-22
1 Effect on defined benefit obligation due to 100 bps increase in Discount Rate	<b>-1.80</b>	-1.90
2 Effect on defined benefit obligation due to 100 bps decrease in Discount Rate	<b>1.90</b>	2.00

Salary escalation rate	As at	
	31-Mar-23	31-Mar-22
1 Effect on defined benefit obligation due to 100 bps increase in Discount Rate	<b>1.80</b>	1.90
2 Effect on defined benefit obligation due to 100 bps decrease in Discount Rate	<b>-1.80</b>	-1.80

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years. There has been no change in the process used by the Company to manage its risks from prior periods.

Expected future cash outflows (undiscounted) towards the plan are as follows:

Particulars	As at	
	31-Mar-23	31-Mar-22
1 year	<b>36.32</b>	33.75
2 to 5 year	<b>39.09</b>	35.50
6 to 10 year	<b>2.76</b>	2.48

### 39 Employee Stock Option Scheme

#### A Barbeque Nation Hospitality Limited- Employee Stock option Plan 2015

In the annual general meeting held on August 26, 2015, the shareholders of the Company had approved the issue of not more than 266,240 options (underlying equity share of face value of Rs. 10/- each per option) under the Scheme titled **Barbeque Nation Hospitality Limited- Employee Stock option Plan 2015" (ESOP 2015)**. The ESOP 2015 allows the issue of options to employees of the Company and its subsidiaries. Pursuant to the sub-division of equity share of Rs. 10 each into 2 equity shares of Rs. 5 each during the year ended March 31, 2017, the scheme comprise of 532,480 options (underlying equity share of face value of Rs. 5 each per option). Further, in the annual general meeting held on July 23, 2019 the shareholders of the Company has approved the increase of options to be offered to the employees upto 932,480 and in the Extra ordinary General meeting held on July 19, 2021 the shareholders approved the increase of ESOP pool size to 20,00,000 options. Further in the annual general meeting held on September 6, 2022, the shareholders approved the transfer of 5,00,000 ESOPs from ESOP 2015 to ESOP 2022 and consequent to the said transfer, the pool size of ESOP 2015 has been reduced to 15,00,000 Options

As per the Scheme, the Nomination & Remuneration committee grants the options to the eligible employees. The exercise price of each option shall be at a price not less than the face value per share. Vesting period of the option is from one to three years from the date of grant and all the vested options can be exercised by the option grantee within sixty months from the vesting date.

## Notes forming part of the Standalone financial statements

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

The Company granted options under said scheme for eligible personnel at various dates as per below table. The fair market value of the option has been determined using Black Scholes Option Pricing Model. The Company has amortised the fair value of option after applying an estimated forfeiture rate over the vesting period.

On October 15, 2020, Board of Directors have approved the grant of same number of options to the employees who have surrendered their options.

The detail of fair market value and the exercise price is as given below (considering the effect of sub-division of shares):

Date of grant	15-Oct-20	15-Oct-20	15-Oct-20	15-Oct-20	3-Aug-21	3-Aug-21	3-Aug-21
Fair market value of option at grant date (Rs.)	116.44	51.13	92.99	92.99	129.06	218.81	276.80
Fair market value of shares per option at grant date (Rs.)	252.00	252.00	252.00	252.00	890.05	890.05	890.05
Vesting period	3 years	1 years	2 years	2 years	1 years	2 years	3 years
Exercise price (Rs.)	252.00	252.00	252.00	252.00	890.05	890.05	890.05

Date of grant	29-Oct-21	18-May-22	9-Nov-22
Fair market value of option at grant date (Rs.)	369.38	444.48	547.09
Fair market value of shares per option at grant date (Rs.)	1,220.25	999.45	1,148.25
Vesting period	3 years	3 years	3 years
Exercise price (Rs.)	1,220.25	999.45	1,148.25

Employee stock options details as on the Balance Sheet date (considering the effect of sub-division of shares) are as follows:

Particulars	Options (Numbers)	Weighted average exercise price per option (Rs.)
<b>Options outstanding at the end of 31 March 2021</b>	<b>885,155</b>	<b>237.44</b>
<b>Options available for grant as at 31 March 2021</b>	<b>918,680</b>	
Options outstanding at the beginning of 01 April 2021	885,155	237.44
Granted during the year	390,448	1,178.38
Exercised during the year	188,391	201.93
Lapsed/forfeited during the year	113,293	619.29
<b>Options outstanding at the end of 31 March 2022</b>	<b>973,919</b>	<b>578.53</b>
<b>Options available for grant as at 31 March 2022</b>	<b>829,916</b>	
Options outstanding at the beginning of 01 April 2022	973,919	578.53
Granted during the year	309,110	1,094.82
Exercised during the year	69,235	671.28
Lapsed/forfeited during the year	166,784	863.44
<b>Options outstanding at the end of 31 March 2023</b>	<b>1,047,010</b>	<b>703.49</b>
<b>Options available for grant as at 31 March 2023</b>	<b>187,590</b>	

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	1-Apr-16	10-Jul-17	5-Aug-17	5-Aug-17	5-Aug-17	18-Sep-19	14-Jan-20	15-Oct-20
Risk Free Interest Rate	6.60%	6.68%	6.68%	6.68%	6.68%	6.76%	6.76%	5.48%
Expected Life	3.5 years	1.75 years	1 year	2 years	3 years	3 years	3 years	1 year
Expected Annual Volatility of Shares	33.33%	3.02%	3.02%	3.02%	3.02%	31.30%	31.30%	44.63%
Expected Dividend Yield	0.24%	0.15%	0.15%	0.15%	0.15%	0.20%	0.20%	0.20%
Grant date	15-Oct-20	15-Oct-20	3-Aug-21	3-Aug-21	3-Aug-21	29-Oct-21	18-May-22	9-Nov-22
Risk Free Interest Rate	5.96%	5.96%	3.77%	4.45%	5.24%	5.24%	7.15%	7.35%
Expected Life	2 year	3 year	1 year	2 year	3 year	3 year	3 year	3 year
Expected Annual Volatility of Shares	59.77%	62.35%	31.00%	36.10%	35.20%	35.20%	33.63%	38.08%
Expected Dividend Yield	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.09%	0.09%

## Notes forming part of the Standalone financial statements

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

### B Barbeque Nation Hospitality Limited- Employee Stock option Plan 2022

In the annual general meeting held on September 6, 2022, the Shareholders approved the adoption of new Employee Stock Option Scheme called 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2022' ("ESOP 2022"). The pool size of the ESOP 2022 is 5,00,000 Options (which are convertible into equivalent number of equity shares having face value of Rs.5/- each i.e. one option is equal to one share), which are being transferred from ESOP 2015 and consequent to the said transfer, the pool size of ESOP 2015 has been reduced to 15,00,000 Options. The ESOP 2022 allows the issue of options to employees of the Company and its subsidiaries.

The detail of fair market value and the exercise price is as given below:

Date of grant	9-Nov-22	7-Feb-23
Fair market value of option at grant date (Rs.)	547.09	388.62
Fair market value of shares per option at grant date (Rs.)	1,148.25	860.10
Vesting period	3 years	3 years
Exercise price (Rs.)	1,148.25	860.10

Employee stock options details as on the Balance Sheet date are as follows:

Particulars	Options (Numbers)	Weighted average exercise price per option (Rs.)
<b>Options available for grant as at 31 March 2022</b>	-	
Options outstanding at the beginning of 01 April 2022	-	
Granted during the year	196,472	1,139.93
Exercised during the year	-	
Lapsed/forfeited during the year	-	
<b>Options outstanding at the end of 31 March 2023</b>	<b>196,472</b>	<b>1,139.93</b>
<b>Options available for grant as at 31 March 2023</b>	<b>303,528</b>	

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	9-Nov-22	7-Feb-23
Risk Free Interest Rate	7.35%	7.21%
Expected Life	3 year	3 year
Expected Annual Volatility of Shares	38.08%	34.57%
Expected Dividend Yield	0.09%	0.09%

### 40 Disclosures in respect of leases

Company as a lessee : The Company has lease contracts for operational stores and corporate office, with lease period varying between 3 to 15 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Amount recognised in Standalone Statement of Profit and Loss

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Depreciation: on Right-of-use assets	672.26	576.95
Finance cost: Interest on lease liabilities	550.29	461.21
Short term and variable lease payments (Refer Note below (i))	347.00	225.31

- (i) The Company applies the short-term lease recognition exemption to its short-term leases of certain premises taken on lease (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and lease arrangements having variable lease payments based on turnover of respective outlets at premises taken on lease.

Amount recognised in Standalone Statement of Cash flows

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Cash outflows for leases	(1,006.58)	(702.16)
Additional information:		
Non-cash additions to lease liabilities	1,280.15	1,706.94

## Notes forming part of the Standalone financial statements

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

### 41 Earnings per share

Particulars	Year ended	
	31-Mar-23	31-Mar-22
<b>Basic and Diluted Earnings Per Share (Rs.)</b>		
<b>Basic Earnings Per Share (Basic EPS)</b>		
Net profit/(loss) after tax attributable to equity shareholders	67.15	(215.00)
Less: Share issue expenses debited to securities premium	-	(138.06)
	67.15	(353.06)
Weighted average number of Equity Shares outstanding	38,948,385	38,250,422
<b>Basic EPS in Rs.</b>	1.72	(9.23)
Face value in Rs.	5.00	5.00
<b>Diluted Earnings Per Share (Diluted EPS)</b>		
Net profit/(loss) after tax attributable to equity shareholders	67.15	(215.00)
Less: Share issue expenses debited to securities premium	-	(138.06)
	67.15	(353.06)
Weighted average number of Shares used for calculating Basic EPS	38,948,385	38,250,422
Add: Effect of ESOPs and share warrants which are dilutive	399,256	-
Weighted average number of shares considered for calculating Diluted EPS	39,347,641	38,250,422
Diluted EPS in Rs.	1.71	(9.23)
Face value in Rs.	5.00	5.00

### 42 Segment reporting

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

### 43 Financial instruments

#### The carrying value and fair value of financial instruments by categories

Particulars	Carrying value		Fair value	
	As at		As at	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Financial assets</b>				
<b>Amortised cost</b>				
Loans	503.24	503.24	503.24	503.24
Trade receivables	68.32	62.19	68.32	62.19
Cash and cash equivalents	180.10	628.11	180.10	628.11
Other financial assets	388.97	382.67	388.97	382.67
<b>Total assets</b>	<b>1,140.63</b>	<b>1,576.21</b>	<b>1,140.63</b>	<b>1,576.21</b>
<b>Financial liabilities</b>				
<b>Amortised cost</b>				
Loans and borrowings	192.31	205.50	192.31	205.50
Lease Liabilities	6,176.85	5,354.26	6,176.85	5,354.26
Trade payables	1,017.36	815.71	1,017.36	815.71
Other financial liabilities	83.04	61.09	83.04	61.09
<b>Total liabilities</b>	<b>7,469.56</b>	<b>6,436.56</b>	<b>7,469.56</b>	<b>6,436.56</b>

The management assessed that fair value of cash and cash equivalents, trade receivables, loans and trade payables, approximate their carrying amounts largely due to the short-term maturities of these instruments. Difference between carrying amounts and fair values of bank deposits, other financial assets, and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

#### Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

## Notes forming part of the Standalone financial statements

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

### Financial risk management

The company's activities expose it to a variety of financial risks: credit risk, liquidity risk and price risks which may adversely impact the fair value of its financial instruments. The company has a risk management policy which covers risks associated with the financial assets and liabilities. The focus of risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the company.

### Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilised credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below:

Particulars	As at	
	31-Mar-23	31-Mar-22
Cash and cash equivalents	180.10	628.11
Investments in mutual funds (quoted)	-	-
<b>Total</b>	<b>180.10</b>	<b>628.11</b>

### The table below provides details regarding the contractual maturities of significant financial liabilities

Particulars	As at 31-Mar-23				Carrying value
	< 1 year	1-3 years	> 3 years	Total	
Borrowings	116.88	75.43	-	192.31	192.31
Trade payables	1,000.17	17.19	0.00	1,017.36	1,017.36
Other financial liabilities	83.04	-	-	83.04	83.04
<b>Total</b>	<b>1,200.09</b>	<b>92.62</b>	<b>-</b>	<b>1,292.71</b>	<b>1,292.71</b>

Particulars	As at 31-Mar-22				Carrying value
	< 1 year	1-3 years	> 3 years	Total	
Borrowings	66.77	111.83	26.90	205.50	205.50
Trade payables	798.26	14.45	3.01	815.71	815.71
Other financial liabilities	61.09	-	-	61.09	61.09
<b>Total</b>	<b>926.12</b>	<b>126.28</b>	<b>29.91</b>	<b>1,082.30</b>	<b>1,082.30</b>

### Foreign currency risk

The Company's exchange risk arises mainly from its foreign currency borrowings. As a result, depreciation of Indian rupee relative to these foreign currencies will have impact on the financial performance of the Company. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The following table presents unhedged foreign currency risk from financial instruments.

Particulars	As at	
	31-Mar-23	31-Mar-22
Borrowings in USD	-	-

## Notes forming part of the Standalone financial statements

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

### Foreign currency rate sensitivity analysis

Particulars	After tax impact of profit after tax	
	As at	
	31-Mar-23	31-Mar-22
<b>Depreciation of USD by 5%</b>		
Increase in profit	-	-
<b>Appreciation of USD by 5%</b>		
Decrease in profit	-	-

### Interest rate risk

Interest rate risk is the risk that the fair value or 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 debt obligations with floating interest rates. Such risks are overseen by the Company's corporate treasury department as well as senior management.

### Interest rate sensitivity analysis

If interest rates had been 1% higher/lower and all other variables were held constant, the company's profit for the year ended would have impacted in the following manner:

Particulars	After tax impact of profit after tax	
	As at	
	31-Mar-23	31-Mar-22
<b>Decrease in interest rate by 1%</b>		
Increase in profit	1.44	1.54
<b>Increase in interest rate by 1%</b>		
Decrease in profit	(1.44)	(1.54)

### Capital management

The Company manages its capital to ensure that it will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

### The capital structure is as follows:

Particulars	As at	As at
	31-Mar-23	31-Mar-22
Equity attributable to the equity shareholders of the company	4,290.03	4,134.83
Equity as a percentage of total capital	40%	43%
Lease liabilities	6,176.85	5,354.26
Current borrowings	116.88	67.99
Non-current borrowings	75.43	137.51
<b>Total borrowings</b>	<b>6,369.16</b>	<b>5,559.76</b>
Less: Cash and cash equivalents	180.10	628.11
<b>Net borrowings</b>	<b>6,189.06</b>	<b>4,931.65</b>
Net borrowings as a percentage of total capital	58%	51%
<b>Total capital (borrowings and equity)</b>	<b>10,659.19</b>	<b>9,694.59</b>

## 44 Ratio Analysis

Particulars	As at	As at	Change
	31-Mar-2023	31-Mar-2022	
<b>a Current Ratio - in times (A) / (B)</b>	<b>0.46</b>	<b>0.76</b>	<b>-40%</b>
Current Assets (A)	890.73	1,229.75	Refer note(1)
Current Liabilities (B)	1,941.90	1,611.22	
<b>b Debt-Equity Ratio - in times (C) / (D)</b>	<b>1.48</b>	<b>1.34</b>	<b>10%</b>
Debt (C)	6,369.16	5,559.76	
Equity (D)	4,290.03	4,134.83	
Debt is defined as non-current borrowings, current borrowings and Lease liability (current and non current).			

## Notes forming part of the Standalone financial statements

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

Particulars	As at 31-Mar-2023	As at 31-Mar-2022	Change
<b>c Debt Service Coverage Ratio - in times (E) / ((F) + (G))</b>	<b>1.76</b>	<b>0.88</b>	<b>100%</b>
Earnings Before Interest, Taxes, Depreciation and Amortisation (E)	1,943.81	1,329.64	Refer note(2)
Debt repayment (F)	540.73	1,008.33	
Interest payments (G)	565.05	505.43	
Earnings before interest,taxes, depreciation and amortisation is defined as: Profit for the year before exceptional items and taxes (add) Depreciation and Amortisation (add) Finance costs (less) interest income Debt repayment is defined as repayment of loans to Banks and lease payments during the year Interest payments is defined as interest paid on loans and lease liability during the year			
<b>d Return on Equity ratio (H) / (I)</b>	<b>1.59%</b>	<b>-6.38%</b>	<b>-125%</b>
Net profit (H)	67.15	(215.00)	Refer note (3)
Equity (I)	4,212.43	3,368.86	
Equity is defined as Average Equity share capital and Other equity.			
<b>e Inventory turnover ratio (K) / (L)</b>	<b>12.18</b>	<b>12.60</b>	<b>-3%</b>
Cost of food and beverages consumed (K)	3,744.17	2,791.37	
Average Inventory (L)	307.47	221.52	
Average Inventory is defined as average of inventories as at the beginning and as at the end of the year.			
<b>f Trade receivables turnover ratio (M) / (N)</b>	<b>164.55</b>	<b>140.97</b>	<b>17%</b>
Revenue from operations(M)	10,737.80	7,610.52	
Average Trade receivables (N)	65.26	53.99	
Average Trade receivables is defined as average of Trade receivables as at the beginning and as at the end of the year.			
<b>g Trade payables turnover ratio (O) / (P)</b>	<b>4.85</b>	<b>3.10</b>	<b>56%</b>
Total expenses (O)	8,892.21	6,536.46	Refer note (3)
Average Trade payables (P)	1,833.07	2,107.69	
Total expenses is defined as Cost of food and beverages consumed, Employee benefits expenses and Other operating expenses. Average Trade payables is defined as average of Trade payables as at the beginning and as at the end of the year.			
<b>h Net capital turnover ratio (Q) / (R)</b>	<b>(10.22)</b>	<b>(19.95)</b>	<b>-49%</b>
Revenue from operations(Q)	10,737.80	7,610.52	Refer note (3)
Working Capital (R)	(1,051.17)	(381.47)	
Working Capital is defined as current assets minus current liabilities			
<b>i Net profit ratio (S) / (T)</b>	<b>0.62%</b>	<b>-2.73%</b>	<b>-123%</b>
Net profit (S)	67.15	(215.00)	Refer note (3)
Total Revenue (T)	10,836.02	7,866.10	
Total revenue is defined as revenue from operation plus other income .			
<b>j Return on capital employed (U) / (V)</b>	<b>6.59%</b>	<b>2.82%</b>	<b>134%</b>
Earnings Before Interest and Taxes (U)	702.79	273.45	Refer note (3)
Capital Employed (V)	10,659.19	9,694.59	
Earnings before interest and taxes is defined as: Profit for the year before exceptional items and taxes (add) Finance costs Capital employed is defined as Equity, Debt and Lease liability.			

### Notes:

Variance of >25% due to:

- Reduction in current ratio is majorly due to the utilisation of the funds available for opening new outlets and increase in lease liability on account of new outlets.
- The Company has repaid the loans out of the Initial Public Offer(IPO) proceeds in the previous year and thereby increase in the debt service coverage ratio in the current year.
- The Company's operations were severely impacted during previous year due to 2nd COVID wave. During the year, the Company has started operating Post Covid levels which has resulted in increase in the revenue and increase in expenses and thereby resulting in the increase in profits.

## Notes forming part of the Standalone financial statements

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

### 45 Related party transactions

#### A) List of related parties:

Description of relationship	Names of related parties
Subsidiaries	Barbeque Nation MENA Holding Limited (formerly known as Barbeque Nation Holdings Limited) Barbeque Nation Restaurant LLC Barbeque Nation Holdings Pvt Ltd Barbeque Nation (Malaysia) SDN. BHD. Barbeque Nation International LLC Red Apple Kitchen Consultancy Private Limited
Investing party for which the Company is an Associate	Sayaji Hotels Limited Sayaji Housekeeping Services Limited
Key Management Personnel (KMP)	Kayum Dhanani (Managing Director) Rahul Agrawal (Chief Executive Officer & Whole-Time Director) Amit V Betala (Chief Financial Officer - Jan 14, 2020 till May 18, 2022 and from February 07, 2023) Anurag Mittal (Chief Financial Officer - from May 19, 2022 to February 06, 2023) Nagamani CY (Company Secretary) <b>Non-Executive Directors</b> T Narayanan Unni Raooof Razak Dhanani Suchitra Dhanani Abhay Chintaman Chaudhary Natarajan Ranganathan (resigned wef April 16, 2022) Ashok Revathy Devinjit Singh
Relatives of KMP	Gulshanbanu Memon Sanya Dhanani
Entities in which KMP / Relatives of KMP can exercise significant influence	Sara Soule Private Limited  Sana Reality Private Limited Samar Lifestyle Private Limited Liberty Restaurant Pvt Ltd Samar Retail Private Limited

#### B) Standalone Statement of Transactions and Balances with Related Parties

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
<b>i) Transactions with related parties</b>		
<b>Royalty income</b>		
Subsidiary company:		
Barbeque Nation Restaurant LLC	11.17	9.02
Barbeque Nation (Malaysia) SDN. BHD.	1.39	0.70
Barbeque Nation International LLC	1.36	0.95
<b>Guarantee commission</b>		
Subsidiary company:		
Barbeque Nation MENA Holding Limited	-	0.78
<b>Sub Lease Income</b>		
Subsidiary company:		
Red Apple Kitchen Consultancy Private Limited	0.48	-
<b>Services received</b>		
Investing party for which the Company is an Associate :		
Sayaji Hotels Limited	2.57	1.20
<b>Reimbursement of expenses paid</b>		
Subsidiaries:		
Red Apple Kitchen Consultancy Private Limited	0.47	-



## Notes forming part of the Standalone financial statements

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

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Barbeque Nation MENA Holding Limited	-	0.63
Sayaji Hotels Limited	-	1.75
<b>Rent and maintenance charges</b>		
Entity in which KMP / Relatives of KMP can exercise significant influence		
Sana Reality Private Limited	11.59	9.55
Liberty Restaurant Pvt Ltd	-	4.78
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	15.44	10.77
Relatives of KMP		
Gulshanbanu Memon	4.44	5.33
<b>Remuneration</b>		
Relatives of KMP		
Sanya Dhanani	-	1.09
<b>Provision for Security Deposits</b>		
Entities in which KMP / relatives of KMP have significant influence:		
Samar Retail Private Limited	-0.60	-
<b>Security deposit paid/(Received)</b>		
Entities in which KMP / relatives of KMP have significant influence:		
Sara Soule Private Limited	-	-3.13
Subsidiaries:		
Red Apple Kitchen Consultancy Private Limited	-2.50	-
<b>Investment made during the year in</b>		
Subsidiaries:		
Red Apple Kitchen Consultancy Private Limited	134.59	169.95
Barbeque Nation Holdings Pvt Ltd	-	1.87
<b>Loan granted to subsidiaries</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	-	509.18
<b>Receipt towards interest on loan granted to subsidiary</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	56.14	2.75
<b>Receipt towards guarantee commission</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	1.75	-
<b>Receipt towards Royalty Income from subsidiary</b>		
Subsidiaries:		
Barbeque Nation Restaurant LLC	15.41	13.51
Barbeque Nation (Malaysia) SDN. BHD.	0.70	1.26
Barbeque Nation International LLC (Oman)	1.74	1.58
<b>Receipt towards Reimbursement of expenses from subsidiary</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	-	16.54
Barbeque Nation Restaurant LLC	-	0.01
Barbeque Nation (Malaysia) SDN. BHD.	0.10	0.21
Barbeque Nation International LLC (Oman)	-	0.38
<b>Interest income on loan granted</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	43.03	34.57
ii) <b>Balances outstanding with related parties</b>		
<b>Trade receivables</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	-	1.75
Barbeque Nation Restaurant LLC	4.78	9.02
Barbeque Nation (Malaysia) SDN. BHD.	1.39	0.70

## Notes forming part of the Standalone financial statements

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

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Barbeque Nation International LLC (Oman)	0.57	0.95
Red apple Kitchen Consultancy Private Limited	0.78	-
<b>Loans</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	503.24	503.24
<b>Security deposits (refundable) with</b>		
Entities in which KMP / relatives of KMP have significant influence:		
Samar Retail Private Limited	-	0.60
Sana Reality Private Limited	3.00	3.00
Red Apple Kitchen Consultancy Private Limited	-	2.50
Relatives of KMP		
Gulshanbanu Memon	5.00	7.46
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	5.10	5.10
<b>Trade Payables</b>		
Entities in which KMP / relatives of KMP have significant influence:		
Sana Reality Private Limited	0.09	2.02
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	0.67	3.44
<b>Other receivables</b>		
Subsidiaries		
Barbeque Nation Holdings Private Limited, Mauritius	1.67	1.67
Barbeque Nation (Malaysia) SDN. BHD.	4.29	4.39
<b>Interest accrued on loan</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	21.46	34.57

### Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the year is as follows:

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Short-term benefits	24.47	19.38
Share-based payments	23.49	14.82
Perquisites	-	59.60
<b>Total</b>	<b>47.96</b>	<b>93.80</b>

The above compensation excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by actuary.

- C) All the related party transactions entered during the year were in ordinary course of business and are on arm's length price
- D) All loans given to related parties are repayable on demand at the agreed interest rate.

### 46 Disclosure as per Regulation 34 (3) and 53 (F) read with Part A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of loans and advances, the amount in the nature of loans outstanding at year end

Name of borrower	Nature of relationship	Security	Rate of interest	As at April 01, 2022	Given during the year	Repayment during the year	As at March 31, 2023	Maximum amount outstanding during the year ended March 31, 2023
Barbeque Nation Mena Holding Limited	Subsidiary	Unsecured	8.55%	961.25	-	-	961.25	961.25

## Notes forming part of the Standalone financial statements

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

### 47 Relationship with Struck off Companies

Name of the struck off Company	Nature of Transaction with Struck off Companies	Transaction during the year 31-March-2023	Balance Outstanding as at 31-March-2023	Relationship with Struck off Companies if any
Jamhub Software Pvt Ltd	Supply	-	-	Vendor
Balkara Logistics Private Limited	Advance	-	-0.02	Vendor
M.D Projects Private Limited	Supply	-	-	Vendor
Envoy Global Solutions Private Limited	Advance	0.03	-	Vendor

Name of the struck off Company	Nature of Transaction with Struck off Companies	Transaction during the year 31-March-2022	Balance Outstanding as at 31-March-2022	Relationship with Struck off Companies if any
Bhawani Elite Food and Beverages Private Limited	Payables	-	0.01	Vendor
Garhwala Aircon Services Private Limited	Payables/ (Advance to vendor)	3.16	-0.93	Vendor

### 48 Other statutory information/ disclosures

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with struck off companies, other than those disclosed in note No.47.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has no transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has borrowings from banks on the basis of security of current assets, the quarterly returns or statements of current assets has been filed by the Company with banks are in agreement with the books of accounts.
- The Company has not been declared willful defaulter by any bank or financial Institution or other lender.
- The Company has 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:
  - 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
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Company has 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:

- 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
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

### 49 Amendments effective from April 1, 2023 :

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to the Company from April 1, 2023.

- Ind AS 101 – First time adoption of Ind AS
- Ind AS 102 – Share-based payment
- Ind AS 103 – Business Combinations

## Notes forming part of the Standalone financial statements

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

- iv. Ind AS 107 – Financial Instruments: Disclosures
- v. Ind AS 109 – Financial Instruments
- vi. Ind AS 115 – Revenue from Contracts with Customers
- vii. Ind AS 1 – Presentation of Financial Statements
- viii. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
- ix. Ind AS 12 – Income Taxes
- x. Ind AS 34 – Interim Financial Reporting

The Company is in the process of evaluating the impact of the above amendments on the Company's financial statements.

**50 The previous year's figures have been re-grouped/reclassified, wherever necessary to conform to current year's classification.**

### **51 Approval of financial statements**

The Company's standalone financial statements are approved for issue by the board of directors on 27 May 2023.

For and on behalf of the **Board of Directors**

**Kayum Dhanani**  
Managing Director  
DIN No: 00987597

**T.N Unni**  
Director  
DIN No: 00079237

**Rahul Agrawal**  
Chief Executive Officer & Whole Time Director  
DIN No: 07194134

**Amit V Betala**  
Chief Financial Officer

**Nagamani C Y**  
Company Secretary

Bengaluru, 27 May 2023

# CONSOLIDATED FINANCIAL STATEMENTS

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**Barbeque Nation Hospitality Limited**

Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **BARBEQUE-NATION HOSPITALITY LIMITED** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31 March 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (together referred to as "Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated

cash flows and their consolidated changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Response to Key Audit Matter
<p><b>Impairment assessment of Goodwill</b></p> <p>Refer note 6 of the Consolidated financial statements.</p> <p>The Group has goodwill of Rs. 722.97 million as at 31 March 2023 arising out of past business combinations and is subjected to impairment test as part of Cash Generating Units (CGUs) which include goodwill. The goodwill is tested by the Management atleast annually, or more frequently if the events or changes in circumstances indicate that the asset might be impaired. The evaluation requires a comparison of the estimated recoverable value of the CGU to the carrying value of the assets in the CGU. The annual impairment testing of goodwill within such CGUs was considered to be a key audit matter due to the significant judgement involved to estimate the recoverable amount. The recoverable amount of the CGUs (including goodwill) which is the value in use has been derived from discounted forecast cash flow models. These models use several assumptions, of which the assumptions with highest degree of estimation, subjectivity and impact on value in use, are forecasted sales volumes and revenues, and the weighted average cost of capital (discount rate).</p> <p>The annual impairment testing was significant to our audit, because of the significance of the goodwill and related assets and involvement of significant judgement, estimates and assumptions as aforesaid.</p>	<p><b>Principal audit procedures performed:</b></p> <ul style="list-style-type: none"> <li>Tested the design and operating effectiveness of the Group's controls around the impairment testing of carrying value of goodwill.</li> <li>Understood the key assumptions considered in the management's estimates of future cash flows related to forecasted revenue and discount rate.</li> <li>Involved our internal valuation specialist to assist in evaluating the discount rates applied, which included benchmarking the weighted average cost of capital with sector averages for the relevant markets in which the CGUs operate and considering Company specific factors.</li> <li>Evaluated the reasonable of Management projections for forecasted revenue by comparing the historical cash flows including cashflows subsequent to reporting date with the past projections of the management for the same periods.</li> <li>Performed sensitivity analysis on the key assumptions of revenue growth during the forecast period and the discount rate applied to the future cash flows. We ascertained the extent to which a change in these assumptions, both individually or in aggregate, would result in impairment, and considered the likelihood of such events occurring.</li> </ul>

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

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to Board's report and Corporate Governance report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to this entity and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.

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

### Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern

basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entity or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the financial statements of 5 subsidiaries, whose financial statements reflect total assets of Rs. 2,309.24 million as at 31 March, 2023, total revenues of Rs. 1,731.05 million and

net cash inflows amounting to Rs. 18.62 million for the year ended on that date, as considered in the Consolidated financial statements. These financial statements have been audited by other auditors whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

We did not audit the financial information of a subsidiary, whose financial information reflect total assets of Rs. 0.24 million as at 31 March, 2023, total revenues of Rs. NIL and net cash outflows amounting to Rs. 1.41 million for the year ended on that date, as considered in the Consolidated financial statements. This financial information is unaudited and have been furnished to us by the Management and our opinion on the Consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for keeping backup on daily basis of such books of account maintained in electronic mode, in a server physically located in India (refer Note 46 to the financial statements).
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

- e) On the basis of the written representations received from the directors of the Parent as on 31 March, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in the paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' report of the Parent company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of the parent company. Reporting on the adequacy of Internal Financial Controls with reference to financial statements of the subsidiary company incorporated in India and the operating effectiveness of such controls, under section 143(3)(i) of the Act is not applicable in view of the exemption available to the subsidiary Company in terms of the notification no. G.S.R. 583(E) dated 13 June 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated 25 July 2017.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's report of subsidiary company incorporated in India, the remuneration paid by the Parent and such subsidiary company to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on its financial position in note 36 of its consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary company incorporated in India.
  - iv. (a) The respective Managements of the Parent Company and its subsidiary which are

companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in note 48, to the consolidated financial statements, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Parent Company or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Parent and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the noted 48 to the consolidated financial statements, no funds which are material either individually or in the aggregate have been received by the Parent Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiary shall, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditor of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Parent and its subsidiary which are companies incorporated in India, whose financial statements



have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the

consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
Firm's Registration No. 008072S

**Sathya P Koushik**  
Partner  
(Membership No. 206920)  
UDIN: 23206920BGYMEW8842

Place : Bengaluru  
Date : May 27, 2023

# ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

## Report on the Internal Financial Controls With reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of **BARBEQUE-NATION HOSPITALITY LIMITED** (hereinafter referred to as “Parent”), as of that date.

## Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Parent company, are responsible for establishing and maintaining internal financial controls based on “the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

## Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent.

## Meaning of Internal Financial Controls with reference to consolidated financial statements

A company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that

the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial systems established by the Parent considering the essential components of internal control stated

in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
Firm's Registration No. 008072S

**Sathya P Koushik**  
Partner  
(Membership No. 206920)  
UDIN: 23206920BGYMEW8842

Place : Bengaluru  
Date : May 27, 2023

# Consolidated Balance Sheet

as at 31 March 2023

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

Particulars	Note	As at	
		31 March 2023	31 March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4(a)	3,790.30	3,077.87
Right-of-use assets	5	5,556.02	4,877.47
Capital work-in-progress	4(c)	273.39	211.80
Goodwill	6	722.97	722.97
Other intangible assets	4(b)	46.93	44.70
<b>Financial assets</b>			
Other financial assets	7	421.10	394.64
Deferred tax assets (net)	35	509.47	540.85
Other non-current assets	8	53.09	48.02
<b>Total Non-current assets [A]</b>		<b>11,373.27</b>	<b>9,918.32</b>
<b>Current assets</b>			
Inventories	9	420.68	357.55
<b>Financial assets</b>			
Trade receivables	10	73.61	57.27
Cash and cash equivalents	11	425.60	853.41
Other financial assets	12	3.16	-
Current tax assets (Net)	14	36.85	10.29
Other current assets	13	255.99	215.86
<b>Total current assets [B]</b>		<b>1,215.89</b>	<b>1,494.38</b>
<b>Total assets [A+B]</b>		<b>12,589.16</b>	<b>11,412.70</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	15	194.90	194.55
Other equity	16	3,816.47	3,665.30
<b>Equity attributable to owners of the Company [C]</b>		<b>4,011.37</b>	<b>3,859.85</b>
Non-controlling interest	17	82.38	93.30
<b>Total equity [D]</b>		<b>4,093.75</b>	<b>3,953.15</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	18	76.42	144.13
Lease Liability	19	5,998.26	5,294.60
Provisions	20	114.88	104.26
<b>Total Non-current liabilities [E]</b>		<b>6,189.56</b>	<b>5,542.99</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	21	119.14	73.40
Lease Liability	19	651.22	591.90
Trade payables	22		
- total outstanding dues of micro enterprises and small enterprises		116.57	25.08
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,118.51	963.36
Other financial liabilities	23	95.35	70.69
Other current liabilities	24	131.45	128.14
Provisions	25	69.88	63.99
Current tax liabilities (Net)	26	3.73	-
<b>Total current liabilities [F]</b>		<b>2,305.85</b>	<b>1,916.56</b>
<b>Total liabilities [G= [E+F]]</b>		<b>8,495.41</b>	<b>7,459.55</b>
<b>Total equity and liabilities [G+D]</b>		<b>12,589.16</b>	<b>11,412.70</b>

See accompanying notes to Consolidated financial statements Note 1 to 51  
In terms of our report attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

For and on behalf of the Board of Directors

**Sathya P Koushik**  
Partner  
(Membership No. 206920)

**Kayum Dhanani**  
Managing Director  
DIN No: 00987597

**Rahul Agrawal**  
Chief Executive Officer & Whole Time Director  
DIN No: 07194134

**T.N Unni**  
Director  
DIN No: 00079237

**Amit V Betala**  
Chief Financial Officer

**Nagamani C Y**  
Company Secretary

Bengaluru, 27 May 2023

Bengaluru, 27 May 2023

# Consolidated Statement of Profit and Loss

For the year ended 31 March 2023

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

Particulars	Note	For the year ended	
		31 March 2023	31 March 2022
<b>REVENUE</b>			
Revenue from operations	27	12,337.55	8,605.54
Other Income	28	80.27	262.79
<b>Total Revenue (A)</b>		<b>12,417.82</b>	<b>8,868.33</b>
<b>EXPENSES</b>			
Cost of food and beverages consumed	29	4,151.86	3,047.36
Employee benefits expenses	30	2,676.03	1,886.09
Other operating expenses	31	3,203.85	2,334.77
<b>Total Expenses (B)</b>		<b>10,031.74</b>	<b>7,268.22</b>
<b>Earnings before exceptional items, finance costs, depreciation and amortisation (EBITDA) (C= (A-B))</b>		<b>2,386.08</b>	<b>1,600.11</b>
Finance costs (D)	32	717.01	653.03
Depreciation and amortisation expense (E)	33	1,449.98	1,272.59
<b>Profit/(loss) before exceptional items and tax (F=(C-D-E))</b>		<b>219.09</b>	<b>(325.51)</b>
Exceptional Items - (net) gain/(loss)(G)	34	38.23	4.93
<b>Profit/(loss) before tax (H=(F-G))</b>		<b>257.32</b>	<b>(320.58)</b>
<b>Tax expense / (benefit)</b>	35		
(1) Current tax		33.42	-
(2) Deferred tax		32.43	(68.66)
<b>Total tax expense (I)</b>		<b>65.85</b>	<b>(68.66)</b>
<b>Profit/(loss) after tax (J=(H-I))</b>		<b>191.47</b>	<b>(251.92)</b>
<b>Profit/(Loss) for the year attributable to:</b>			
Owners of the Company		170.17	(256.02)
Non controlling interests		21.30	4.10
<b>Other comprehensive income (K)</b>			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)		(4.20)	(1.14)
(ii) Income tax relating to items that will not be reclassified to profit or loss		1.06	0.29
B (i) Items that may be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		(4.33)	(18.97)
<b>Total comprehensive income/(loss) for the year (J+K)</b>		<b>184.00</b>	<b>(271.74)</b>
<b>Total comprehensive income/ (loss) for the year attributable to:</b>			
Owners of the Company		162.70	(275.84)
Non controlling interests		21.30	4.10
<b>Earnings per equity share</b>			
(1) Basic	41	4.37	(10.30)
(2) Diluted	41	4.32	(10.30)

See accompanying notes to Consolidated financial statements Note 1 to 51  
In terms of our report attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

For and on behalf of the Board of Directors

**Sathya P Koushik**  
Partner  
(Membership No. 206920)

**Kayum Dhanani**  
Managing Director  
DIN No: 00987597

**Rahul Agrawal**  
Chief Executive Officer & Whole Time Director  
DIN No: 07194134

**T.N Unni**  
Director  
DIN No: 00079237

**Amit V Betala**  
Chief Financial Officer

**Nagamani C Y**  
Company Secretary

Bengaluru, 27 May 2023

Bengaluru, 27 May 2023

# Consolidated Cash Flow Statement

for the year ended 31 March 2023

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

Particulars	For the year ended	
	31 March 2023	31 March 2022
<b>A. Cash flow from operating activities</b>		
Profit / (loss) before tax	257.32	(320.58)
<b>Adjustments for:</b>		
Depreciation and amortisation	1,449.98	1,272.59
Net (gain) / loss relating to restaurant units closed / relocated	(70.23)	(4.93)
Interest expense on borrowings	15.35	44.98
Interest expenses on provision for asset retirement obligations	5.14	5.26
Interest on lease liabilities	595.56	508.03
Interest income	(56.56)	(58.09)
Rent concession due to Covid 19	(1.27)	(170.16)
Expense on employee stock option scheme	76.30	41.03
Provision no longer required	(8.71)	(4.00)
Provision for doubtful receivables and advances	0.00	1.10
Provision for impairment	32.00	0.00
<b>Operating profit before working capital changes</b>	<b>2,294.88</b>	<b>1,315.23</b>
<b>Changes in working capital:</b>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(63.13)	(156.03)
Trade receivables	(16.34)	(30.83)
Other assets (financial & non financial)	(149.06)	(69.95)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	246.64	(479.33)
Non-current provisions	16.19	19.01
Current provisions	0.75	(3.33)
Other liabilities	3.32	34.29
<b>Cash generated from operations</b>	<b>2,333.25</b>	<b>629.06</b>
Net income tax (paid) / refunds	(57.31)	(30.94)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>2,275.94</b>	<b>598.12</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on property, plant and equipment, including Right-of-use assets, CWIP and capital advances	(1,459.88)	(932.86)
Aquisition of Minority stake in Red Apple Kitchen Consultancy Private Limited	(134.59)	-
Proceeds from sale of property, plant and equipment	0.72	0.73
Deposits placed for margin money	22.43	(27.60)
Interest received	53.40	58.09
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(1,517.92)</b>	<b>(901.64)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares (net of share issue expenses)	14.89	1,844.17
Proceeds from Share Application money pending allotment	0.00	0.65
Share issue expenses / Expenses towards offer for sale of shares	0.00	(138.06)
Proceeds from long-term borrowings	21.92	172.24
Repayment of long-term borrowings	(93.30)	(1,260.45)
Net increase / (decrease) in working capital borrowings	49.41	(222.17)
Payment of lease liabilities	(1,163.40)	(838.44)

# Consolidated Cash Flow Statement

For the year ended 31 March 2023

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

Particulars	For the year ended	
	31 March 2023	31 March 2022
Liabilities towards selling shareholders (net)	0.00	(806.23)
Interest paid	(15.35)	(49.72)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(1,185.83)</b>	<b>(1,298.01)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(427.81)</b>	<b>(1,601.53)</b>
Cash and cash equivalents at the beginning of the year	853.41	2,454.94
<b>Cash and cash equivalents at the end of the year</b>	<b>425.60</b>	<b>853.41</b>
<b>Reconciliation of cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents as per Balance Sheet		
Cash on hand	11.62	12.34
Balances with bank	413.98	841.07
<b>Cash and cash equivalents at the end of the year</b>	<b>425.60</b>	<b>853.41</b>

See accompanying notes to Consolidated financial statements Note 1 to 51  
In terms of our report attached.  
For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 008072S)

**Sathya P Koushik**  
Partner  
(Membership No. 206920)

**Kayum Dhanani**  
Managing Director  
DIN No: 00987597

For and on behalf of the Board of Directors

**Rahul Agrawal**  
Chief Executive Officer & Whole Time Director  
DIN No: 07194134

**T.N Unni**  
Director  
DIN No: 00079237

**Amit V Betala**  
Chief Financial Officer

**Nagamani C Y**  
Company Secretary

Bengaluru, 27 May 2023

Bengaluru, 27 May 2023

# Consolidated Statement of Changes in Equity

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

## (a) Equity share capital

Particulars	As at	
	31 March 2023	31 March 2022
Opening balance	194.55	169.72
Changes in equity share capital during the year		
Issue of the equity share during the year	0.35	24.83
Closing balance	194.90	194.55

## (b) Other equity

Particulars	Reserves and Surplus						Share application money pending allotment	Non-controlling interests	Total Other Equity
	Securities premium	Share options outstanding account	Retained earnings	Other comprehensive income - Foreign currency translation	Equity attributable to equity holders of the Company	(E=A+B+C+D)			
	(A)	(B)	(C)	(D)	(E=A+B+C+D)	(F)	(G)	(H= E+F+G)	
<b>Balance as at April 1, 2021</b>	<b>3,096.22</b>	<b>41.69</b>	<b>(1,836.81)</b>	<b>(26.09)</b>	<b>1,275.01</b>	<b>994.27</b>	<b>38.10</b>	<b>2,307.38</b>	
Profit/(loss) for the year	-	-	(256.02)	-	(256.02)	-	4.10	(251.92)	
Remeasurements of the defined benefit plans (net of tax)	-	-	(0.85)	(0.85)	(0.85)	-	-	(0.85)	
Foreign currency translation	-	-	-	(18.97)	(18.97)	-	-	(18.97)	
<b>Total comprehensive income/(loss)</b>	-	-	<b>(256.87)</b>	<b>(18.97)</b>	<b>(275.84)</b>	-	<b>4.10</b>	<b>(271.74)</b>	
Premium received on shares issued during the year	2,813.61	-	-	-	2,813.61	-	-	2,813.61	
Share issue expenses	(138.06)	-	-	-	(138.06)	-	-	(138.06)	
Issue of equity shares	-	-	-	-	-	(994.27)	-	(994.27)	
Transfer on exercise of employee stock options	22.59	(22.59)	-	-	-	-	-	-	
Share based compensation to employees	-	41.03	-	-	41.03	-	-	41.03	
On account of further equity infusion	-	-	(51.10)	-	(51.10)	-	51.10	-	
Share application money received pending allotment	-	-	-	-	-	0.65	-	0.65	
<b>Balance as at March 31, 2022</b>	<b>5,794.36</b>	<b>60.13</b>	<b>(2,144.78)</b>	<b>(45.06)</b>	<b>3,664.65</b>	<b>0.65</b>	<b>93.30</b>	<b>3,758.60</b>	
Profit/(loss) for the year	-	-	170.17	-	170.17	-	21.30	191.47	
Remeasurements of the defined benefit plans (net of tax)	-	-	(3.14)	-	(3.14)	-	-	(3.14)	
Further Acquisition of Non Controlling interest in Red Apple Kitchen Consultancy Private Limited	-	-	(134.59)	-	(134.59)	-	-	(134.59)	
Foreign currency translation	-	-	-	(4.33)	(4.33)	-	-	(4.33)	
<b>Total comprehensive income/(loss)</b>	-	-	<b>32.44</b>	<b>(4.33)</b>	<b>28.11</b>	-	<b>21.30</b>	<b>49.41</b>	
Premium received on shares issued during the year	15.19	-	-	-	15.19	-	-	15.19	
Transfer on exercise of employee stock options	8.14	(8.14)	-	-	-	(0.65)	-	(0.65)	
Share based compensation to employees	-	76.30	-	-	76.30	-	-	76.30	
On account of further equity infusion	-	-	32.22	-	32.22	-	(32.22)	-	
<b>Balance as at March 31, 2023</b>	<b>5,817.69</b>	<b>128.29</b>	<b>(2,080.12)</b>	<b>(49.39)</b>	<b>3,816.47</b>	-	<b>82.38</b>	<b>3,898.85</b>	

See accompanying notes to Consolidated financial statements Note 1 to 51

In terms of our report attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 0080725)

**Sathya P Koushik**  
Partner  
(Membership No. 206920)

**Kayum Dhanani**  
Managing Director  
DIN No. 00987597

**Rahul Agrawal**  
Chief Executive Officer & Whole Time Director  
DIN No: 07194134

**T.N Unni**  
Director  
DIN No.:00079237

**Amit V Betala**  
Chief Financial Officer

**Nagamani C Y**  
Company Secretary

Bengaluru, 27 May 2023

Bengaluru, 27 May 2023

For and on behalf of the Board of Directors



## Notes forming part of the Consolidated financial statements

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

### 1. Corporate information

Barbeque-Nation Hospitality Limited (the 'Company') and its subsidiaries (collectively referred to as the 'Group'), are primarily engaged in the business of operating casual dining restaurant chain. The registered office of the Company is situated at "Saket Callipolis", Unit No. 601 & 602, 6th Floor, Doddakannalli Village, Varthur Hobli, Sarjapur Road, Bengaluru-560035.

### 2. Basis of preparation and presentation:

#### 2.1 Statement of compliance:

These consolidated financial statements have been prepared to comply in all material aspects with the 'Indian Accounting Standards' ("Ind AS") notified under section 133 of the Companies Act, 2013 (the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter, as applicable to the Group, and other relevant provisions of the Act. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### 2.2 Basis of preparation and presentation

The consolidated financial statements have been prepared in accordance with the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair

value measurement in its entirety, which are described as follows:

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

#### 2.3 Basis of consolidation:

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- (a) has power over the investee;
- (b) is exposed, or has rights, to variable returns from its involvement with the investee; and
- (c) has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

The Consolidated Financial Information of the Group include subsidiaries in the table below:

## Notes forming part of the Consolidated financial statements

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

Name of the entity	Country of incorporation	As at	
		31-Mar-23	31-Mar-22
Barbeque Nation Mena Holding Limited	Dubai	100%	100%
Barbeque Nation Restaurant LLC	Dubai	100%	49%
Barbeque Nation (Malaysia) SDN. BHD.	Malaysia	100%	100%
Barbeque Nation International LLC	Oman	49%	49%
Barbeque Nation Holdings Pvt. Ltd.	Mauritius	100%	100%
Red Apple Kitchen Consultancy Private Limited	India	78.22%	68.82%

\*Barbeque Nation Kitchen LLC, Dubai has been wound-up with effect from March 29, 2023.

### 2.4 Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring the goods or services to a customer.

Revenue from sale of food and beverages is recognized at the time of underlying sale to the customer. Revenue is presented net of discounts given to the customers and any taxes collected from customers for remittance to the government. In case of discount to customers in the form of "Smiles", the value of such discount is determined based on the percentage of redemption in the past. Customer purchases of gift cards are recognized as sales upon redemption of gift card or upon expiry.

Revenue from displays and sponsorships are recognized in the period in which the products or the sponsor's advertisements are promoted/displayed.

Royalty arrangements based on sales are recognised at the time the underlying sales occur.

Government incentives are accrued for based on fulfilment of eligibility criteria for availing the incentives and when there is no uncertainty in receiving the same. These incentives include estimated realisable values/benefits from special import licenses and benefits under Serve from India Scheme.

### 2.5 Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 2.6 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the

acquisition-date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange of control of the acquiree. Acquisition-related costs are generally recognised in Statement of profit and loss as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.

### 2.7 Non-current assets held for sale and discontinued operations:

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified

## Notes forming part of the Consolidated financial statements

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

as held for sale when the criteria described above are met, regardless of whether the group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and: (a) represents a separate major line of business or geographical area of operations, (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or (c) is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

### 2.8 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to the Group's cash-generating units.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss.

### 2.9 Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising

on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of profit and loss.

Depreciable amount for assets is the cost of asset less its estimated residual value. Depreciation on tangible assets have been provided on the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The useful life of assets is given below:

Leasehold improvements	Amortised over the period of the lease
Furniture and fittings	10 Years
Plant & machinery	15 Years
Service equipments	10 Years
Computer equipments	3-6 Years
Vehicles	8 Years

### 2.10 Intangible assets

Acquired Intangible Assets - Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Liquor licenses with perpetual term purchased for restaurant chain business:	Amortised over the lease term of the respective restaurants
------------------------------------------------------------------------------	-------------------------------------------------------------

Software and other licenses	3 Years
Brand name	Indefinite useful life

## Notes forming part of the Consolidated financial statements

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

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Statement of profit and loss when the asset is derecognised.

### 2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Cost of inventories include all costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### 2.12 Financial Instruments

#### Financial assets and financial liabilities:

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

#### Initial recognition and measurement:

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

#### Subsequent measurement:

Financial assets at amortised cost: Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at fair value through other comprehensive Income: Financial assets are measured at fair value through other comprehensive income if these financial assets are held within

business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss: Financial assets are measured at fair value through profit or loss unless it measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

#### Financial liabilities

Financial liabilities are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### Equity Instrument

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Group are recognised at the proceeds received net off direct issue cost.

#### Impairment of financial assets (other than at fair value)

The Group assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

## Notes forming part of the Consolidated financial statements

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

### Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of profit and loss if such gain or loss would have otherwise been recognised in Statement of profit and loss on disposal of that financial asset.

### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of profit and loss.

### 2.13 Share issue expense

The transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction.

### 2.14 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.15 Foreign Currency transactions and translations

The functional currency of the Company is Indian Rupee (Rs.).

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets

when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

### 2.16 Employee Benefits

#### Defined Contribution Plan

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Defined Benefit Plan

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses is recognised in other comprehensive income in the period in which they occur.

#### Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

#### Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

## Notes forming part of the Consolidated financial statements

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

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective

### 2.17 Share based payment transaction

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

### 2.18 Borrowing Costs

#### **Borrowing costs include:**

- (a) interest expense calculated using the effective interest rate method,
- (b) finance charges in respect of finance leases, and
- (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in Statement of profit and loss in the period in which they are incurred.

### 2.19 Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Further, in respect of lease contracts of its outlet premises, the Group has elected not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

#### **Measurement of the right-of use asset:**

At the commencement date, the right-of-use asset is measured at cost and comprises:

- the amount of the initial measurement of the lease liability, to which is added, if applicable, any lease payments made at or before the commencement date, less any lease incentives received;
- where relevant, any initial direct costs incurred by the lessee for the conclusion of the contract. These are incremental costs which would not have been incurred if the contract had not been concluded;
- estimated costs for restoration and dismantling of the leased asset according to the terms of the contract, through a return obligation liability or provision determined as a discounted amount of the restoration and dismantling costs.

Following the initial recognition, the right-of-use asset is depreciated from the commencement date on a straight-line basis over the lease term. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be

## Notes forming part of the Consolidated financial statements

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

recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

### Measurement of the lease liability

At the commencement date, the lease liability is recognized for an amount equal to the present value of the lease payments over the lease term.

Amounts involved in the measurement of the lease liability are:

- fixed payments (including in-substance fixed payments; meaning that even if they are variable in form, they are in-substance unavoidable);
- variable lease payments that depend on an index or a rate, initially measured using the index or the rate in force at the lease commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently measured based on a process similar to the amortized cost method using the discount rate:

- the liability is increased by the accrued interests resulting from the discounting of the lease liability, at the beginning of the lease period;
- less payments made. The interest cost for the period as well as variable payments, not taken into account in the initial measurement of the lease liability and incurred over the relevant period are recognized as costs.

In addition, the lease liability may be remeasured in the following situations:

- change in the lease term,
- modification related to the assessment of the reasonably certain nature (or not) of the exercise of an option,
- remeasurement linked to the residual value guarantees,

- adjustment to the rates and indices according to which the rents are calculated when rent adjustments occur.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### 2.20 Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax:** The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax:** Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

## Notes forming part of the Consolidated financial statements

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

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

### Current and deferred tax

Current and deferred tax are recognised in Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### 2.21 Provisions and Contingent Liabilities

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

### 2.22 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

### 2.23 Earnings per share (EPS)

Basic earnings per share are computed by dividing 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 earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

### 2.24 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### 2.25 Receivable discounting charges

Receivables discounting charges are recognised in Statement of profit and loss in the period in which they are incurred.

## 3. Use of estimates and judgements

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.



## Notes forming part of the Consolidated financial statements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Name of the entity	Country of incorporation	As at		
		31-Mar-23	31-Mar-22	31-Mar-21
Barbeque Nation Restaurant LLC	Dubai	100%	49%	49%
Barbeque Nation International LLC	Oman	49%	49%	49%

Although BNHL, Dubai holds less than half of the voting power in these entities, pursuant to its unilateral control over the relevant activities of these entities, these are considered subsidiaries of BNHL, Dubai.

### Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

### Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs

### Critical judgement in applying accounting policies

#### Determining control over certain subsidiaries:

The Company's wholly-owned subsidiary, Barbeque Nation Mena Holding Limited, Dubai ('BNHL, Dubai') has 49% stake in following entities:

relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives.

#### Useful lives of property, plant and equipment

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

#### Provision for site restoration obligations

The Group has recognised provision for site restoration obligation associated with the stores opened. In determining the value of the provision, assumptions and estimates are made in respect of the expected cost to dismantle and remove the furniture/fixtures from the stores and the expected timing of those costs.

#### Uncertain tax positions

The Company's current tax provision relates to management's assessment of the amount of tax payable on open tax positions where the liabilities remain to be agreed with relevant tax authorities. Uncertain tax items for which a provision is made relate principally to the interpretation of tax legislation applicable to arrangements entered into by the Company. Due to the uncertainty associated with such tax items, it is possible that, on conclusion of open tax matters at a future date, the final outcome may differ significantly.

## Notes forming part of the Consolidated financial statements

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

### 4. Property, plant and equipment and intangible assets

Particulars	Cost				Accumulated depreciation/amortisation				Net Block		
	Balance as at 01-Apr-22	Additions	Deletions	Effect of foreign currency exchange differences	Balance as at 31-Mar-23	Depreciation/amortisation expense for the year	Provision for Impairment (refer note 34)	Eliminated on disposal of assets	Effect of foreign currency exchange differences	Balance as at 31-Mar-23	Balance as at 31-Mar-22
<b>4(a) Property, plant and equipment (owned)</b>											
Lease hold improvement	2,023.64	402.53	(12.96)	31.08	<b>2,444.28</b>	241.96	32.00	(6.81)	23.87	<b>1,317.31</b>	997.34
Furniture and fixtures	1,420.71	286.84	(14.02)	5.53	<b>1,699.06</b>	160.76	-	(7.37)	4.77	<b>826.43</b>	752.44
Plant & machinery	1,084.74	281.04	(6.42)	9.04	<b>1,368.40</b>	317.53	-	(2.41)	2.83	<b>413.97</b>	767.20
Service equipment	1,118.69	357.94	(0.61)	3.30	<b>1,479.32</b>	634.52	-	(0.56)	5.21	<b>758.57</b>	484.16
Computer equipment	239.90	62.16	(0.07)	1.02	<b>303.01</b>	187.59	-	(0.07)	1.00	<b>223.52</b>	52.31
Vehicles	39.44	24.51	(0.79)	0.31	<b>63.46</b>	15.02	-	(0.41)	0.30	<b>27.45</b>	24.42
<b>Total</b>	<b>5,927.11</b>	<b>1,415.03</b>	<b>(34.88)</b>	<b>50.28</b>	<b>7,357.54</b>	<b>665.68</b>	<b>32.00</b>	<b>(17.63)</b>	<b>37.98</b>	<b>3,567.25</b>	<b>3,790.30</b>
<b>4(b) Intangible assets (others)</b>											
Liquor licenses	12.27	-	-	-	<b>12.27</b>	9.48	0.77	-	-	<b>10.25</b>	2.02
Software and licenses	59.39	6.32	-	0.13	<b>65.83</b>	45.81	4.79	-	0.13	<b>50.73</b>	13.57
Brand name	32.15	1.47	-	-	<b>33.62</b>	3.81	-	-	-	<b>3.81</b>	28.34
<b>Total</b>	<b>103.81</b>	<b>7.79</b>	<b>-</b>	<b>0.13</b>	<b>111.72</b>	<b>59.10</b>	<b>5.56</b>	<b>-</b>	<b>0.13</b>	<b>64.79</b>	<b>46.93</b>
<b>Grand Total</b>	<b>6,030.92</b>	<b>1,422.82</b>	<b>(34.88)</b>	<b>50.41</b>	<b>7,469.26</b>	<b>671.24</b>	<b>32.00</b>	<b>(17.63)</b>	<b>38.11</b>	<b>3,632.04</b>	<b>3,837.23</b>

Particulars	Cost				Accumulated depreciation/amortisation				Net Block		
	Balance as at 01-Apr-21	Additions	Deletions	Effect of foreign currency exchange differences	Balance as at 31-Mar-22	Depreciation/amortisation expense for the year	Provision for Impairment (refer note 34)	Eliminated on disposal of assets	Effect of foreign currency exchange differences	Balance as at 31-Mar-22	Balance as at 31-Mar-21
<b>4(a) Property, plant and equipment (owned)</b>											
Lease hold improvement	1,881.88	201.92	(73.53)	13.37	<b>2,023.64</b>	207.91	-	(69.19)	8.65	<b>1,026.29</b>	1,002.96
Furniture and fixtures	1,264.71	185.29	(31.68)	2.39	<b>1,420.71</b>	142.71	-	(30.65)	1.66	<b>668.27</b>	710.16
Plant & machinery	942.88	151.51	(13.49)	3.84	<b>1,084.74</b>	73.85	-	(10.84)	0.95	<b>317.53</b>	689.31
Service equipment	1,004.62	137.50	(24.84)	1.41	<b>1,118.69</b>	115.02	-	(22.99)	1.70	<b>634.52</b>	463.83
Computer equipment	198.52	44.67	(3.72)	0.43	<b>239.90</b>	39.14	-	(3.67)	0.42	<b>187.59</b>	46.82
Vehicles	19.24	20.32	(0.25)	0.13	<b>39.44</b>	7.07	-	(0.22)	0.12	<b>15.02</b>	11.19
<b>Total</b>	<b>5,311.85</b>	<b>741.21</b>	<b>(147.51)</b>	<b>21.57</b>	<b>5,927.11</b>	<b>585.70</b>	<b>-</b>	<b>(137.56)</b>	<b>13.50</b>	<b>2,849.22</b>	<b>3,077.87</b>
<b>4(b) Intangible assets (others)</b>											
Liquor licenses	11.67	0.60	-	-	<b>12.27</b>	9.28	0.20	-	-	<b>9.48</b>	2.79
Software and licenses	57.93	1.42	(0.02)	0.05	<b>59.39</b>	36.52	9.27	(0.02)	0.04	<b>45.81</b>	21.41
Brand name	29.93	2.22	-	-	<b>32.15</b>	1.59	2.22	-	-	<b>3.81</b>	28.34
<b>Total</b>	<b>99.53</b>	<b>4.24</b>	<b>(0.02)</b>	<b>0.05</b>	<b>103.81</b>	<b>47.39</b>	<b>11.69</b>	<b>(0.02)</b>	<b>0.04</b>	<b>59.10</b>	<b>44.70</b>
<b>Grand Total</b>	<b>5,411.38</b>	<b>745.45</b>	<b>(147.53)</b>	<b>21.62</b>	<b>6,030.92</b>	<b>2,434.97</b>	<b>597.39</b>	<b>(137.58)</b>	<b>13.54</b>	<b>2,908.32</b>	<b>3,122.57</b>

## Notes forming part of the Consolidated financial statements

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

### 4(c) Capital-Work-in Progress (CWIP)

#### (i) CWIP ageing schedule

Particulars	Amount in CWIP for the period				Total
	less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
FY 2022-23	265.27	8.12			273.39
FY 2021-22	211.80	-	-	-	211.80

As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

### 5 Right-of-use asset

Particulars	Amount Rs.
<b>As at March 31, 2021</b>	<b>6,637.65</b>
Additions	1,952.54
Deletions	(224.09)
Effect of foreign currency exchange differences	13.53
<b>As at March 31, 2022</b>	<b>8,379.63</b>
Additions	1,671.33
Deletions	(770.81)
Effect of foreign currency exchange differences	-
<b>As at March 31, 2023</b>	<b>9,280.15</b>

#### Accumulated depreciation

Particulars	Amount Rs.
<b>As at March 31, 2021</b>	<b>3,020.70</b>
Depreciation charge	675.21
Deletions	(201.72)
Effect of foreign currency exchange differences	7.97
<b>As at March 31, 2022</b>	<b>3,502.16</b>
Depreciation charge	778.74
Deletions	(548.42)
Effect of foreign currency exchange differences	(8.35)
<b>As at March 31, 2023</b>	<b>3,724.13</b>

#### Net Book Value

Particulars	Amount Rs.
<b>As at March 31, 2023</b>	<b>5,556.02</b>
<b>As at March 31, 2022</b>	<b>4,877.47</b>

### 6 Goodwill

#### A reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period

Particulars	As at	
	31-Mar-23	31-Mar-22
Cost or deemed cost	722.97	722.97
<b>Total</b>	<b>722.97</b>	<b>722.97</b>

#### Allocation of goodwill to cash generating units:

For the purpose of impairment testing, goodwill has been allocated to group of cash-generating units in the following manner.

Particulars	As at	
	31-Mar-23	31-Mar-22
Group of Cash generating units		
Barbeque Nation	189.66	189.66
Toscano / Cafe Toscano	583.31	583.31
<b>Total</b>	<b>772.97</b>	<b>772.97</b>

## Notes forming part of the Consolidated financial statements

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

The recoverable amount of the above cash generating units have been determined based on a value in use approach by considering cash flow projections approved by the management covering a five year period and the terminal value. Determination of value in use involves significant estimates and assumptions that affect the expected future cash flows. These estimates and assumptions, primarily include, but are not limited to, the revenue growth and profitability during the forecast period, the discount rate and the terminal growth rate

The following inputs have been used for arriving the said recoverable amount.

### Outlets operating with the brand name "Toscano" / "Café Toscano"

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Input considered</b>		
Discount rate	13.00%	12.00%
<b>Growth rate</b>	<b>3.00%</b>	<b>2.00%</b>

In respect of restaurant outlets acquired and operating with the brand name Barbeque-Nation, an analysis of the sensitivity of the computation to a change in key parameters based on reasonably probable assumptions, did not identify any probable scenario in which the value-in use would decrease below the carrying amount.

## 7 Other financial assets

(Classified under non-current assets)

Particulars	As at	
	31-Mar-23	31-Mar-22
Financial assets at amortised cost		
Balances held as margin money or security	22.88	45.31
Security deposits		
Considered good	398.22	349.33
Credit impaired	36.17	38.14
Less: Allowance for doubtful deposits- credit impaired	(36.17)	(38.14)
<b>Total</b>	<b>421.10</b>	<b>394.64</b>

Allowance for bad and doubtful deposits pursuant to closure of outlets is included in the Net loss relating to restaurant units closed / relocated disclosed under Note 34.

### Movement in allowance for security deposits

Particulars	31-Mar-23	31-Mar-22
Opening balance	38.14	30.38
Add : Additional provision during the year	10.93	3.24
Less : Written-off during the year	(13.85)	-
Forex difference during the year	0.95	4.52
<b>Closing balance</b>	<b>36.17</b>	<b>38.14</b>

Particulars	31-Mar-23	31-Mar-22
Security deposits		
Samar Retail Private Limited		
- at amortised cost	-	0.60
- at refundable value	-	0.60
Sana Reality Private Limited		
- at amortised cost	3.00	2.71
- at refundable value	3.00	3.00

## 8 Other non-current assets

Particulars	As at	
	31-Mar-23	31-Mar-22
Unsecured, considered good:		
Amounts paid to statutory authorities under protest	30.97	30.69
Other security deposits	22.12	17.33
<b>Total</b>	<b>53.09</b>	<b>48.02</b>

## Notes forming part of the Consolidated financial statements

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

### 9 Inventories\*

(Classified under non-current assets)

Particulars	As at	
	31-Mar-23	31-Mar-22
(At lower of cost and net realisable value)		
Food and beverages**	358.49	308.81
Stores and consumables	62.19	48.74
<b>Total</b>	<b>420.68</b>	<b>357.55</b>

\* Refer note 2.11 for mode of valuation of inventories

\*\* Net of Rs. 5 million (previous year : NIL) provision for inventory obsolescence

### 10 Trade receivables

Particulars	31-Mar-23	31-Mar-22
<b>Trade receivables (unsecured) consist of following</b>		
considered good	73.61	57.27
credit impaired	1.95	1.97
	75.56	59.24
Less: Allowance for credit loss	(1.95)	(1.97)
<b>Total</b>	<b>73.61</b>	<b>57.27</b>

**Movement in allowance for credit loss is as follows:**

Particulars	31-Mar-23	31-Mar-22
Opening balance	1.97	1.69
Movement in expected credit loss (ECL) allowance on trade receivables at lifetime ECL	(0.02)	0.28
<b>Closing balance</b>	<b>1.95</b>	<b>1.97</b>

**Trade receivables ageing schedule**

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 month	6 month - 1 year	1-2 Years	2-3 Years	more than 3 Years	
<b>FY 2022-23</b>							
(i) Undisputed Trade receivables - considered good	37.60	35.67	0.15	0.19	-	-	73.61
(ii) Undisputed Trade receivables - considered doubtful	-	0.01	-	0.13	0.05	1.76	1.95
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-	-
<b>FY 2021-22</b>							
(i) Undisputed Trade receivables - considered good	24.82	29.66	0.19	1.50	0.93	-	57.10
(ii) Undisputed Trade receivables - considered doubtful	0.00	0.00	0.10	0.05	1.76	-	1.91
(iii) Disputed Trade receivables - considered good	-	-	0.17	-	-	-	0.17
(iv) Disputed Trade receivables - considered doubtful	0.00	0.00	-	-	0.05	0.01	0.06

### 11 Cash and cash equivalents

Particulars	As at	
	31-Mar-23	31-Mar-22
Cash on hand	11.62	12.34
Balances with banks :		
In current accounts	116.13	191.54
In Deposit accounts	297.85	649.53
<b>Cash and cash equivalents as per balance sheet</b>	<b>425.60</b>	<b>853.41</b>

## Notes forming part of the Consolidated financial statements

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

### 12 Other financial assets

(Classified under current assets)

Particulars	As at	
	31-Mar-23	31-Mar-22
Interest accrued on fixed deposits	3.16	-
<b>Total</b>	<b>3.16</b>	<b>-</b>

### 13 Other current assets

Particulars	As at	
	31-Mar-23	31-Mar-22
Advance to employees	21.60	24.67
Prepaid expenses	160.59	124.12
Advances paid for supply of materials / rendering of services		
Unsecured, considered good	48.55	64.60
Doubtful	4.95	4.47
	<b>53.50</b>	<b>69.07</b>
Less: Allowance for bad and doubtful advances	(6.32)	(5.42)
	<b>47.18</b>	<b>63.65</b>
Balance with Government authorities	26.62	3.42
<b>Total</b>	<b>255.99</b>	<b>215.86</b>

#### Movement in allowance for bad and doubtful advances

Particulars	As at	
	31-Mar-23	31-Mar-22
Opening balance	5.42	10.90
Additional provision during the year	0.90	-
Written-off during the year	-	(5.48)
<b>Closing balance</b>	<b>6.32</b>	<b>5.42</b>

### 14 Current tax Assets (Net)

Particulars	As at	
	31-Mar-23	31-Mar-22
Income Tax (net of advance income tax)	36.85	10.29
<b>Total</b>	<b>36.85</b>	<b>10.29</b>

### 15 Equity Share capital

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Authorised</b>		
60,000,000 equity shares of Rs. 5/- each (as at 31-March-23) 60,000,000 equity shares of Rs. 5/- each (as at 31-March-22)	300.00	300.00
<b>Issued, subscribed and fully paid up capital</b>		
3,89,78,401 equity shares of Rs. 5/- each (as at 31-March-23) 3,89,09,166 equity shares of Rs. 5/- each (as at 31-March-22)	194.90	194.55
<b>Total</b>	<b>194.90</b>	<b>194.55</b>

#### (a) Reconciliation of the number of shares and amount outstanding as at the beginning and at the end of the year

Particulars	31-Mar-23		31-Mar-22	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares of Rs. 5/ each:</b>				
Opening balance	38,909,166	194.55	33,942,920	169.72
Add: Issued during the year #	69,235	0.35	4,966,246	24.83
<b>Closing balance</b>	<b>38,978,401</b>	<b>194.90</b>	<b>38,909,166</b>	<b>194.55</b>

#

- (i) 69,235 equity shares of Rs. 5 each were issued to employees pursuant to Employee stock options scheme in FY 2022-23.
- (ii) 11,77,855 equity shares of Rs. 5 each were issued under Preferential Issue at a premium of Rs. 844 per share in FY 2021-22.
- (iii) 1,88,391 equity shares of Rs. 5 each were issued to employees pursuant to Employee stock options scheme in FY 2021-22.
- (iv) 36,00,000 equity shares of Rs. 5 each were issued to public at the time of IPO at a premium of Rs. 495 per share in the FY 2021-22

## Notes forming part of the Consolidated financial statements

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

### (b) Details of shares held by each shareholder holding more than 5% shares

Particulars	As at			
	31-Mar-23		31-Mar-22	
	No. of Shares	% holding	No. of Shares	% holding
Sayaji Housekeeping Services Limited	11,602,828	29.77%	11,602,828	29.82%
Tamara Private Limited	-	0.00%	2,755,296	7.08%
Pace Private Limited	-	0.00%	3,182,964	8.18%
Jubilant FoodWorks Limited	3,650,794	9.37%	3,650,794	9.38%
ICICI Prudential Small Cap Fund	2,329,162	5.98%	584,148	1.50%
UTI Flexi Cap Fund	2,646,270	6.79%	2,462,287	6.33%

### (c) Number of equity shares reserved for issuance

Name of shareholders	As at	
	31-Mar-23	31-Mar-22
Equity shares of Rs. 5/- each to eligible employees under Employee Stock Option Scheme	1,734,600	1,803,835

- (d) The Company has only one class of equity share having a par value of Rs.5/- each. Holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. However, as on date no such preferential amount exists. The distribution will be in proportion to number of equity shares held by the shareholders.

### (e) Details of shares held by Promoters:

	As at 31-03-2023			As at 31-03-2022	
	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares
Sayaji Housekeeping Services Limited	11,602,828	29.77%	0.00%	11,602,828	29.82%
Kayum Dhanani	86,113	0.22%	-0.64%	333,400	0.86%
Suchitra Dhanani	6	0.00%	0.00%	6	0.00%
<b>Total of the above</b>	<b>11,688,947</b>	<b>29.99%</b>		<b>11,936,234</b>	<b>30.68%</b>
<b>Total no. of Shares</b>	<b>38,978,401</b>			<b>38,909,166</b>	

## 16 Other equity

Particulars	As at	
	31-Mar-23	31-Mar-22
Share application money pending allotment (Refer note (i) below)	-	0.65
Reserves and surplus (Refer Note (ii) below)		
Securities premium	5,817.69	5,794.36
Share based payment reserve	128.29	60.13
Foreign currency translation reserve	(49.39)	(45.06)
Retained earnings	(2,080.12)	(2,144.78)
<b>Total</b>	<b>3,816.47</b>	<b>3,665.30</b>

### (i) Share application money pending allotment

Other financial liabilities Rs. 0.65 as at March 31, 2022 relates to the proceeds received from the employees under Employee Stock Option Scheme and allotment of shares is pending.

### (ii) Reserves & Surplus

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Securities premium</b>		
Opening balance	5,794.36	3,096.22
Add: Premium on shares issued during the year	23.33	2,836.20
Less : Share issue expenses	-	(138.06)
<b>Closing balance</b>	<b>5,817.69</b>	<b>5,794.36</b>
<b>Share based payment reserve</b>		
Opening balance	60.13	41.69
Add: Charge for the year	76.30	41.03
Less: Transfer to securities premium on account of exercise of employee stock options	(8.14)	(22.59)

## Notes forming part of the Consolidated financial statements

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

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Closing balance</b>	<b>128.29</b>	<b>60.13</b>
<b>Retained earnings</b>		
Opening balance	(2,144.78)	(1,836.81)
Add: Profit/(loss) for the year	170.17	(256.02)
Less: Further Acquisition of Non Controlling interest in Red Apple Kitchen Consultancy Private Limited	(134.59)	-
Add/(Less) : Remeasurement gain/(loss) recognised in Other comprehensive Income (net of tax)	(3.14)	(0.85)
Add: Transfer from Non Controlling interest on further acquisition	32.22	(51.10)
<b>Closing balance</b>	<b>(2,080.12)</b>	<b>(2,144.78)</b>
<b>Items of other comprehensive income</b>		
<b>Foreign currency translation reserve</b>		
Opening balance	(45.06)	(26.09)
Add: Additions during the year	(4.33)	(18.97)
<b>Closing balance</b>	<b>(49.39)</b>	<b>(45.06)</b>

### Nature and purpose of other reserves

Securities premium: Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Share based payment reserve: The fair value of the equity-settled share based payment transactions with employees is recognised in statement of profit and loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to securities premium on exercise of the related stock options.

Foreign currency translation reserve: Foreign currency translation reserve comprises of exchange (gain)/loss arising on translation of foreign subsidiary.

Retained earnings : Retained earnings are the profit / loss that the Group has earned / incurred till date, less any transfers to other reserves, dividends or other distributions paid to its equity shareholders.

## 17 Non-controlling interests

Particulars	As at	
	31-Mar-23	31-Mar-22
Balance at beginning of year	93.30	38.10
Share of profit / (loss)	21.30	4.10
Less: Transfer to retained earnings on account of further acquisition	(32.22)	51.10
<b>Balance at end of year</b>	<b>82.38</b>	<b>93.30</b>

## 18 Borrowings

(Classified under non-current liabilities)

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Secured at amortised cost:</b>		
(For details of terms and security, refer notes)		
Term loans		
(i) from banks	0.99	32.60
Working Capital term loan	61.82	98.93
Vehicle loans	13.61	12.60
<b>Total</b>	<b>76.42</b>	<b>144.13</b>

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

Terms of repayment and security	As at	
	31-Mar-23	31-Mar-22
<b>Term loans from banks</b>		
(i) Term loan 1:		
Non-current portion	-	18.00



## Notes forming part of the Consolidated financial statements

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

Terms of repayment and security	As at	
	31-Mar-23	31-Mar-22
<b>Current maturities of long-term debt</b>	<b>18.00</b>	18.25
<b>Repayment terms:</b>		
Repayable in 60 equal monthly instalments starting from October 2018 and carries an interest rate of 12 month MCLR plus 1% p.a		
<b>Security :</b>		
1) First paripassu charge by way of hypothecation on entire fixed assets of the Company (including leasehold improvements excluding vehicles) both present and future.		
2) First paripassu charge on entire current assets and security deposits of the Company, both present and future.		
3) First paripassu charge by way of hypothecation over the Brand of the Company		
<b>(ii) Term loan 2:</b>		
<b>Non-current portion</b>	<b>0.99</b>	6.50
<b>Current maturities of long-term debt</b>	<b>2.26</b>	5.61
<b>Repayment terms:</b>		
Repayable in 36 equated monthly instalments starting from September 2021 and carries an interest of 12% p.a.		
<b>Security :</b>		
1) First paripassu charge on all current assets of Red Apple Kitchen Consultancy Private Limited		
<b>(iii) Working Capital Term loan 2:</b>		
<b>Non-current portion</b>	<b>61.82</b>	98.93
<b>Current maturities of long-term debt</b>	<b>37.10</b>	37.10
<b>Repayment terms:</b>		
Repayable in 48 defined monthly installments starting from November 2021 and carries an interest rate 8.45% 1 year MCLR		
<b>Security :</b>		
1) Second paripassu charge over all current assets and security deposits of the Company, both present and future.		
2) Second Pari-passu over entire fixed assets (including leasehold improvements and excluding vehicles).		
3) Second Pari-passu on brand name 'Barbeque Nation'		
4) 100% Credit Guarantee by National Credit Guarantee Trustee Company Ltd.		
<b>(iv) Term loan 3:</b>		
<b>Non-current portion</b>	-	12.13
<b>Current maturities of long-term debt</b>	-	7.27
<b>Repayment terms:</b>		
The Company has prepaid the loan during the current year.		
<b>Security :</b>		
Paripassu first charge by way of hypothecation along with other term lenders on		
1. Entire fixed assets of the Company (including leasehold improvements excluding vehicles) both present and future		
2. Entire current assets and security deposits of the Company, both present and future		
3. Brand of the Company		
<b>(v) Vehicle loans:</b>		
<b>Non-current portion</b>	<b>13.61</b>	8.57
<b>Current maturities of long-term debt</b>	<b>11.23</b>	4.03
<b>Repayment terms:</b>		
Repayable in 36 equated monthly installments from the date of respective loans availed and carries an variable interest rate which is linked to value and condition of the Vehicle purchased		
<b>Security :</b>		
Hypothecation of underlying vehicle in favor of lender		
<b>Total</b>	<b>145.01</b>	<b>216.39</b>
<b>Non-current portion</b>	<b>76.42</b>	<b>144.13</b>
<b>Current maturities of long-term debt</b>	<b>68.59</b>	<b>72.26</b>

## Notes forming part of the Consolidated financial statements

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

### 19 Lease liabilities

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Opening balance</b>	<b>5,886.50</b>	4,497.80
Additions	1,615.99	1,911.80
Accretion of interest	595.56	508.03
Payments	(1,163.40)	(838.44)
Rent concession due to COVID 19	(1.27)	(170.16)
Deletions	(297.61)	(30.48)
Effect of foreign currency exchange differences	13.71	7.95
<b>Closing balance</b>	<b>6,649.48</b>	5,886.50
Current	651.22	591.90
Non-Current	5,998.26	5,294.60
<b>Maturity Analysis - contractual undiscounted cash flows</b>		
Less than one year	1,234.72	1,125.50
One to five years	4,013.72	3,784.98
More than five years	5,004.06	4,166.84
<b>Total Undiscounted Lease Liability as at</b>	<b>10,252.50</b>	<b>9,077.32</b>

### 20 Provisions

(Classified under non-current liabilities)

Particulars	As at	
	31-Mar-23	31-Mar-22
Provision for employee benefits:		
Compensated absences	11.94	11.04
Gratuity	47.83	42.08
Provision for asset retirement obligations	55.11	51.14
<b>Total</b>	<b>114.88</b>	<b>104.26</b>

### 21 Borrowings

(Classified under current liabilities)

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Secured loans repayable on demand from banks:</b>		
(i) Working capital loan	50.00	-
The rate of interest is 1 month MCLR plus 65 bps		
Security		
1) First paripassu charge by way of hypothecation on entire fixed assets of the Company (including leasehold improvements excluding vehicles) both present and future.		
2) First paripassu charge on entire current assets and security deposits of the Company, both present and future.		
3) First paripassu charge by way of hypothecation over the Brand of the Company		
<b>Unsecured</b>		
(i) Overdraft facility	-	-0.08
Repayable on demand and carries interest rate of 1 year MCLR plus 15 bps		
(ii) Axis bank credit card	0.22	0.26
Repayable in fifty two days credit period		
(iii) AMEX credit card	0.09	0.63
Repayable in fifty two days credit period		
(iv) ICICI credit card	0.24	0.33
Repayable in fifty two days credit period		
<b>Current maturities of long-term borrowings</b>		
From banks	68.59	72.26
<b>Total</b>	<b>119.14</b>	<b>73.40</b>

## Notes forming part of the Consolidated financial statements

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

### 22 Trade payables

Particulars	As at	
	31-Mar-23	31-Mar-22
Other than Acceptances		
Total outstanding dues of micro enterprises and small enterprises	116.57	25.08
Total outstanding dues of creditors other than micro enterprises	1,118.51	963.36
<b>Total</b>	<b>1,235.08</b>	<b>988.44</b>

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2023 has been made in the financial statements based on information received and available with the Company. Further, interest has been accrued in respect of overdues outstanding as of March 31, 2023. The dues to micro and small enterprises as at March 31, 2023 and March 31, 2022 are as follows:

#### Disclosure required under section 22 of the micro, small and Medium Enterprises Development Act, 2006:

Particulars	As at	
	31-Mar-23	31-Mar-22
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	111.36	21.20
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	1.33	0.42
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	1.33	0.42
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	5.21	3.88
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

#### Trade payables ageing schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
<b>FY2022-23</b>						
(i) MSME	-	113.79	2.26	0.52	-	116.57
(ii) Others	373.39	694.34	26.88	5.02	17.75	1,117.38
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	0.19	0.28	0.66	1.13
<b>FY2021-22</b>						
(i) MSME	14.65	10.43	-	-	-	25.08
(ii) Others	151.08	756.09	33.72	17.08	2.21	960.19
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - others	-	1.42	0.44	0.93	0.38	3.17

### 23 Other financial liabilities (classified under current)

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Other payables</b>		
Payables on purchase of property, plant and equipment	95.35	70.69
<b>Total</b>	<b>95.35</b>	<b>70.69</b>

### 24 Other current liabilities

Particulars	As at	
	31-Mar-23	31-Mar-22
Payable towards statutory remittances	79.44	89.59
Contract Liability		
Gift card liability (Refer note below)	52.01	38.55
<b>Total</b>	<b>131.45</b>	<b>128.14</b>

Note: The Group recognised revenue from contractual liability in the statement of profit and loss in the following years.

## Notes forming part of the Consolidated financial statements

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

### 25 Provisions

(Classified under current liabilities)

Particulars	As at	
	31-Mar-23	31-Mar-22
Provision for employee benefits:		
Compensated absences	31.07	25.11
Gratuity	34.03	33.67
Provision for asset retirement obligations	4.78	5.21
<b>Total</b>	<b>69.88</b>	<b>63.99</b>

### 26 Current tax liabilities (Net)

Particulars	As at	
	31-Mar-23	31-Mar-22
Provision - Others:		
Income Tax (net of advance income tax)	3.73	-
<b>Total</b>	<b>3.73</b>	<b>-</b>

### 27 Revenue from operations

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Sale of food & beverages	12,312.94	8,576.77
Other operating revenues (net of expenses directly attributable to such income) (Refer note (i) below)	24.61	28.77
<b>Total</b>	<b>12,337.55</b>	<b>8,605.54</b>

Refer Note 40 for disaggregated revenues by geography.

#### Note (i) Other operating revenue

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Revenue from displays and sponsorships	2.86	0.59
Share of profits and income from royalty	8.23	5.45
Sale of scrap	2.83	3.03
Professional fees	1.20	9.39
Other receipts from outdoor catering	-	0.14
Others	9.49	10.17
<b>Total</b>	<b>24.61</b>	<b>28.77</b>

### 28 Other income

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
<b>Interest income on</b>		
Interest income on fixed deposits with banks	22.99	30.86
Interest income from other financial assets at amortised cost	33.57	27.23
Provision no longer required	8.71	4.00
Foreign exchange gain (net)	13.68	16.38
Profit on Sale of Asset	0.05	14.16
Rent Concession due to COVID 19 (Refer note below)	1.27	170.16
<b>Total</b>	<b>80.27</b>	<b>262.79</b>

Note: The Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24th July 2020 on IND- AS 116 for all rent concessions which are granted due to COVID-19 pandemic upto June 30, 2022. Accordingly, these rent concessions confirmed for the year ended 31, March 2022 & 31, March 2023 have been accounted as Other Income.

## Notes forming part of the Consolidated financial statements

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

### 29 Cost of food and beverages consumed

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Opening Stock	308.81	175.18
Add: Purchases	4,164.16	3,180.99
	4,472.97	3,356.17
Less Closing stock	(321.11)	(308.81)
<b>Total</b>	<b>4,151.86</b>	<b>3,047.36</b>

### 30 Employee benefits expenses

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Salaries and wages	1,785.52	1,289.23
Contributions to provident fund	132.42	87.87
Gratuity expenses	14.78	17.69
Expense on employee stock option scheme	76.30	41.03
Staff welfare expenses	667.01	450.27
<b>Total</b>	<b>2,676.03</b>	<b>1,886.09</b>

### 31 Other operating expenses

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Consumption of stores & operating supplies	501.52	444.88
Power and fuel	973.48	652.95
Commission to the delivery agents	246.05	270.48
Rent including lease rentals	417.15	246.34
Repairs and maintenance:		
Buildings	9.18	4.07
Machinery	59.98	43.81
Others	56.54	38.97
House keeping services	122.78	68.97
Water charges	60.88	40.63
Insurance	37.80	17.20
Rates and taxes	127.49	91.49
Communication	53.25	43.34
Travelling and conveyance	71.68	48.49
Printing and stationery	57.85	31.95
Laundry expenses	4.28	4.85
Security service charges	20.52	11.61
Recruitment expenses	0.85	0.72
Business promotion	184.96	104.72
Vehicle hiring charges	0.01	10.31
Legal and professional	74.45	65.54
Payments to auditors (Refer note below)	10.24	9.69
Parking Charges	3.79	3.36
Loss on sale of property, plant and equipment (net)	-	0.02
Provision for doubtful receivables and advances	-	1.10
Miscellaneous expenses	109.12	79.28
<b>Total</b>	<b>3,203.85</b>	<b>2,334.77</b>
<b>Payment to auditors</b>		
For statutory audit	6.00	6.00
Other services	-	0.50
Reimbursement of expenses	0.18	0.18
Taxes thereon	1.08	1.08
For statutory audit of subsidiaries including taxes thereon (paid to other auditor)	2.98	1.93
<b>Total</b>	<b>10.24</b>	<b>9.69</b>

## Notes forming part of the Consolidated financial statements

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

### 32 Finance costs

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Interest expense on:		
Borrowings	15.35	44.98
Provision for asset retirement obligations	5.14	5.26
Interest on lease liabilities	595.56	508.03
Others	0.08	0.01
Receivable discounting charges	79.21	54.26
Other bank charges	21.67	40.49
<b>Total</b>	<b>717.01</b>	<b>653.03</b>

### 33 Depreciation and amortisation expense

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Depreciation on property, plant and equipment	665.68	585.70
Depreciation on Right-of-use assets	778.74	675.20
Amortisation of intangible assets	5.56	11.69
<b>Total</b>	<b>1,449.98</b>	<b>1,272.59</b>

### 34 Exceptional items

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Net (profit) / loss relating to restaurant units closed / relocated during the year*	70.23	4.93
Provision for impairment of property, plant and equipment**	(32.00)	
<b>Total</b>	<b>38.23</b>	<b>4.93</b>

\* Net profit of 70.23 million for the year ended March 31, 2023 relates to :

- (i) Gain of Rs. 4.04 million towards Liquidated damages received from lessors relating to outlets closed and offset with the write off of leasehold improvement pertaining to above outlets vacated
- (ii) Gain (net) of Rs. 75.05 million towards termination of lease relating to the outlets closed as per IND AS 116
- (iii) Loss towards early termination charges paid to overseas lessor Rs 8.86 million

\*\* Loss of Rs. 32 million towards provision for impairment of property, plant and equipment.

### 35 Tax expense / (benefit):

#### Tax expenses recognised in Statement of Profit and Loss

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Current tax	33.42	-
Deferred tax	32.43	(68.66)
<b>Total tax expense</b>	<b>65.85</b>	<b>(68.66)</b>

The reconciliation between the income tax expense and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Profit before tax	257.32	(320.58)
Add: (Profit)/Loss of foreign subsidiaries in non-taxable jurisdictions	(48.11)	50.08
<b>Profit before tax of Indian Group Companies subject to Income Tax</b>	<b>209.21</b>	<b>(270.50)</b>
Enacted income tax rate in India	25.17%	25.17%
<b>Computed expected tax expense</b>	<b>52.65</b>	<b>(68.08)</b>
<b>Income tax effect on:</b>		
Other non-deductible expenses under income tax	13.36	5.42
Others	(0.16)	(6.00)
<b>Income tax expense recognised in Statement of profit and loss</b>	<b>65.85</b>	<b>(68.66)</b>

## Notes forming part of the Consolidated financial statements

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

### Movement in deferred tax balances

Particulars	For the year ended 31 March-2023			Closing balance
	Opening balance	Recognised in profit and Loss	Recognised in Other Comprehensive Income	
<b>Tax effect of items constituting deferred tax assets</b>				
On unused tax losses (refer note below)	167.42	(85.42)	-	82.00
Property, Plant and Equipment	102.74	29.80	-	132.53
Right-of-use and lease liabilities (net)	264.02	21.47	-	285.49
Provision towards asset retirement obligations	14.19	0.89	-	15.08
Employee Benefits and other provisions	36.24	0.21	1.06	37.51
Others	3.97	0.62	-	4.59
<b>Tax effect of items constituting deferred tax liabilities</b>				
Goodwill	(47.73)	-	-	(47.73)
<b>Net deferred tax asset / (liabilities)</b>	<b>540.85</b>	<b>(32.43)</b>	<b>1.06</b>	<b>509.47</b>

Particulars	For the year ended 31 March-2022			Closing balance
	Opening balance	Recognised in profit and Loss	Recognised in Other Comprehensive Income	
<b>Tax effect of items constituting deferred tax assets</b>				
On unused tax losses (refer note below)	161.71	5.71	-	167.42
Property, Plant and Equipment	82.29	20.45	-	102.74
Right-of-use and lease liabilities (net)	229.60	34.42	-	264.02
Provision towards asset retirement obligations	11.06	3.13	-	14.19
Employee Benefits and other provisions	31.44	4.51	0.29	36.24
Others	3.53	0.44	-	3.97
<b>Tax effect of items constituting deferred tax liabilities</b>				
Goodwill	(47.73)	-	-	(47.73)
<b>Net deferred tax asset / (liabilities)</b>	<b>471.90</b>	<b>68.66</b>	<b>0.29</b>	<b>540.85</b>

Note : The Company has recognised deferred tax asset on carried forward loss (including unabsorbed depreciation) of Rs. 323.56 million (previous year : Rs. 662.98 million)

### 36 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Contingent liabilities</b>		
Claims against the Company not acknowledged as debt on account of:		
Indirect tax matters #	174.60	171.06
Direct tax matters	431.87	401.96
Other matters	19.21	-
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for tangible assets	128.92	128.30

# The Company was subject to Anti-profiteering investigation for the period Nov 15, 2017 to Mar 31, 2019 by Director General of Anti-Profiteering (DGAP). During the year ended March 31, 2020, DGAP conducted the investigation and submitted the report to National Anti-Profiteering Authority (NAA) with a demand amounting Rs. 325.88 million and the Company has disclosed such demand as a contingent liability as of March 31, 2020. Subsequently, the NAA has examined this report and passed an order dated 20 May 2020, holding that although the finding of the DGAP was correct with respect to anti-profiteering, however, the methodology adopted by DGAP while arriving at the demand is incorrect and directed DGAP to conduct further investigation. Being aggrieved, the Company has filed a writ petition before the High Court of Karnataka, seeking a stay of the above order passed by the NAA. The Court passed an order dated 15 July 2020 staying the operation of the order dated 20 May 2020 passed by the NAA. Accordingly, the demand of Rs. 325.88 million has been excluded from contingent liability as of March 31, 2023 as the investigation is under process. Thereafter, a transfer petition was filed by the NAA before the Supreme Court seeking transfer of the said writ petition from Karnataka High Court to Delhi High Court and it is transferred.

## Notes forming part of the Consolidated financial statements

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

### 37 Employee benefit plans

#### Defined contribution plans

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Particulars	As at	
	31-Mar-23	31-Mar-22
Contribution to Provident Fund and Employee State Insurance Scheme	165.93	110.83

#### Defined benefit plans

The Company offers gratuity, a defined employee benefit scheme to its employees. The said plan typically exposes the company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk "Investment risk

#### Investment risk

The fund has invested 100% of the funds in 'Schemes of insurance - conventional products' which are risk averse as whole of the risk is borne by the Insurance company.

#### Interest risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

#### Longevity risk

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

#### Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Gratuity: The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at	
	31-Mar-23	31-Mar-22
Discount rate	7.15%	4.50%
Salary escalation	5.00%	5.00%
Attrition rate	53.00%	53.00%
Retirement age	58 years	58 years
Mortality	100% of IALM 2012-14	

Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Service cost</b>		
Current service cost	11.83	14.74
Net interest on net defined benefit liability / (asset)	2.95	2.95
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>14.78</b>	<b>17.69</b>
<b>Remeasurement on the net defined benefit liability:</b>		
Return on plan assets [excluding amounts included in net interest expense] (excess) / short return	0.07	0.06
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	(3.49)	(0.38)
Actuarial (gains) / losses arising from experience adjustments	7.62	1.46
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>4.20</b>	<b>1.14</b>
<b>Total</b>	<b>18.98</b>	<b>18.83</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.



## Notes forming part of the Consolidated financial statements

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

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at	
	31-Mar-23	31-Mar-22
Present value of funded defined benefit obligation	84.45	78.16
Fair value of plan assets	(2.59)	(2.41)
<b>Funded status</b>	<b>81.86</b>	<b>75.75</b>
<b>Net liability arising from defined benefit obligation</b>	<b>81.86</b>	<b>75.75</b>
Current	34.03	33.67
Non-current	47.83	42.08

Movements in the present value of the defined benefit obligation are as follows:

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Opening defined benefit obligation</b>	<b>78.16</b>	<b>66.24</b>
<b>Expenses recognised in the statement of profit and loss</b>		
Current service cost	11.83	14.74
Interest cost	2.95	2.95
Opening balance adjustment	-	1.81
<b>Remeasurement (gains)/losses recognised in other comprehensive income:</b>		
Actuarial gains and losses arising from changes in financial assumptions	(3.49)	(0.38)
Actuarial gains and losses arising from experience adjustments	7.62	1.46
Benefits paid	(12.62)	(8.66)
<b>Closing defined benefit obligation</b>	<b>84.45</b>	<b>78.16</b>

Particulars	As at	
	31-Mar-23	31-Mar-22
<b>Opening fair value of the assets</b>	<b>2.41</b>	<b>2.36</b>
Interest income on plan assets	0.18	0.05
Return of plan assets greater / (lesser) than discount rate	-	-
<b>Closing fair value of assets</b>	<b>2.59</b>	<b>2.41</b>

Significant actuarial assumptions for the determination of the defined benefit obligation (DBO) are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	As at	
	31-Mar-23	31-Mar-22
1 Effect on DBO due to 100 bps increase in Discount Rate	-1.80	-2.01
2 Effect on DBO due to 100 bps decrease in Discount Rate	1.90	2.21
1 Effect on DBO due to 100 bps increase in salary escalation rate	1.80	2.04
2 Effect on DBO due to 100 bps decrease in salary escalation rate	-1.80	-1.90

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years. There has been no change in the process used by the Company to manage its risks from prior periods.

Expected future cash outflows (undiscounted) towards the plan are as follows:

Expected benefit payments for the year ending	1 year	31-Mar-22
1 year	36.64	36.06
2 to 5 years	40.37	36.70
>5 years	25.20	23.85

## Notes forming part of the Consolidated financial statements

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

### 38 Employee Stock Option Scheme

#### A Barbeque Nation Hospitality Limited- Employee Stock option Plan 2015

In the annual general meeting held on August 26, 2015, the shareholders of the Company had approved the issue of not more than 266,240 options (underlying equity share of face value of Rs. 10/- each per option) under the Scheme titled Barbeque Nation Hospitality Limited- Employee Stock option Plan 2015" (ESOP 2015). The ESOP 2015 allows the issue of options to employees of the Company and its subsidiaries. Pursuant to the sub-division of equity share of Rs. 10 each into 2 equity shares of Rs. 5 each during the year ended March 31, 2017, the scheme comprise of 532,480 options (underlying equity share of face value of Rs. 5 each per option). Further, in the annual general meeting held on July 23, 2019 the shareholders of the Company has approved the increase of options to be offered to the employees upto 932,480 and in the Extra ordinary General meeting held on July 19, 2021 the shareholders approved the increase of ESOP pool size to 20,00,000 options. Further in the annual general meeting held on September 6, 2022, the shareholders approved the transfer of 5,00,000 ESOPs from ESOP 2015 to ESOP 2022 and consequent to the said transfer, the pool size of ESOP 2015 has been reduced to 15,00,000 Options

As per the Scheme, the Nomination & Remuneration committee grants the options to the eligible employees. The exercise price of each option shall be at a price not less than the face value per share. Vesting period of the option is from one to three years from the date of grant and all the vested options can be exercised by the option grantee within sixty months from the vesting date.

The Company granted options under said scheme for eligible personnel at various dates as per below table. The fair market value of the option has been determined using Black Scholes Option Pricing Model. The Company has amortised the fair value of option after applying an estimated forfeiture rate over the vesting period.

On October 15, 2020, Board of Directors have approved the grant of same number of options to the employees who have surrendered their options.

**The detail of fair market value and the exercise price is as given below (considering the effect of sub-division of shares):**

Date of grant	15-Oct-20	15-Oct-20	15-Oct-20	15-Oct-20	3-Aug-21	3-Aug-21	3-Aug-21
Fair market value of option at grant date (Rs.)	116.44	51.13	92.99	92.99	129.06	218.81	276.80
Fair market value of shares per option at grant date (Rs.)	252.00	252.00	252.00	252.00	890.05	890.05	890.05
Vesting period	3 years	1 years	2 years	2 years	1 years	2 years	3 years
Exercise price (Rs.)	252.00	252.00	252.00	252.00	890.05	890.05	890.05

Date of grant	29-Oct-21	18-May-22	9-Nov-22
Fair market value of option at grant date (Rs.)	369.38	444.48	547.09
Fair market value of shares per option at grant date (Rs.)	1,220.25	999.45	1,148.25
Vesting period	3 years	3 years	3 years
Exercise price (Rs.)	1,220.25	999.45	1,148.25

Employee stock options details as on the Balance Sheet date (considering the effect of sub-division of shares) are as follows:

Particulars	Options (Numbers)	Weighted average exercise price per option (Rs.)
<b>Options outstanding at the end of March 31, 2021</b>	<b>885,155</b>	<b>237</b>
<b>Options available for grant as at March 31, 2021</b>	<b>918,680</b>	
Options outstanding at the beginning of April 01, 2021	885,155	237.43
Granted during the year	390,448	1,178.38
Exercised during the year	188,391	201.93
Lapsed/forfeited during the year	113,293	619.29
<b>Options outstanding at the end of March 31, 2022</b>	<b>973,919</b>	<b>578.53</b>
<b>Options available for grant as at 31 March 2022</b>	<b>829,916</b>	
Options outstanding at the beginning of 01 April 2022	973,919	578.53
Granted during the year	309,110	1,094.82
Exercised during the year	69,235	671.28
Lapsed/forfeited during the year	166,784	863.44
<b>Options outstanding at the end of 31 March 2023</b>	<b>1,047,010</b>	<b>703.49</b>
<b>Options available for grant as at 31 March 2023</b>	<b>187,590</b>	

## Notes forming part of the Consolidated financial statements

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

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	1-Apr-16	10-Jul-17	5-Aug-17	5-Aug-17	5-Aug-17	18-Sep-19	14-Jan-20	15-Oct-20
Risk Free Interest Rate	6.60%	6.68%	6.68%	6.68%	6.68%	6.76%	6.76%	5.48%
Expected Life	3.5 years	1.75 years	1 year	2 years	3 years	3 years	3 years	1 year
Expected Annual Volatility of Shares	33.33%	3.02%	3.02%	3.02%	3.02%	31.30%	31.30%	44.63%
Expected Dividend Yield	0.24%	0.15%	0.15%	0.15%	0.15%	0.20%	0.20%	0.20%
Grant date	15-Oct-20	15-Oct-20	3-Aug-21	3-Aug-21	3-Aug-21	29-Oct-21	18-May-22	9-Nov-22
Risk Free Interest Rate	5.96%	5.96%	3.77%	4.45%	5.24%	5.24%	7.15%	7.35%
Expected Life	2 year	3 year	1 year	2 year	3 year	3 year	3 year	3 year
Expected Annual Volatility of Shares	59.77%	62.35%	31.00%	36.10%	35.20%	35.20%	33.63%	38.08%
Expected Dividend Yield	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.09%	0.09%

### B Barbeque Nation Hospitality Limited- Employee Stock option Plan 2022

In the annual general meeting held on September 6, 2022, the Shareholders approved the adoption of new Employee Stock Option Scheme called 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2022' ("ESOP 2022"). The pool size of the ESOP 2022 is 5,00,000 Options (which are convertible into equivalent number of equity shares having face value of Rs.5/- each i.e. one option is equal to one share), which are being transferred from ESOP 2015 and consequent to the said transfer, the pool size of ESOP 2015 has been reduced to 15,00,000 Options. The ESOP 2022 allows the issue of options to employees of the Company and its subsidiaries.

The detail of fair market value and the exercise price is as given below:

Date of grant	9-Nov-22	7-Feb-23
Fair market value of option at grant date (Rs.)	547.09	388.62
Fair market value of shares per option at grant date (Rs.)	1,148.25	860.10
Vesting period	3 years	3 years
Exercise price (Rs.)	1,148.25	860.10

Employee stock options details as on the Balance Sheet date are as follows

Particulars	Options (Numbers)	Weighted average exercise price per option (Rs.)
<b>Options available for grant as at 31 March 2022</b>	-	
Options outstanding at the beginning of 01 April 2022	-	
Granted during the year	196,472	1,139.93
Exercised during the year	-	
Lapsed/forfeited during the year	-	
<b>Options outstanding at the end of 31 March 2023</b>	<b>196,472</b>	<b>1,139.93</b>
<b>Options available for grant as at 31 March 2023</b>	<b>303,528</b>	

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	9-Nov-22	7-Feb-23
Risk Free Interest Rate	7.35%	7.21%
Expected Life	3 year	3 year
Expected Annual Volatility of Shares	38.08%	34.57%
Expected Dividend Yield	0.09%	0.09%

### 39 Disclosures in respect of leases

Company as a lessee : The Company has lease contracts for operational stores and corporate office, with lease period varying between 3 to 15 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

## Notes forming part of the Consolidated financial statements

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

### Amount recognised in Consolidated Statement of Profit and Loss

Particulars	As at	
	31-Mar-23	31-Mar-22
Depreciation on Right-of-use assets	675.21	675.21
Finance cost: Interest on lease liabilities	595.56	508.03
Short term and variable lease payments	417.15	246.34

The Company applies the short-term lease recognition exemption to its short-term leases of certain premises taken on lease (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and lease arrangements having variable lease payments based on turnover of respective outlets at premises taken on lease.

### Amount recognised in Consolidated Statement of Cash Flows

Particulars	As at	
	31-Mar-23	31-Mar-22
Cash outflows for leases	(1,163.40)	(838.44)
<b>Additional information:</b>		
Non-cash changes to lease liabilities	1,332.09	1,889.27

## 40 Segment information

The Company and its subsidiaries (Group) are solely engaged in the business of restaurant services. The economic characteristics, nature of service provided, production and distribution process of the company and its subsidiaries are similar. Hence, the management has determined that the group operates as a single segment.

### Geographical information:

The group predominantly operates in India. Refer details below of geographical operations:

#### Revenue

Country	For the year ended	
	31-Mar-23	31-Mar-22
India	11,634.69	8,065.45
Others (Overseas)	702.86	540.09

#### Non-current assets

Country	For the year ended	
	31-Mar-23	31-Mar-22
India	11,057.72	9,572.58
Others	315.55	345.74

The Group does not have revenues from transactions with a single external customer amounting to more than 10 per cent or more of the Group's revenues. The total of non-current assets do not include financial instruments and deferred tax asset.

## 41 Earnings per share

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Basic Earnings Per Share (Basic EPS)	4.37	(10.30)
Diluted Earnings Per Share (Diluted EPS)	4.32	(10.30)
<b>Earnings used in computing basic and diluted earnings per share</b>		
Profit/loss after tax attributable to the equity holders of the Company	170.17	(256.02)
Less: Share issue expenses debited to securities premium	-	(138.06)
<b>Profit/loss after tax attributable to the equity holders of the Company</b>	<b>170.17</b>	<b>(394.08)</b>
<b>Weighted average number of shares used in computing basic and diluted earnings per share</b>		
Weighted average number of shares used for calculating Basic EPS	38,948,385	38,250,422
Add: Effect of ESOPs	399,256	-
Weighted average number of shares considered for calculating Diluted EPS	39,347,641	38,250,422
Face value in Rs.	5.00	5.00

## Notes forming part of the Consolidated financial statements

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

### 42 Consolidated Statement of Transactions with Related Parties and Balances

#### A) List of related parties:

Description of relationship	Names of related parties
Subsidiaries	Barbeque Nation MENA Holding Limited (formerly known as Barbeque Nation Holding Limited) Barbeque Nation Restaurant LLC Barbeque Nation Holdings Pvt Ltd Barbeque Nation (Malaysia) SDN. BHD. Barbeque Nation International LLC Red Apple Kitchen Consultancy Private Limited
Investing party for which the Company is an Associate	Sayaji Hotels Limited Sayaji Housekeeping Services Limited
Key Management Personnel (KMP)	Kayum Dhanani (Managing Director) Rahul Agrawal (Chief Executive Officer & Whole-Time Director) Amit V Betala (Chief Financial Officer - Jan 14, 2020 till May 18, 2022 and from February 07, 2023) Anurag Mittal (Chief Financial Officer - from May 19, 2022 to February 06, 2023) Nagamani CY (Company Secretary) <b>Non-Executive Directors</b> T Narayanan Unni Raooof Razak Dhanani Suchitra Dhanani Abhay Chintaman Chaudhary Natarajan Ranganathan ( resigned wef April 16, 2022) Ashok Revathy Devinjit Singh
Relatives of KMP	Gulshanbanu Memon Sanya Dhanani
Entities in which KMP / Relatives of KMP can exercise significant influence	Sara Soule Private Limited Sana Reality Private Limited Samar Lifestyle Private Limited Liberty Restaurant Pvt Ltd Samar Retail Private Limited

#### B) Consolidated Statement of Transactions and Balances with Related Parties

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
<b>i) Transactions with related parties</b>		
<b>Royalty income</b>		
Subsidiary company:		
Barbeque Nation Restaurant LLC	11.17	9.02
Barbeque Nation (Malaysia) SDN. BHD.	1.39	0.70
Barbeque Nation International LLC	1.36	0.95
<b>Guarantee commission</b>		
Subsidiary company:		
Barbeque Nation MENA Holding Limited	-	0.78
<b>Sub Lease Income</b>		
Subsidiary company:		
Red Apple Kitchen Consultancy Private Limited	0.48	-
<b>Services received</b>		
Investing party for which the Company is an Associate :		
Sayaji Hotels Limited	2.57	1.20
<b>Reimbursement of expenses paid</b>		
Subsidiaries:		
Red Apple Kitchen Consultancy Private Limited	0.47	-
Barbeque Nation MENA Holding Limited	-	0.63

## Notes forming part of the Consolidated financial statements

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

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Sayaji Hotels Limited	-	1.75
<b>Rent and maintenance charges</b>		
Entities in which Relatives of KMP exercises significant influence		
Sana Reality Private Limited	11.59	9.55
Liberty Restaurant Pvt Ltd	-	4.78
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	15.44	10.77
Relatives of KMP		
Gulshanbanu Memon	4.44	5.33
<b>Remuneration</b>		
Relatives of KMP		
Sanya Dhanani	-	1.09
<b>Provision for security deposits</b>		
Entities in which KMP / relatives of KMP have significant influence:		
Samar Retail Private Limited	-0.60	-
<b>Security deposit paid(Received)</b>		
Entities in which KMP / relatives of KMP have significant influence:		
Sara Soule Private Limited	-	-3.13
Subsidiaries:		
Red Apple Kitchen Consultancy Private Limited	-2.50	-
<b>Investment made during the year in</b>		
Subsidiaries:		
Red Apple Kitchen Consultancy Private Limited	134.59	169.95
Barbeque Nation Holdings Pvt Ltd	-	1.87
<b>Loan granted to subsidiaries (Refer note D below)</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	-	509.18
<b>Receipt towards interest on loan granted to subsidiary</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	56.14	2.75
<b>Receipt towards guarantee commission</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	1.75	-
<b>Receipt towards Royalty Income from subsidiary</b>		
Subsidiaries:		
Barbeque Nation Restaurant LLC	15.41	13.51
Barbeque Nation (Malaysia) SDN. BHD.	0.70	1.26
Barbeque Nation International LLC (Oman)	1.74	1.58
<b>Receipt towards Reimbursement of expenses from subsidiary</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	-	16.54
Barbeque Nation Restaurant LLC	-	0.01
Barbeque Nation (Malaysia) SDN. BHD.	0.10	0.21
Barbeque Nation International LLC (Oman)	-	0.38
<b>Interest income on loan granted</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	43.03	34.57
<b>ii) Balances outstanding with related parties</b>		
Trade receivables		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	-	1.75
Barbeque Nation Restaurant LLC	4.78	9.02
Barbeque Nation (Malaysia) SDN. BHD.	1.39	0.70
Barbeque Nation International LLC (Oman)	0.57	0.95

## Notes forming part of the Consolidated financial statements

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

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Red Apple Kitchen Consultancy Private Limited	0.78	-
<b>Loans</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	503.24	503.24
<b>Security deposits (refundable) with</b>		
Subsidiaries:		
Red Apple Kitchen Consultancy Private Limited	-	2.50
Entities in which KMP exercises control		
Samar Retail Private Limited	-	0.60
Entities in which Relatives of KMP exercises significant influence		
Sana Reality Private Limited	3.00	3.00
Relatives of KMP		
Gulshanbanu Memon	5.00	7.46
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	5.10	5.10
<b>Trade Payables</b>		
Entities in which Relatives of KMP exercises significant influence		
Sana Reality Private Limited	0.09	2.02
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	0.67	3.44
<b>Other receivables</b>		
Subsidiaries		
Barbeque Nation Holdings Private Limited, Mauritius	1.67	1.67
Barbeque Nation (Malaysia) SDN. BHD.	4.29	4.39
<b>Interest accrued on loan</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	21.46	34.57

### Outstanding corporate guarantee

Particulars	As at	
	31-Mar-23	31-Mar-22
Stand-by Letter of Credit (SBLC) and Corporate guarantee given to Banks on borrowings availed by the subsidiaries to the extent outstanding)	-	6.75

### Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the year is as follows:

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Short-term benefits	24.47	19.38
Share-based payments	23.49	14.82
Perquisites	-	59.60
<b>Total</b>	<b>47.96</b>	<b>93.80</b>

The above compensation excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by actuary.

- C) All the related party transactions entered during the year were in ordinary course of business and are on arm's length price
- D) All loans given to related parties are repayable on demand and carries an interest rate of Company's lending rate plus 0.25%.

## Notes forming part of the Consolidated financial statements

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

### E) On consolidation, following transactions and balances with the subsidiaries have been eliminated:

Name of the entity	Description of relationship
Barbeque Nation MENA Holding Limited (formerly known as Barbeque Nation Holding Limited)	Wholly owned subsidiary
Barbeque Nation Holdings Pvt Ltd	Wholly owned subsidiary
Red Apple Kitchen Consultancy Private Limited	Subsidiary
Barbeque Nation Restaurant LLC	Step down subsidiary
Barbeque Nation (Malaysia) SDN. BHD.	Step down subsidiary
Barbeque Nation International LLC	Step down subsidiary
Barbeque Nation Kitchen LLC	Step down subsidiary

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
<b>i) Transactions with related parties</b>		
<b>Royalty income</b>		
Subsidiary company:		
Barbeque Nation Restaurant LLC	11.17	9.02
Barbeque Nation (Malaysia) SDN. BHD.	1.39	0.70
Barbeque Nation International LLC	1.36	0.95
<b>Guarantee commission</b>		
Subsidiary company:		
Barbeque Nation MENA Holding Limited	-	0.78
<b>Sub Lease</b>		
Subsidiary company:		
Red Apple Kitchen Consultancy Private Limited	0.48	-
<b>Reimbursement of expenses paid</b>		
Subsidiaries:		
Red Apple Kitchen Consultancy Private Limited	0.47	-
Barbeque Nation MENA Holding Limited	-	0.63
<b>Investment made during the year in</b>		
Subsidiaries:		
Red Apple Kitchen Consultancy Private Limited	134.59	169.95
Barbeque Nation Holdings Pvt Ltd	-	1.87
<b>Loan granted to subsidiaries (Refer note D above)</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	-	509.18
<b>Receipt towards interest on loan granted to subsidiary</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	56.14	2.75
<b>Receipt towards guarantee commission</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	1.75	-
<b>Receipt towards Royalty Income from subsidiary</b>		
Subsidiaries:		
Barbeque Nation Restaurant LLC	15.41	13.51
Barbeque Nation (Malaysia) SDN. BHD.	0.70	1.26
Barbeque Nation International LLC (Oman)	1.74	1.58
<b>Receipt towards Reimbursement of expenses from subsidiary</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	-	16.54
Barbeque Nation Restaurant LLC	-	0.01
Barbeque Nation (Malaysia) SDN. BHD.	0.10	0.21
Barbeque Nation International LLC (Oman)	-	0.38
<b>Interest income on loan granted</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	43.03	34.57



## Notes forming part of the Consolidated financial statements

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

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
<b>ii) Balances outstanding with related parties</b>		
<b>Loans receivable</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	503.24	503.24
<b>Trade receivables</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	-	1.75
Barbeque Nation Restaurant LLC	4.78	9.02
Barbeque Nation (Malaysia) SDN. BHD.	1.39	0.70
Red Apple Kitchen Consultancy Private Limited	0.78	-
Barbeque Nation International LLC (Oman)	0.57	0.95
<b>Security deposits (refundable) with</b>		
Subsidiaries:		
Red Apple Kitchen Consultancy Private Limited	-	2.50
<b>Other receivables</b>		
Subsidiaries:		
Barbeque Nation Holdings Private Limited, Mauritius	1.67	1.67
Barbeque Nation (Malaysia) SDN. BHD.	4.29	4.39
<b>Interest accrued on loan</b>		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	21.46	34.57

### 43 Financial instruments

#### The carrying value and fair value of financial instruments by categories as at

Particulars	Carrying value		Fair value	
	As at		As at	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Financial assets</b>				
<b>Amortised cost</b>				
Loans	398.22	349.33	398.22	349.33
Trade receivables	73.61	57.27	73.61	57.27
Cash and cash equivalents	425.60	853.41	425.60	853.41
Other financial assets	22.88	45.31	22.88	45.31
<b>Total assets</b>	<b>920.31</b>	<b>1,305.32</b>	<b>920.31</b>	<b>1,305.32</b>
<b>Financial liabilities</b>				
<b>Amortised cost</b>				
Borrowings	195.56	217.53	195.56	217.53
Lease liability	6,649.48	5,886.50	6,649.48	5,886.50
Trade payables	1,235.08	988.44	1,235.08	988.44
Other financial liabilities	95.35	70.69	95.35	70.69
<b>Total liabilities</b>	<b>8,175.47</b>	<b>7,163.16</b>	<b>8,175.47</b>	<b>7,163.16</b>

The management assessed that fair value of cash and cash equivalents, trade receivables, loans and trade payables, approximate their carrying amounts largely due to the short-term maturities of these instruments. Difference between carrying amounts and fair values of bank deposits, other financial assets, borrowings and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

#### Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

## Notes forming part of the Consolidated financial statements

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

### Financial risk management

The company's activities expose it to a variety of financial risks, credit risk, liquidity risk and price risks which may adversely impact the fair value of its financial instruments. The company has a risk management policy which covers risks associated with the financial assets and liabilities. The focus of risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the company.

### Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

### Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Group's liquidity risk has increased as its operations have been significantly affected due to COVID pandemic. Refer Note 2.2 for details of measures taken by the management of the Group to address liquidity issues so as to ensure that the Group can meet all its obligations in the normal course of business.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

### The working capital position of the Group is given below:

Particulars	As at	
	31-Mar-23	31-Mar-22
Cash and cash equivalents	425.60	853.41
<b>Total</b>	<b>425.60</b>	<b>853.41</b>

### The table below provides details regarding the contractual maturities of significant financial liabilities

Note: The amounts disclosed in the below table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	31-Mar-23			Total	Carrying value
	< 1 year	1-3 years	> 3 years		
Borrowings	119.14	76.42	-	195.56	195.56
Trade payables	1,181.52	35.15	18.41	1,235.08	1,235.08
Other financial liabilities	95.35	-	-	95.35	95.35
<b>Total</b>	<b>1,396.01</b>	<b>111.57</b>	<b>18.41</b>	<b>1,525.99</b>	<b>1,525.99</b>

Particulars	31-Mar-22			Total	Carrying value
	< 1 year	1-3 years	> 3 years		
Borrowings	72.30	118.33	26.90	217.53	217.53
Trade payables	933.68	52.17	2.59	988.44	988.44
Other financial liabilities	70.69	-	-	70.69	70.69
<b>Total</b>	<b>1,076.67</b>	<b>170.50</b>	<b>29.49</b>	<b>1,276.66</b>	<b>1,276.66</b>

### Foreign currency risk

The Group's exchange risk arises mainly from its foreign currency borrowings. As a result, depreciation of Indian rupee relative to these foreign currencies will have a significant impact on the financial performance of the Group. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future.

### The following table presents unhedged foreign currency risk from financial instruments

Particulars	31-Mar-23	31-Mar-22
Borrowings in USD	-	-
Interest accrued in USD	-	-

## Notes forming part of the Consolidated financial statements

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

### Foreign currency rate sensitivity analysis

Particulars	Impact on profit after tax for the year ended	
	31-Mar-23	31-Mar-22
	USD	USD
<b>Depreciation by 5%</b>		
Increase in profit	-	-
<b>Appreciation by 5%</b>		
Decrease in profit	-	-

### Interest rate risk

Interest rate risk is the risk that the fair value or 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 debt obligations with floating interest rates. Such risks are overseen by the Company's corporate treasury department as well as senior management.

### Interest rate sensitivity analysis

If interest rates had been 1% higher/lower and all other variables were held constant, the Group's profit/(loss) for the year ended would have impacted in the following manner:

Particulars	Impact on profit after tax for the year ended	
	31-Mar-23	31-Mar-22
<b>Decrease in interest rate</b>		
Increase in profit/Decrease in loss	1.47	1.63
<b>Increase in interest rate</b>		
Decrease in profit/Increase in loss	(1.47)	(1.63)

### Capital management

The Group manages its capital to ensure that it will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of net debt (borrowings offset by cash and bank balances) and total equity of the Group.

### The capital structure is as follows:

Particulars	31-Mar-23	31-Mar-22
Equity attributable to the equity share holders of the Group	4,011.37	3,859.85
Equity as a percentage of total capital	37%	39%
Lease liabilities	6,649.48	5,886.50
Current borrowings	119.14	72.30
Non-current borrowings	76.42	145.23
<b>Total borrowings</b>	<b>6,845.04</b>	<b>6,104.03</b>
Less: Cash and cash equivalents	425.60	853.41
<b>Net borrowings</b>	<b>6,419.44</b>	<b>5,250.62</b>
Net borrowings as a percentage of total capital	59%	53%
<b>Total capital (borrowings and equity)</b>	<b>10,856.41</b>	<b>9,963.88</b>

## 44 Ratio Analysis

	As at 31-Mar-2023	As at 31-Mar-2022	Change
<b>a Current Ratio - in times (A) / (B)</b>	<b>0.53</b>	<b>0.78</b>	<b>-32%</b>
Current Assets (A)	1,215.89	1,494.38	Refer Note 1
Current Liabilities (B)	2,305.85	1,916.56	
<b>b Debt-Equity Ratio - in times (C) / (D)</b>	<b>1.71</b>	<b>1.58</b>	<b>8%</b>
Debt (C)	6,845.04	6,104.03	
Equity (D)	4,011.37	3,859.85	
Debt is defined as non-current borrowings, current borrowings and Lease liability (current and non current). Equity is defined as Equity share capital and Other equity.			

## Notes forming part of the Consolidated financial statements

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

	As at 31-Mar-2023	As at 31-Mar-2022	Change
<b>c Debt Service Coverage Ratio - in times (E) / ((F) + (G))</b>	<b>1.88</b>	<b>0.75</b>	<b>151%</b>
Earnings Before Interest, Taxes, Depreciation and Amortisation (E)	2,386.08	1,600.11	Refer Note 2
Debt repayment (F)	661.14	1,585.60	
Interest payments (G)	610.91	558.27	
Earnings before interest,taxes, depreciation and amortisation is defined as: Profit for the year before exceptional items and taxes (add) Depreciation and Amortisation (add) Finance costs (less) interest income			
Debt repayment is defined as repayment of loans to Banks and lease payments during the year			
Interest payments is defined as interest paid on loans and lease liability during the year			
<b>d Return on Equity ratio (H) / (I)</b>	<b>4.87%</b>	<b>-8.00%</b>	<b>-161%</b>
Net profit (H)	191.47	(251.92)	Refer Note 3
Equity (I)	3,935.61	3,149.43	
Net profit is defined as Profit for the year after tax			
Equity is defined as Average Equity share capital and Other equity.			
<b>e Inventory turnover ratio (K) / (L)</b>	<b>13.18</b>	<b>12.59</b>	<b>5%</b>
Cost of food and beverages consumed (K)	4,151.86	3,047.36	
Average Inventory (L)	314.96	242.00	
Average Inventory is defined as average of inventories as at the beginning and as at the end of the year.			
<b>f Trade receivables turnover ratio (M) / (N)</b>	<b>188.53</b>	<b>205.60</b>	<b>-8%</b>
Revenue from operations(M)	12,337.55	8,605.54	
Average Trade receivables (N)	65.44	41.86	
Average Trade receivables is defined as average of Trade receivables as at the beginning and as at the end of the year.			
<b>g Trade payables turnover ratio (O) / (P)</b>	<b>18.05</b>	<b>8.88</b>	<b>103%</b>
Total expenses (O)	10,031.74	7,268.22	Refer Note 3
Average Trade payables (P)	555.88	818.74	
Total expenses is defined as Cost of food and beverages consumed, Employee benefits expenses and Other operating expenses.			
Average Trade payables is defined as average of Trade payables as at the beginning and as at the end of the year.			
<b>h Net capital turnover ratio (Q) / (R)</b>	<b>(11.32)</b>	<b>(20.38)</b>	<b>-44%</b>
Revenue from operations(Q)	12,337.55	8,605.54	Refer Note 3
Working Capital (R)	(1,089.96)	(422.18)	
Working Capital is defined as current assets minus current liabilities			
<b>i Net profit ratio (S) / (T)</b>	<b>1.54%</b>	<b>-2.84%</b>	<b>-154%</b>
Net profit (S)	191.47	(251.92)	Refer Note 3
Total Revenue (T)	12,417.82	8,868.33	
Net profit is defined as Profit after tax for the year			
Total revenue is defined as revenue from operation plus other income .			

## Notes forming part of the Consolidated financial statements

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

	As at 31-Mar-2023	As at 31-Mar-2022	Change
<b>j Return on capital employed (U) / (V)</b>	<b>8.62%</b>	<b>3.29%</b>	<b>162%</b>
Earnings Before Interest and Taxes (U)	936.10	327.52	Refer Note 3
Capital Employed (V)	10,856.41	9,963.88	
Earnings before interest and taxes is defined as: Profit for the year before exceptional items and taxes (add) Finance costs Capital employed is defined as Equity, Debt and Lease liability.			

### Notes:

Variance of >25% due to:

- Reduction in current ratio is majorly due to the utilisation of the funds available for opening new outlets and increase in lease liability on account of new outlets.
- The Company has repaid the loans out of the Initial Public Offer(IPO) proceeds in the previous year and thereby increase in the debt service coverage ratio in the current year.
- The Company's operations were severely impacted during previous year due to COVID wave 2. During the year, the Company has started operating Post Covid levels which has resulted in increase in the revenue and increase in expenses and thereby resulting in the increase in profits.

## 45 Additional information as required under Paragraph 2 of Part III of schedule III ( Division II) of the Companies Act, 2013

As on and for the year ended 31 March 2023

Name of the entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent - Barbeque-Nation Hospitality Limited (including consolidation adjustments)</b>	<b>102.90%</b>	<b>4,127.84</b>	<b>66.99%</b>	<b>128.27</b>	<b>680.46%</b>	<b>(50.83)</b>	<b>42.09%</b>	<b>77.44</b>
<b>Indian Subsidiary</b>								
Red Apple Kitchen Consultancy Private Limited	9.43%	378.26	41.30%	79.08	0.00%	-	42.98%	79.08
<b>Foreign Subsidiary</b>								
Barbeque Nation Mena Holding Limited, Dubai	7.50%	301.03	9.91%	18.97	-580.46%	43.36	33.88%	62.33
Barbeque-Nation Restaurant LLC, Dubai	-17.52%	(702.87)	-15.92%	(30.49)	0.00%	-	-16.57%	(30.49)
Barbeque Nation (Malaysia) Sdn. Bhd.	-1.63%	(65.40)	1.50%	2.88	0.00%	-	1.57%	2.88
Barbeque Nation International LLC, Oman	-0.65%	(26.22)	-2.99%	(5.73)	0.00%	-	-3.11%	(5.73)
Barbeque Nation Holdings Pvt Ltd, Mauritius	-0.03%	(1.27)	-0.79%	(1.51)	0.00%	-	-0.82%	(1.51)
	<b>100.00%</b>	<b>4,011.37</b>	<b>100.00%</b>	<b>191.47</b>	<b>100.00%</b>	<b>(7.47)</b>	<b>100.00%</b>	<b>184.00</b>

## Notes forming part of the Consolidated financial statements

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

### As on and for the year ended 31 March 2022

Name of the entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>"Parent - Barbeque-Nation Hospitality Limited (including consolidation adjustments)</b>	108.20%	4,176.42	85.30%	(214.89)	100.00%	(19.82)	86.37%	(234.71)
<b>Indian Subsidiary</b>								
Red Apple Kitchen Consultancy Private Limited	7.75%	299.18	-5.22%	13.16	0.00%	-	-4.84%	13.16
<b>Foreign Subsidiary</b>								
Barbeque Nation Mena Holding Limited, Dubai	4.53%	175.02	1.40%	(3.52)	0.00%	-	1.30%	(3.52)
Barbeque Nation Restaurant LLC, Dubai	-18.24%	(704.12)	11.35%	(28.60)	0.00%	-	10.52%	(28.60)
Barbeque Nation (Malaysia) Sdn. Bhd.	-1.74%	(67.21)	2.46%	(6.19)	0.00%	-	2.28%	(6.19)
Barbeque Nation International LLC, Oman	-0.51%	(19.68)	4.28%	(10.78)	0.00%	-	3.97%	(10.78)
Barbeque Nation Holdings Pvt Ltd, Mauritius	0.01%	0.24	0.44%	(1.10)	0.00%	-	0.40%	(1.10)
	<b>100.00%</b>	<b>3,859.85</b>	<b>100.00%</b>	<b>(251.92)</b>	<b>100.00%</b>	<b>(19.82)</b>	<b>100.00%</b>	<b>(271.74)</b>

- 46** The Companies (Accounts) Fourth Amendment Rules, 2022 mandate the keeping of backup of books of account and other books and papers maintained in electronic mode, including at a place outside India, if any, on servers physically located in India on a daily basis with effect from August 5, 2022.

During the year, IT Security incident had occurred in the IT system of the Company on March 31, 2023. The Company had multiple copies of Backups which was kept on cloud and the Management had restored the servers and books of account.

The Company has defined process to take daily back-up of books of account and other books and papers maintained electronically and maintain the logs of the back-up of such books of account. However, due to the forgoing incident, the logs of the back-up of such books of account are not accessible.

The Company also appointed CERT-In empaneled cyber security experts to investigate the incident. Based on their report it was confirmed that no data exfiltration happened during the incident. The management is of the view that the foregoing incident does not have any impact on its business operations and Financial Statements for the year ended March 31, 2023.

### 47 Relationship with Struck off Companies

Name of the struck off Company	Nature of Transaction with Struck off Companies	Transaction during the year 31-March-2023	Balance Outstanding as at 31-March-2023	Relationship with Struck off Companies if any
Jamhub Software Pvt Ltd	Supply	-	-	Vendor
Balkara Logistics Private Limited	Advance	-	-0.02	Vendor
M.D Projects Private Limited	Supply	-	-	Vendor
Envoy Global Solutions Private Limited	Advance	0.03	-	Vendor

Name of the struck off Company	Nature of Transaction with Struck off Companies	Transaction during the year 31-March-2022	Balance Outstanding as at 31-March-2022	Relationship with Struck off Companies if any
Bhawani Elite Food and Beverages Private Limited	Payables	-	0.01	Vendor
Garhwala Aircon Services Private Limited	Payables/ (Advance to vendor)	3.16	-0.93	Vendor

## Notes forming part of the Consolidated financial statements

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

### 48 Other statutory information/ disclosures

- (a) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (b) The Group does not have any transactions with companies struck off other than those disclosed in note 47.
- (c) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (d) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (e) The Group has no transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (f) The Group has borrowings from banks on the basis of security of current assets, the quarterly returns or statements of current assets has been filed by the Group with banks are in agreement with the books of accounts.
- (g) The Group has not been declared willful defaulter by any bank or financial Institution or other lender.
- (h) The Group has 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 Group (Ultimate Beneficiaries) or
  - (B) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Group has 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 Group 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,

### 49 Amendments effective from April 1, 2023 :

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to the Company from April 1, 2023.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 102 – Share-based payment
- iii. Ind AS 103 – Business Combinations
- iv. Ind AS 107 – Financial Instruments: Disclosures
- v. Ind AS 109 – Financial Instruments
- vi. Ind AS 115 – Revenue from Contracts with Customers
- vii. Ind AS 1 – Presentation of Financial Statements
- viii. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
- ix. Ind AS 12 – Income Taxes
- x. Ind AS 34 – Interim Financial Reporting

The Company is in the process of evaluating the impact of the above amendments on the Company's financial statements.

## Notes forming part of the Consolidated financial statements

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

**50 The previous year's figures have been re-grouped/reclassified, wherever necessary to conform to current year's classification.**

**51 Approval of financial statements**

The Company's consolidated financial statements are approved for issue by the board of directors on 27 May 2023.

For and on behalf of the **Board of Directors**

**Kayum Dhanani**

Managing Director  
DIN No: 00987597

**T.N Unni**

Director  
DIN No: 00079237

**Rahul Agrawal**

Chief Executive Officer & Whole Time Director  
DIN No: 07194134

**Amit V Betala**

Chief Financial Officer

**Nagamani C Y**

Company Secretary

Bengaluru, 27 May 2023







**Barbeque-Nation Hospitality Limited**

“Saket Callipolis”, Unit No. 601 & 602,  
6<sup>th</sup> Floor, Doddakannalli Village,  
Varthur Hobli, Sarjapur Road,  
Bengaluru-560 035, Karnataka, India

T: +91 80691 34900

E-mail: [corporate@barbequenation.com](mailto:corporate@barbequenation.com)

W: [www.barbequenation.com](http://www.barbequenation.com)

CIN: L55101KA2006PLC073031



## BARBEQUE-NATION HOSPITALITY LIMITED

CIN: L55101KA2006PLC073031

Registered & Corporate Office: "Saket Callipolis", Unit No. 601 & 602, 6th Floor, Doddakannalli Village, Varthur Hobli, Sarjapur Road, Bengaluru - 560035, Karnataka, India  
Telephone: +91 80 69134900

E-mail: compliance@barbequenation.com Website: www.barbequenation.com

# NOTICE OF 17TH ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 17th (Seventeenth) Annual General Meeting ("AGM") of the Members/Shareholders of Barbeque-Nation Hospitality Limited (the "Company") will be held on Monday, September 25, 2023 at 11:00 AM (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following businesses:

### ORDINARY BUSINESS:

#### Item No. 1:

#### Adoption of Financial Statements for the financial year ended March 31, 2023:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Auditors' Report and Board's Report thereon, as circulated to the members, be and are hereby received, considered and adopted."

#### Item No. 2:

#### Re-appointment of Mrs. Suchitra Dhanani (DIN: 00712187), Director, who retires by rotation:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Mrs. Suchitra Dhanani (DIN: 00712187), Director, who retires by rotation at this Annual General Meeting, and being eligible for reappointment and who offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company."

#### Item No. 3:

#### Re-appointment of Mr. Raof Razak Dhanani (DIN: 00174654), Director, who retires by rotation:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Mr. Raof Razak Dhanani (DIN: 00174654), Director, who retires by rotation at this Annual General Meeting, and being eligible for reappointment and who offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

#### Item No. 4:

#### Appointment of Messrs. S.R. Batliboi & Associates LLP (ICAI Firm Registration Number: 101049W/E300004), Chartered Accountants, as Statutory Auditors of the Company:

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141 and 142 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, and other applicable laws for the time being in force (including any amendments, modifications or re-enactment thereof), and as recommended by the Audit Committee and the Board of Directors (Board) of the Company, approval of shareholders of the Company be and is hereby accorded to appoint Messrs. S.R. Batliboi & Associates LLP (ICAI Firm Registration Number: 101049W/E300004), Chartered Accountants, as Statutory Auditors of the Company, in the place of Messrs. Deloitte Haskins and Sells, Chartered Accountants, (ICAI Firm Registration Number: 008072S) for a term of 5 (five) consecutive years commencing from the conclusion of this 17th Annual General Meeting until the conclusion of the 22nd Annual General Meeting.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to fix the remuneration including reimbursement of expenses of statutory auditors of the Company from time to time, as recommended by the Audit Committee, to finalize the terms of appointment and to do such other acts, deeds, things and matters, as considered necessary and expedient to give effect to the foregoing.

**RESOLVED FURTHER THAT** a copy of the above resolution certified to be true by any Director or Key Managerial Personnel of the Company and be forwarded to the concerned person/authorities."

### SPECIAL BUSINESS:

The explanatory statement for the following Special Businesses is enclosed as Annexure to the 17th AGM Notice.

**Item No. 5:****Appointment of Mr. Azhar Yusuf Dhanani (DIN: 07694732) as a Non-Executive Director of the Company:**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 160 of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of the Act, Rules, Regulations, Circulars and Notifications issued by any statutory authorities in connection with the appointment of a director (including any statutory modifications or re-enactments thereof for the time being in force) and in accordance with the provisions of the Articles of Association of the Company, and as recommended by Nomination and Remuneration Committee and the Board of Directors, approval of shareholders of the Company be and is hereby accorded to appoint **Mr. Azhar Yusuf Dhanani (DIN: 07694732)**, who was appointed as an Additional Director of the Company, as a Director of the Company in the category of Non-Executive and whose period of office is liable to retire by rotation.

**RESOLVED FURTHER THAT** Mr. Rahul Agrawal, Chief Executive Officer & Whole Time Director, Mr. Amit V Betala, Chief Financial Officer and Ms. Nagamani C Y, Company Secretary & Compliance Officer be and are hereby severally authorized on behalf of the Company to file necessary e-forms with the Registrar of Companies and to intimate the stock exchanges or any other regulatory authorities, as considered necessary, and to settle any questions, difficulties and doubts that may arise in this regard and to do all such acts, deeds, things and matters and sign such forms, applications, deeds, letters and

documents as considered necessary and expedient to give effect to the foregoing resolutions.”

**Item No. 6:****Re-pricing of the Employee Stock Options granted to the employees of the Company and its Subsidiaries during the financial years 2021-22 and 2022-23 under ‘Barbeque Nation Hospitality Limited - Employee Stock Option Plan 2015’ and extending Vesting Period of the same:**

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 62(1) (b) of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the enabling provisions of Memorandum of Association and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as considered necessary, and all other applicable provisions of the Act, Rules, Regulations, Circulars and Notifications issued by the Central Government, Ministry of Corporate Affairs, Securities and Exchange Board of India or any other regulatory authorities from time to time in connection with the Employee Stock Options (including any statutory modifications or amendments thereto or re-enactments thereof, for the time being in force) and as recommended by the Nomination and Remuneration Committee and the Board of Directors (Board) of the Company, approval of Shareholders be and is hereby accorded to re-price Employee Stock Options (“ESOPs”) which were granted under **‘Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2015’** (“ESOP Plan 2015”) to the employees of the Company and its Subsidiaries during the financial years 2021-22 and 2022-23 and the revised exercise price shall be **Rs.721.40/- per ESOP** (closing price on the National Stock Exchange of India Limited, on August 4, 2023 and as approved by the Board), as mentioned hereunder:

ESOP Plan 2015					
Prior to Repricing				Repricing	
Date of Grant	No. of Options Granted	Exercise Price per Option (in Rs.)	Vesting Period as on the date of grant	Revised Exercise Price per Option, after re-pricing (in Rs.)	Revised vesting period
29-10-2021	340,940	1,220.25	36,000 - 3 Years (25:25:50) 3,04,940 - 3 Years (100%)	721.40	3 years from August 7, 2023 (100%)
18-05-2022	111,000	999.45	3 Years (100%)	721.40	3 years from August 7, 2023 (100%)
09-11-2022	198,110	1,148.25	3 Years (100%)	721.40	3 years from August 7, 2023 (100%)
Total	6,50,050				

**RESOLVED FURTHER THAT** the vesting period of the ESOPs as repriced above shall be 3 (three) years from the date of approval of the Board i.e. August 7, 2023.

**RESOLVED FURTHER THAT** Mr. Rahul Agrawal, Chief Executive Officer & Whole Time Director, Mr. Amit V Betala, Chief Financial Officer and Ms. Nagamani C Y, Company Secretary & Compliance Officer, be and are hereby severally authorized on behalf of the Company to intimate the Stock Exchanges,

where the Equity Shares of the Company are listed or any other regulatory authorities, as considered necessary; to settle any questions, difficulties and doubts that may arise in this regard, and to do all such acts, deeds, things and matters and sign, execute and deliver such deeds, documents, letters and papers as considered necessary and expedient to give effect to the foregoing resolution.”

**Item No. 7:****Re-pricing of the Employee Stock Options granted to the employees of the Company and its Subsidiaries during the financial year 2022-23 under 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2022' and extending Vesting Period of the same:**

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 62(1) (b) of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the enabling provisions of Memorandum of Association and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as considered necessary, and all other applicable provisions of the

Act, Rules, Regulations, Circulars and Notifications issued by the Central Government, Ministry of Corporate Affairs, Securities and Exchange Board of India or any other regulatory authorities from time to time in connection with the Employee Stock Options (including any statutory modifications or amendments thereto or re-enactments thereof, for the time being in force) and as recommended by the Nomination and Remuneration Committee and the Board of Directors (Board) of the Company, approval of Shareholders be and is hereby accorded to reprice Employee Stock Options ("ESOPs") which were granted under **'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2022' ("ESOP Plan 2022")** to the employees of the Company and its Subsidiaries during the financial year 2022-23, and the revised exercise price shall be **Rs.721.40/- per ESOP** (closing price on the National Stock Exchange of India Limited, on August 4, 2023 and as approved by the Board), as mentioned hereunder:

ESOP Plan 2022					
Prior to Repricing				Repricing	
Date of Grant	No. of Options Granted	Exercise Price per Option (in Rs.)	Vesting Period as on the date of grant	Revised Exercise Price per Option, after re-pricing in Rs.)	Revised vesting period
09-11-2022	1,90,800	1,148.25	3 Years (100%)	721.40	3 years from August 7, 2023 (100%)
07-02-2023	5,672	860.10	3 Years (100%)	721.40	3 years from August 7, 2023 (100%)
<b>Total</b>	<b>1,96,472</b>				

**RESOLVED FURTHER THAT** the vesting period of the ESOPs as repriced above shall be 3 (three) years from the date of approval of the Board i.e. August 7, 2023.

**RESOLVED FURTHER THAT** Mr. Rahul Agrawal, Chief Executive Officer & Whole Time Director, Mr. Amit V Betala, Chief Financial Officer and Ms. Nagamani C Y, Company Secretary & Compliance Officer be and are hereby severally authorized on behalf of the Company to intimate the Stock Exchanges, where the Equity Shares of the Company are listed or any other regulatory authorities, as considered necessary; to settle any questions, difficulties and doubts that may arise in this regard, and to do all such acts, deeds, things and matters and sign, execute and deliver such deeds, documents, letters and papers as considered necessary and expedient to give effect to the foregoing resolution."

**Item No. 8:****Modification of 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2015':**

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 62(1) (b) of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the enabling provisions of Memorandum of Association and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as considered necessary, and all other applicable provisions of the Act, Rules, Regulations, Circulars and Notifications issued

by the Central Government, Ministry of Corporate Affairs, Securities and Exchange Board of India or any other regulatory authorities from time to time in connection with the Employee Stock Options (including any statutory modifications or amendments thereto or re-enactments thereof, for the time being in force) and as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of Shareholders be and is hereby accorded to insert new proviso under clause 6.5 of the **'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2015'** as mentioned hereunder:

***"In case of repricing of Options, the overall vesting period (from the initial grant) of those repriced Options shall not exceed 5 years."***

**RESOLVED FURTHER THAT** Mr. Rahul Agrawal, Chief Executive Officer & Whole Time Director, Mr. Amit V Betala, Chief Financial Officer and Ms. Nagamani C Y, Company Secretary & Compliance Officer be and are hereby severally authorized on behalf of the Company to intimate the Stock Exchanges, where the Equity Shares of the Company are listed or any other regulatory authorities, as considered necessary; to settle any questions, difficulties and doubts that may arise in this regard, and to do all such acts, deeds, things and matters and sign, execute and deliver such deeds, documents, letters and papers as considered necessary and expedient to give effect to the foregoing resolution."

**Item No. 9:****Modification of 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2022':**

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 62(1) (b) of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the enabling provisions of Memorandum of Association and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as considered necessary, and all other applicable provisions of the Act, Rules, Regulations, Circulars and Notifications issued by the Central Government, Ministry of Corporate Affairs, Securities and Exchange Board of India or any other regulatory authorities from time to time in connection with the Employee Stock Options (including any statutory modifications or amendments thereto or re-enactments thereof, for the time being in force) and as recommended by the Nomination and Remuneration Committee and the Board of Directors of the

Company, approval of Shareholders be and is hereby accorded to insert new proviso under clause 6.1 of the 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2022' as mentioned hereunder:

***"In case of repricing of Options, the overall vesting period (from the initial grant) of those repriced Options shall not exceed 5 years."***

**RESOLVED FURTHER THAT** Mr. Rahul Agrawal, Chief Executive Officer & Whole Time Director, Mr. Amit V Betala, Chief Financial Officer and Ms. Nagamani C Y, Company Secretary & Compliance Officer be and are hereby severally authorized on behalf of the Company to intimate the Stock Exchanges, where the Equity Shares of the Company are listed or any other regulatory authorities, as considered necessary; to settle any questions, difficulties and doubts that may arise in this regard, and to do all such acts, deeds, things and matters and sign, execute and deliver such deeds, documents, letters and papers as considered necessary and expedient to give effect to the foregoing resolution."

**Registered Office:**

"Saket Callipolis", Unit No. 601 & 602,  
6th Floor, Doddakannalli Village,  
Varthur Hobli, Sarjapur Road, Bengaluru-560035  
Karnataka, India

Place: Bengaluru

Date: August 7, 2023

By order of the Board  
For **Barbeque-Nation Hospitality Limited**

**Nagamani C Y**  
Company Secretary & Compliance Officer  
M. No.: A27475

**Notes:**

1. The 17th Annual General Meeting (AGM) of Members/ Shareholders of the Company will be held through VC/OAVM in compliance with General Circular No. 10/2022 dated December 28, 2022 read with General Circular Nos. 14/2020, 17/2020, 20/2020 and 02/2021 issued by Ministry of Corporate Affairs (collectively referred to as the "MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 ("SEBI Circular") (MCA and SEBI Circulars are collectively referred to as "Circulars") and the applicable provisions of the Companies Act, 2013 (the Act) and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI (LODR) Regulations"). The detailed procedure for e-Voting and joining the virtual AGM is mentioned below.
2. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company situated at "Saket Callipolis", Unit No. 601 & 602, 6th Floor, Doddakannalli Village, Varthur Hobli, Sarjapur Road, Bengaluru-560035, Karnataka, India, which shall be the deemed venue of the AGM. Since the AGM will be held through VC, the Route Map is not annexed to this Notice.
3. In terms of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Pursuant to the provisions of Section 113 of the Act, representatives of the Corporate Members/ Institutional investors may be appointed for the purpose of voting through remote e-voting or for participation and voting at the AGM through e-voting facility. They are required to send a scanned copy (PDF/JPG Format) of its Board Resolution/Authorization Letter etc., authorizing its representative to attend the AGM on its behalf and to vote electronically either during the remote e-voting period or during the AGM. The said Resolution/Authorization Letter should be sent electronically through their registered email address to the Scrutinizer at [parameshwar@vjkt.in](mailto:parameshwar@vjkt.in) with a copy marked to the Company Secretary at [compliance@barbequonation.com](mailto:compliance@barbequonation.com).
5. The Company has appointed M/s. Central Depository Services (India) Limited (hereinafter called "CDSL"), for conducting the AGM and voting through remote e-Voting including e-Voting at the AGM. The procedure for e-Voting and participating in the Meeting through VC/OAVM is explained below.
6. Remote e-Voting and e-Voting at the AGM: Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (LODR) Regulations and MCA and SEBI Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the businesses to be transacted at the AGM. The facility of casting votes by a member using remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by CDSL. Members who could not vote through remote e-Voting may avail the e-Voting facility, which will be made available at the AGM, subject to attendance of member at the AGM.
7. The voting rights of Shareholder(s) for e-Voting shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. Only those persons whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, shall be entitled to vote through remote e-Voting or e-Voting at the AGM. Any person who is not a shareholder as on the cut-off date, should treat this Notice for information purpose only.
8. The Members can join the AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM, by following the procedure mentioned in the notes to the Notice. The facility of participation in the AGM through VC/OAVM will be made available to at least 1,000 members on first-come-first-served basis. This will not include Shareholders (holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizers, etc. who are allowed to attend the AGM without any restriction on account of first-come-first-served basis.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
10. In case of Joint Holders attending the AGM, only such Joint Holder whose name appears first in the order of names will be entitled to vote.
11. The Explanatory Statement pursuant to the provisions of Section 102(1) of the Act read with the relevant rules made thereunder, setting out the material facts concerning the Special Business mentioned in the accompanying Notice is annexed herewith and forms part of this Notice.
12. In line with the Circulars, the Notice calling the AGM has been uploaded on the website of the Company at [www.barbequonation.com](http://www.barbequonation.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the remote e-Voting and e-voting facility during the AGM) at [www.evotingindia.com](http://www.evotingindia.com).
13. Mr. Parameshwar G Bhat, Practising Company Secretary (C.P. No. 11004; Membership No. FCS: 8860), has been appointed as the Scrutinizer to scrutinize the remote

e-Voting process and casting of votes through the e-Voting system during the AGM in a fair and transparent manner.

14. The Scrutinizer shall, immediately after the conclusion of e-Voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-Voting and make, not later than 2 (two) working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
15. The Voting results declared, along with the Report of the Scrutinizer, shall be placed on the website of the Company at [www.barbequenation.com](http://www.barbequenation.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com), immediately after the declaration of results by the Chairman or a person authorized by him in writing and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited. The resolutions, if passed by requisite majority, shall be deemed to have been passed on the date of the AGM i.e. September 25, 2023.
16. Electronic copy of the Annual Report of the Company for the financial year 2022-23 and Notice of AGM are uploaded on the website of the Company at [www.barbequenation.com](http://www.barbequenation.com) and are being sent to all the Members whose email IDs are registered with the Company/Depository Participant(s)/RTA for communication purposes. The Annual Report for the financial year 2022-23 and Notice of AGM are also accessible on the websites of BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. Further, the Notice of AGM is also available on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
17. (i) Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013; (ii) Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013; (iii) the Certificate from the Secretarial Auditors of the Company certifying that the ESOP Schemes of the Company have been implemented in accordance with the resolution passed by the Shareholders and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; and (iv) any other documents as may be required will be made available for inspection, electronically, by the Members during the AGM. Further, all the documents referred to in this Notice and Explanatory Statement will also be made available for inspection, electronically, without any fees by the Members and Members seeking to inspect such documents can send an email to the Company Secretary at [compliance@barbequenation.com](mailto:compliance@barbequenation.com).
18. The Company has designated email addresses - [investor@barbequenation.com](mailto:investor@barbequenation.com) and [compliance@barbequenation.com](mailto:compliance@barbequenation.com) for redressal of Investors' and Shareholders' complaints/grievances. For any investor related queries, you are requested to write to us at the abovementioned email addresses.

#### Instructions to Shareholders for e-Voting and joining the Virtual AGM are as under:

1. The e-Voting facility will be available during the following period:

Commencement of e-Voting	From 09:00 A.M. (IST) on Thursday, September 21, 2023
End of e-Voting	Up to 05:00 P.M. (IST) on Sunday, September 24, 2023

During aforementioned period, Shareholders holding shares of the Company in dematerialized form, as on the cut-off date i.e. Monday, September 18, 2023, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

2. During the e-Voting period, shareholders can login to the CDSL e-Voting platform any number of times till they have voted on the resolution. Once the vote on resolution is cast by a Shareholder, whether partially or otherwise, Shareholder shall not be allowed to modify it subsequently or cast the vote again.
3. Shareholders who have already voted prior to the AGM date may also attend the meeting but shall not be entitled to cast their vote again during the AGM.
4. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, and in accordance with Regulation 44 of SEBI (LODR) Regulations, listed entities are required to provide remote e-voting facility to its Shareholders, in respect of all Shareholders' Resolutions. However, it has been observed that the participation by the Public Non-Institutional Shareholders/Retail Shareholders is at a negligible level.
  - a. Currently, there are multiple e-Voting Service Providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the Shareholders.
  - b. In order to increase the efficiency of the e-Voting process, pursuant to a Public consultation, it has been decided to enable e-Voting to all the Demat account holders, by way of a single login credential, through their Demat Accounts/websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

#### Step 1: e-Voting access through Depositories (CDSL/NSDL) e-Voting system in case of Individual Shareholders holding



### Shares in Demat mode:

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email address in their Demat Accounts in order to access e-Voting facility.

Pursuant to the aforesaid SEBI Circular, Login method for e-Voting and joining AGM for the Individual Shareholders holding securities in Demat form either with CDSL or NSDL are given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat form with <b>CDSL</b>	<ol style="list-style-type: none"> <li>i. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user ID and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasinew/home/login">https://web.cdslindia.com/myeasinew/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>ii. After successful login, the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual AGM &amp; e-Voting during the AGM. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>iii. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasinew/Registration/EasiRegistration">https://web.cdslindia.com/myeasinew/Registration/EasiRegistration</a>.</li> <li>iv. Alternatively, the user can directly access e-Voting page by providing Demat Account Number (BOID) and PAN from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile Number &amp; Email ID as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also be able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in Demat form with <b>NSDL</b>	<ol style="list-style-type: none"> <li>i. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Computer or on a Mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on the Company name or e-Voting service provider name i.e. CDSL and you will be re-directed to CDSL e-Voting website for casting your vote during the e-Voting period or joining virtual AGM &amp; e-voting during the AGM.</li> <li>ii. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click on <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>iii. Visit the e-Voting website of NSDL at <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID [i.e. your 16 (sixteen) digit Demat account number (DP ID: 8 character &amp; Client ID: 8 digits) held with NSDL], Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name i.e. CDSL and you will be redirected to CDSL e-Voting website for casting your vote during the remote e-Voting period or joining virtual Meeting &amp; voting during the Meeting. =</li> </ol>
Individual Shareholders (holding securities in demat form) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your Demat Account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</p> <p>After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be re-directed to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name i.e. CDSL and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual AGM &amp; e-voting during the AGM.</p>

**Important Note:** Shareholder/Members who are unable to retrieve User ID/ Password are advised to use "Forget User ID" and "Forget Password" option available at abovementioned website, as applicable.

Helpdesk for Individual Shareholders, holding securities in Demat form, for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issues relating to login, can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issues relating login, can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

### Step 2: e-Voting access through CDSL e-Voting system in case of Non-Individual Shareholders holding Shares in Demat form:

- i) The Shareholders should log-in to the e-Voting portal of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
- ii) Click on “Shareholders” module.
- iii) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID (BO ID);
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- iv) Next enter the Image Verification as displayed and Click on Login.
- v) If you are holding Shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted earlier on e-voting of any Company, then your existing user ID & password has to be entered.
- vi) If you are a first-time user, follow the steps given below:

PAN	<ul style="list-style-type: none"> <li>• Enter your 10-digit alphanumeric PAN issued by Income Tax Department (Applicable for both Demat and physical shareholders).</li> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Bank Account Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• Enter the Bank account number linked with the Demat account for receiving the Dividend or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat Account or in the company’s records in order to login.</li> <li>• If both the details are not recorded with the depository or company, please enter the member ID/ folio number in the Dividend Bank details field as mentioned in instruction (iii) above.</li> </ul>

- vii) After entering these details appropriately, click on “SUBMIT” tab.

Additional facility for Non-Individual Shareholders & Custodians (for remote e-Voting only):

- (i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- (ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (iii) After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- (iv) The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
- (v) It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (vi) Alternatively, the Non-Individual shareholders can send the relevant Board Resolution/ Authority letter, etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at [parameshwar@vjkt.in](mailto:parameshwar@vjkt.in) and to the Company at [compliance@barbequenation.com](mailto:compliance@barbequenation.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for verifying the same by scrutinizer.

### Step 3: Casting vote electronically on CDSL e-Voting system:

- (i) Shareholders holding shares in Demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be used by the Demat holders for casting their vote on the resolutions of any other Company in which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ii) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iii) Click on the EVSN for the Company Name <Barbeque-Nation Hospitality Limited> on which you choose to vote.

- (iv) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same, the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent/agree to the Resolution and option NO implies that you dissent/disagree to the Resolution.
- (v) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (vi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (vii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify/cancel your vote.
- (viii) You can also take a print of the votes cast by clicking on “Click here to print” option on the e-Voting page.
- (ix) If a Demat Account holder has forgotten the login password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**Step 4: Instructions to Shareholders for attending the AGM through VC/OAVM & e-Voting during the AGM are as under:**

- (i) The procedure for attending the AGM & e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting.
  - (ii) The link for VC/OAVM to attend the AGM will be available where the EVSN of ‘Barbeque-Nation Hospitality Limited’ will be displayed after successful login as per the instructions mentioned above for e-Voting.
  - (iii) Shareholders who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
  - (iv) Shareholders are encouraged to join the AGM through Laptops/IPads for better experience.
  - (v) Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
  - (vi) Please note that the participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
  - (vii) Shareholders who would like to express their views/ask questions during the Meeting may register themselves as a “Speaker” by sending their request in advance at least 7 days prior to AGM mentioning their Name, Demat Account Number, Email ID, Mobile number to [compliance@barbequenation.com](mailto:compliance@barbequenation.com). The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance at least 7 days prior to the AGM mentioning their Name, Demat Account Number, Email ID, Mobile number to [compliance@barbequenation.com](mailto:compliance@barbequenation.com). These queries will be replied accordingly by authorized officials of the Company via email.
  - (viii) Those Shareholders who have registered themselves as a “Speaker” will only be allowed to express their views/ask questions during the Meeting.
  - (ix) Only those Shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
  - (x) If any Votes are cast by the Shareholders through the e-Voting available during the AGM and if the same Shareholders have not participated in the Meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-Voting during the AGM is available only to the Shareholders attending the AGM.
- 5. Process for those Shareholders whose Email IDs/Mobile Numbers are not registered with the Company/Depositories:** Shareholders holding shares in Demat form shall contact their respective Depository Participant (DP) for updating the Email IDs and Mobile Numbers.
- 6. If you have any queries or issues regarding e-Voting and attending AGM on the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact toll free no. 1800 22 55 33.**
- 7.** All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

**EXPLANATORY STATEMENT**

(Pursuant to Section 102 of the Companies Act, 2013 (Act) and the Rules made thereunder, and Regulation 36 of the SEBI (LODR) Regulations, 2015)

The following statement/disclosures sets out all material facts relating to Item No. 4 (Ordinary Business) and each of the Special Businesses as mentioned in the accompanying Notice and shall form part of the Notice.

**Item No. 4:****Appointment of Messrs. S.R. Batliboi & Associates LLP (ICAI Firm Registration Number: 101049W/E300004), Chartered Accountants, as Statutory Auditors of the Company:**

Messrs. Deloitte Haskins & Sells (ICAI Firm Registration Number: 008072S), Chartered Accountants, who were appointed as Statutory Auditors of the Company, have completed their 2 (two) terms of 5 (five) consecutive years as Statutory Auditors of the Company and are retiring at this Annual General Meeting. Messrs. Deloitte Haskins & Sells are not eligible for re-appointment as a Statutory Auditors of the Company for a further period, as per the provision of the Act.

At the Meeting held on May 27, 2023, the Audit Committee and Board of Directors of the Company have recommended the appointment of Messrs. S.R. Batliboi & Associates LLP (SRBA) (FRN: 101049W/E300004), Chartered Accountants, as Statutory Auditors of the Company, in place of Messrs. Deloitte Haskins & Sells, for a period of 5 consecutive years from the conclusion of 17th AGM until the conclusion of 22nd AGM of the Company, to the shareholders for their approval.

**Additional disclosures as required under Regulation 36(5) of the SEBI (LODR) Regulations:**

Proposed fees/remuneration payable to the statutory auditor for the financial year 2023-24	Rs.6.3 Million
Term of appointment	5 (five) consecutive years commencing from the conclusion of the 17th Annual General Meeting until the conclusion of the 22nd Annual General Meeting
Material changes in the fee/remuneration payable to new Statutory auditor vis-à-vis the retiring auditor	No material changes. The payment of fees/remuneration commensurate with the size, nature and scale business of the Company, audit coverage and scope of the audit work.
Basis of recommendation for appointment including the details in relation to and credentials of the Statutory auditor proposed to be appointed	Messrs. S.R. Batliboi & Associates LLP (SRBA) is part of S.R. Batliboi affiliate network of audit firms which is one of the big four audit firms. Considering the nature, size and business operations of the Company, it is required to have competent and large network audit firm. M/s SRBA is engaged in providing audit and assurance services for more than 100 years. Further, M/s. SRBA have confirmed that their appointment, if made, would be within the limits specified under the Act and they are not disqualified to be appointed as statutory auditor in terms of the applicable provisions of the Act and Rules made thereunder.
Brief Profile of Statutory Auditor	M/s. S.R. Batliboi & Associates LLP, are a firm of Chartered Accountants. It is incorporated as Limited Liability Partnership firm ('LLP') in India. SRBA is one of the leading firms providing audit and assurance services in India. SRBA has presence across India with offices in 13 cities. SRBA is part of S.R. Batliboi affiliate network of audit firms.

Based on the recommendation of Audit Committee and evaluating the eligibility, scope of audit and other matters, the Board has recommended the appointment of M/s. S.R. Batliboi & Associates LLP as Statutory Auditor of the company for a period of 5 consecutive years from the conclusion of 17th AGM until the conclusion of 22nd AGM of the Company, to the Shareholders for their approval of by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise, in Item Number-4 of the Ordinary Business as set out in the Notice.

**Item No. 5:****Appointment of Mr. Azhar Yusuf Dhanani as a Non-Executive Director of the Company:**

Mr. Azhar Yusuf Dhanani (DIN: 07694732) was appointed as an Additional Director of the Company in the Board Meeting held on August 7, 2023. The Nomination and Remuneration Committee and the Board of Directors have recommended the appointment of Mr. Azhar Dhanani as a Non-Executive Director of the Company and who is liable to retire by rotation, to the Shareholders for their approval.

Mr. Azhar Dhanani is eligible for appointment as a Director of the Company and the Company has received necessary statutory disclosures/declarations from him, which includes (i) consent to act as a Director in Form DIR- 2, pursuant to Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules, 2014, (ii) intimation in Form DIR-8 stating that he is not disqualified under sub-sections (1) and/or (2) of Section 164 of the Act; and (iii) notice of interest in Form MBP-1, pursuant to Section 184 of the Act.

Mr. Azhar Dhanani has also confirmed that he is not debarred from holding the office of a Director by virtue of any Order passed by SEBI or any such authority.

Details/Disclosures as required under Regulation 36 of the SEBI (LODR) Regulations and Secretarial Standard on General Meeting (SS-2) are disclosed below:

**Brief profile and experience of Mr. Azhar Yusuf Dhanani:**

Mr. Azhar Dhanani is associated with Sayaji Foods Private Limited (Sayaji Foods), a Company engaged in the Food and Beverage manufacturing, since 2017 and is handling Marketing, Sales & Operations domain. Sayaji Foods is responsible for building and delivering culinary solutions to various foodservice businesses.

He is a Management Graduate from Indian School of Management and Entrepreneurship (ISME). He has also completed International Baccalaureate Diploma Program from the Singapore International School.

Name of the Director	Mr. Azhar Yusuf Dhanani								
Director Identification Number (DIN)	07694732								
Date of Birth & Age	08/04/1998 (25 years)								
Date of first Appointment to the Board of the Company	07/08/2023								
Qualification	Management Graduate from Indian School of Management and Entrepreneurship (ISME)								
Expertise in specific functional areas	Skilled in Food & Beverage, Operations Management, Business Development, Marketing & Sales, Supply Chain Management.								
No. of Shares held in the Company, including shareholding as a Beneficial Owner	Nil								
Inter-se relationships between the other Directors and Key Managerial Personnel of the Company	Not a relative as per the provisions of Section 2(77) of the Act. Mr. Azhar Dhanani is one of the members of Promoter Group of the Company and is related to Promoter-Directors of the Company.								
Terms and Conditions of appointment	Appointment as a Non-Executive Director of the Company and who is liable to retire by rotation.								
Directorships held in Board of other Companies as on the date of this Notice	<table border="1"> <thead> <tr> <th>Name of the Company/ LLP</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>Sayaji Foods Private Limited</td> <td>Director</td> </tr> <tr> <td>Vicon Imperial (I) Private Limited</td> <td>Director</td> </tr> <tr> <td>Sana Hospitality Services Private Limited</td> <td>Additional Director</td> </tr> </tbody> </table>	Name of the Company/ LLP	Designation	Sayaji Foods Private Limited	Director	Vicon Imperial (I) Private Limited	Director	Sana Hospitality Services Private Limited	Additional Director
Name of the Company/ LLP	Designation								
Sayaji Foods Private Limited	Director								
Vicon Imperial (I) Private Limited	Director								
Sana Hospitality Services Private Limited	Additional Director								
Position held in Board Committees of other Companies as on the date of this Notice	None (as per Regulation 26(1) of SEBI (LODR) regulations)								
Names of Listed Entities from which he has resigned in the past three years	Nil								
Details of Remuneration sought to be paid	The Company is not paying any remuneration, including the sitting fees.								
Last drawn Remuneration	Not Applicable								
Number of Board Meetings attended during FY 2023-24	Attended part of the Meeting held on August 7, 2023.								

Based on the recommendation of Nomination and Remuneration Committee and evaluating the skills and experience of Mr. Azhar Dhanani in the Hospitality industry, the Board hereby recommends the appointment of Mr. Azhar Yusuf Dhanani as a Non-Executive Director, to the Shareholders of the Company for their approval by way of an Ordinary Resolution for the Special Business Item Number-5 as set out in the Notice.

Except as disclosed above, none of the Directors or Key Managerial Personnel of the Company including their relatives are concerned or interested, financially or otherwise, in Item Number-5 of the Special Business as set out in the Notice.

**Item No. 6 & 7:**

Item No.	Brief description of the Special Business
6	Re-pricing of the Employee Stock Options granted to the employees of the Company and its Subsidiaries during the financial years 2021-22 and 2022-23 under 'Barbeque Nation Hospitality Limited - Employee Stock Option Plan 2015' and extending Vesting Period of the same.
7	Re-pricing of the Employee Stock Options granted to the employees of the Company and its Subsidiaries during the financial year 2022-23 under 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2022' and extending Vesting Period of the same.

The Company has adopted 2 Employee Stock Option Plans styled as 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2015' ("ESOP Plan 2015") and 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2022' ("ESOP Plan 2022") in order to attract, retain and reward employees of the company and its subsidiaries.

The Nomination and Remuneration Committee (NRC) has been authorised to administer both the ESOP Plans and below is the summary of ESOPs granted by NRC during the financial year 2021-22 and 2022-23 and details of repricing of the same:

ESOP Plan 2015						
Prior to Repricing					Repricing	
Date of Grant	No. of Options Granted	Exercise Price per Option (in Rs.)	Vesting Period as on the date of grant	No. of Options active in force (as on August 7, 2023)	Revised Exercise Price per Option, after re-pricing (in Rs.)	Revised vesting period
29-10-2021	340,940	1,220.25	36,000 - 3 Years (25:25:50) 3,04,940 - 3 Years (100%)	2,94,470	721.40	3 years from August 7, 2023 (100%)
18-05-2022	111,000	999.45	3 Years (100%)	20,000	721.40	3 years from August 7, 2023 (100%)
09-11-2022	198,110	1,148.25	3 Years (100%)	1,68,610	721.40	3 years from August 7, 2023 (100%)
<b>Total</b>	<b>6,50,050</b>			<b>4,83,080</b>		

ESOP Plan 2022						
Prior to Repricing					Repricing	
Date of Grant	No. of Options Granted	Exercise Price per Option (in Rs.)	Vesting Period as on the date of grant	No. of Options active in force (as on August 7, 2023)	Revised Exercise Price per Option, after re-pricing (in Rs.)	Revised vesting period
09-11-2022	1,90,800	1,148.25	3 Years (100%)	1,90,800	721.40	3 years from August 7, 2023 (100%)
07-02-2023	5,672	860.10	3 Years (100%)	3,672	721.40	3 years from August 7, 2023 (100%)
<b>Total</b>	<b>1,96,472</b>			<b>1,94,472</b>		

However, due to fall in the market price of shares of the Company (i.e. exercise price of ESOPs exceeding the current market price), the ESOPs, as granted above, have become unattractive. Therefore, based on current market price, the Board has decided to re-price the ESOPs granted during the financial years 2021-22 & 2022-23 and extend the vesting period of the same.

The Nomination and Remuneration Committee and the Board of Directors in their respective Meetings held on August 7, 2023 have approved the repricing of the ESOPs granted during the financial years 2021-22 and 2022-23 under ESOP Plan 2015 and ESOP Plan 2022 and the revised exercise price of the ESOPs, as granted above, shall be Rs.721.40/- per ESOP being the closing market price of shares of the Company on National Stock of India Limited in which highest trading volume were transacted on August 4, 2023 i.e. the date immediately prior to the date of approval by the Nomination and Remuneration Committee and the Board of Directors.

**Further, the Board hereby confirms the following:**

- The proposed repricing and increasing the vesting period is not prejudicial/detrimental to the interests of employees of the Company and is beneficial to the employees.  
Further, the Company has received confirmation from the ESOP grantees, whose ESOPs are proposed to be repriced, confirming that the proposed repricing with increased vesting period is not prejudicial to their interest.
- The ESOPs which are proposed to be re-priced are not exercised by the employees, partially or fully.
- The proposed re-pricing of ESOPs is in accordance with applicable provisions of the Companies Act, 2013 and the rules made thereunder, SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 and other applicable laws for the time being force.

The lapsed/forfeited ESOPs shall be available for future grants as per the provisions of the ESOP Schemes viz. ESOP Plan 2015 and ESOP Plan 2022.

Based on the recommendations of Nomination and Remuneration Committee and the foregoing disclosures, the Board has recommended the Re-pricing and extension of the vesting period of the ESOPs granted during the financial years 2021-22 and 2022-23 under ESOP Plan 2015 and ESOP Plan 2022, to the Shareholders of the Company for their approval by way of Special Resolutions for the Special Business Item Numbers 6 & 7 as set out in the Notice.

None of the Directors and Key Managerial Personnel including their relatives, except to the extent of their shareholding in the Company and the Employee Stock Options that they hold, if any, under the ESOP Plan 2015 and ESOP Plan 2022, are concerned or interested, financially or otherwise, in Item Numbers 6 & 7 of the Special Business as set out in the Notice.

**Item No. 8 & 9:**

Item No.	Brief description of the Special Business
8	Modification of 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2015'.
9	Modification of 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2022'.

The Company has adopted 2 Employee Stock Option Plans in order to attract, retain and reward employees of the company and its subsidiaries.

The first ESOP Plan in the name and styled as 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2015' ("ESOP Plan 2015") was adopted in the year 2015. The last modification in the ESOP Plan 2015 was approved by the shareholders in the 16th Annual General Meeting held on September 6, 2022 and pursuant to said modification, 5,00,000 ESOPs from ESOP Plan 2015 were transferred to the 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2022'.

Consequent to the said transfer the pool size of ESOP Plan 2015 was reduced from 20,00,000 ESOPs to 15,00,000 ESOPs and new ESOP Plan was adopted in the name and styled as 'Barbeque Nation Hospitality Limited - Employees Stock Option Plan 2022' ("ESOP Plan 2022") with a pool size of 5,00,000 ESOPs, which were being transferred from ESOP Plan 2015.

The Company has received in-principle approval of the stock exchanges viz., BSE Limited and National Stock Exchange of India Limited for both the ESOP Plans.

Due to fall in market price of shares of the Company (i.e. exercise price of ESOPs exceeding the current market price), the Board of Directors have approved the repricing of ESOPs granted during the financial year 2021-22 & 2022-23 with the increased vesting period of those ESOPs, as mentioned in item number 6 and 7 of the explanatory statement.

In order to bring more clarity in the said ESOP Plans on vesting period of the repriced ESOPs and considering the proposed repricing with the increased vesting period of the repriced ESOPs, it is hereby proposed to insert new proviso under vesting schedule i.e. clause 6.5 of ESOP Plan 2015 and clause 6.1 of ESOP Plan 2022, as mentioned hereunder:

**"In case of repricing of Options, the overall vesting period (from the initial grant) of those repriced Options shall not exceed 5 years."**

Disclosures required pursuant to Rule 12(5)(b) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 7(4) of SEBI (SBEB&SE) Regulations with respect to modification/variation of terms of ESOP Plan 2015 and ESOP Plan 2022 are as follows:

1	Full details of variation of terms	Insertion of new proviso under clause 6.5 of the ESOP Plan 2015 and 6.1 of the ESOP Plan 2022, as mentioned hereunder:  <b>"In case of repricing of Options, the overall vesting period (from the initial grant) of those repriced Options shall not exceed 5 years."</b>
2	Rationale behind the variation of terms	To bring more clarity and to avoid doubts, if any, on maximum vesting period of the repriced ESOPs, it hereby proposed to insert the new proviso as mentioned hereinabove.
3	Employees who are beneficiaries of such variation	All the eligible employees of the Company and its Subsidiaries to whom options are granted and repriced.

Further, it is hereby confirmed that such aforesaid modification is not prejudicial or detrimental to the interest of employees of the Company.

Based on the recommendations of Nomination and Remuneration Committee and the foregoing disclosures, the Board has recommended the modification of ESOP Plan 2015 and ESOP Plan 2022, to the Shareholders of the Company for their approval by way of Special Resolutions for the Special Business Item Numbers 8 & 9 as set out in the Notice.

None of the Directors and Key Managerial Personnel including their relatives, except to the extent of their shareholding in the Company and the ESOPs that they hold, if any, under the ESOP Plan 2015 and ESOP Plan 2022, are concerned or interested, financially or otherwise, in Item Numbers 8 & 9 of the Special Business as set out in the Notice.

**Registered Office:**

"Saket Callipolis", Unit No. 601 & 602,  
6th Floor, Doddakannalli Village,  
Varthur Hobli, Sarjapur Road, Bengaluru-560035  
Karnataka, India

Place: Bengaluru

Date: August 7, 2023

By order of the Board  
For **Barbeque-Nation Hospitality Limited**

**Nagamani C Y**  
Company Secretary & Compliance Officer  
M. No.: A27475