

A restaurant for all occasions!

Barbeque-Nation Hospitality Limited
Annual Report 2019-20





21
New restaurants opened
in 2019-20



At Barbeque-Nation, our food has been making history since we first opened in the year 2006. Though a lot has changed since then, our commitment has never wavered. Today, we reaffirm our pledge to continue to serve our customers the very best and strive to remain as a **restaurant for every occasion!**

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Becoming a restaurant for every occasion.



On our journey to becoming a restaurant for every occasion,
we are anchoring our business on:

FOCUSING
WITH FORTITUDE

SCALING
WITH SURETY

OPTIMISING
WITH EFFICIENCY

01

Meeting our purpose

At Barbeque-Nation, with our strong focus on customers and employees, we continue to emphasise on thoughtful expansion and diversification, as we grow from strength-to-strength to realise our purpose of meeting the expectations of our diverse stakeholders, while propelling the long-term growth of our business.

02

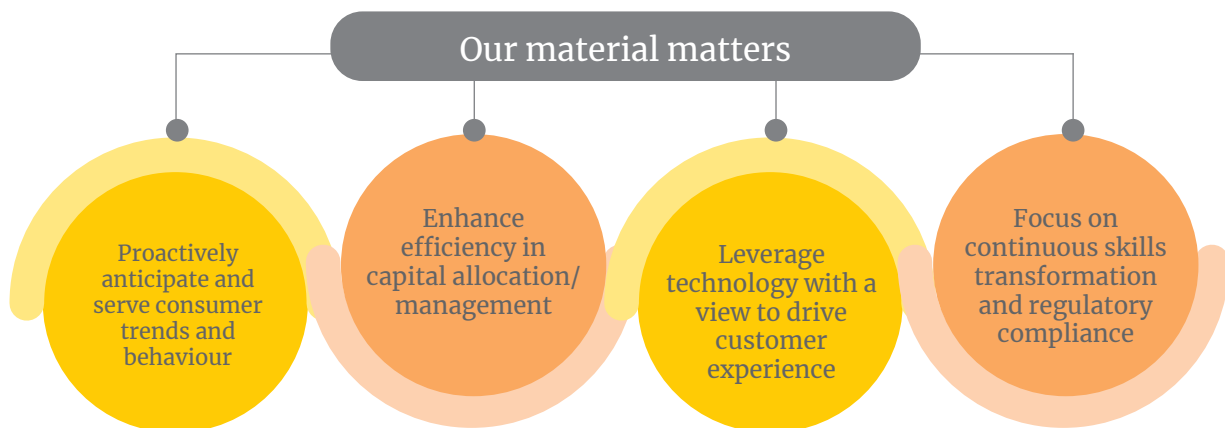
Our business identity

With a significant presence in India’s consumer/hospitality sector, Barbeque-Nation is the country’s leading casual dining chain with 150 restaurants (as of 31 March 2020, including 3 outlets under construction) across 77+ cities/towns in India. The company also operates 6 restaurants internationally, 5 in the Middle East and one in Malaysia, and 11 outlets under the brand Toscano.

03

Our specialty

Each Barbeque Nation restaurant offers a ‘live-on-the-table’ grill setting and an elaborate unlimited menu at a fixed price. The company’s overarching value offering that resonates with a diverse customer set comprises quality food in an attractive ambience with outstanding service and a high perceived value-for-money.



Statement from our leadership



“Barbeque-Nation is more than just a chain of restaurants. It is a group of passionate, talented and committed individuals with a mission to make every customer experience enjoyable, memorable and repeatable. This is our biggest asset and will hold us in good stead today and well into the future.”

Kayum Dhanani,
Managing
Director

Dear stakeholder

Welcome to our Annual Report for the year 2019-20!

Overview of the year gone by

The year 2019-20 was characterised by our focus on measured, yet consistent expansion and strategic transformation. The outcome was visible in our numbers, as during the year under review, our revenue from operations was up by 11.88% to ₹ 7,870.52 mn, while our operating profit stood at ₹ 1,595.47 mn. We exited the year at an EBIDTA margin of 20.27%. It is important to note that the fiscal year 2020 financials were impacted by the COVID-19 pandemic-triggered shutdowns, announced from 22 March 2020 onwards, yet felt from the beginning of March itself.

Considering the huge domestic opportunity in casual dining, we established 21 new restaurants during the year in the major metro consumption markets of Delhi and Mumbai, even as we went deeper into Tier-II and III towns and cities of the country. With the success of our restaurants, especially the relatively newer ones, we have been able to clearly validate our offering amongst a diverse customer set. Our total restaurant base stood at 164 outlets at the close of the year, which could have been a bit higher, but for the onset of the pandemic in March 2020.

Impact of COVID-19

On account of the pandemic-related lockdown imposed by the government across the country, we could operate only select restaurants, starting early April 2020, with strong hygiene and safety measures. The initial regulatory permission was provided only for delivery services, as dine-in operations were completely shut till mid-June 2020. With gradual relaxation of the lockdown in different regions, certain stores were re-opened

accordingly for both delivery and dine-in and, as of December 2020, 97% of the restaurants have become operational.

It is to be noted that the restaurant industry has been amongst the worst-affected by the pandemic – first on account of the nationwide shutdowns and second, because of low consumer confidence in eating-out. However, since the time the pandemic struck in March 2020, things have recovered substantially with the gradual unlock and returning consumer confidence on the back of our sustained focus on adopting all safety measures as prescribed by the regulations. Still, full normalcy will take time and we anticipate a

fairly substantial negative impact on our 2020-21 financials. Much hinges on the pace of development in the health care sciences space, and a vaccine will most certainly catalyse sentiment and create a substantial consumption rebound.

Embracing inorganic growth opportunities

In a major event during the year under report, Barbeque Nation acquired 61.35% stake in Red Apple Kitchen, which operates an award-winning Italian casual dining chain, Toscano, serving authentic Italian cuisine with service that is at par with fine dining. The restaurant offers an exhaustive menu that caters to all-day dining, a specially-curated brunch menu on weekends and a distinct menu reflecting major occasions.

Toscano was started in 2008 with the first outlet established in UB City, Bengaluru. Under the robust stewardship of Jean Michel Jasserand and Goutham Balasubramanian, Toscano has grown to 11 outlets located across Bengaluru, Chennai and Pune. As many as three restaurants were launched in 2019-20, comprising two in Chennai and one in Pune.

Transparency, trust and reputation

Barbeque-Nation's identity continues to resonate with its customer base and this unparalleled brand equity is a huge institutional resource that we are proud of. Our ability to think ahead of the time and provide our customers with an affordable offering comprising a fixed menu at a fixed price, together with our innovative grill-on-the-table setting, has kept many of our customers across ages enthralled, making us their restaurant of choice. This is reflected in cover growth, making us amongst the top casual dining restaurant chain in the country.

11.88%

Growth in revenue
from operations,
2019-20

20.27%

EBIDTA margin,
2019-20



“

Considering the huge domestic opportunity in casual dining, we established 21 new restaurants during the year in major metro consumption markets, even as we went deeper into Tier-II and Tier-III towns and cities.



6

Barbeque-Nation
restaurants abroad

61.35%

Acquisition of stake in
Red Apple Kitchen

Our solid foundations through over 14 years of existence represents an excellent platform to continue to move with the times. Today, by acquiring a right-fit brand, by pioneering the Barbeque-in-a-Box delivery concept and by increasingly focusing on serving our dine-in customers with all safety precautions as demand recovers, we are re-energising our identity as a restaurant for every occasion, be it dining-in or at-home.

On the international front, we have 6 restaurants abroad (as on 31 March 2020) and are looking at operational consolidation before we adopt the next round of scale-up.

So, net-net, the pandemic has given us many learning and transformation opportunities, and all I can say is that these have only challenged us to create a better tomorrow, even

as our appetite for growth remains unchanged.

As always, I look forward to your continued support as we tackle the days and months ahead.

Best wishes,
Kayum Dhanani





FOCUSING WITH FORTITUDE

At Barbeque Nation, keeping our pulse on a sustainable growth strategy, we continue to ramp-up our existing operations, while strengthening our presence in major established as well as upcoming micro-markets where we see an increase in consumerism, affordability levels and demand for quality casual dining experiences.

Our strategies in action

- We have a fairly well-balanced restaurant location mix, with 66.0% of our restaurants located in the metros and Tier-I cities, and the rest deeper into the hinterlands of the country, enabling geographical de-risking and revenue de-concentration
- In response to the pandemic that has driven significant changes in consumer behaviour, we invested in food take-out/delivery, pioneering the 'Barbeque-in-a-Box' concept comprising a curated meal box delivered to the customer's doorstep, or available for take-away from any Barbeque-Nation outlet. The idea was to deliver the buffet experience in the home setting
- We strengthened our digital assets by investing substantively in app development to enhance the customer experience across table reservations, food ordering, payments, delivery and loyalty points redemption, as well as

delivering a strong contactless experience to our guests

- We ensured that all safety protocols were adhered to strictly and rigorously across all our outlets and also in delivery, which tremendously added to building consumer confidence, resulting in a progressive increase in covers and cover turns
- We are placing emphasis on improving our capital allocation to augment free cash flow generation, thus strengthening our balance sheet

17.11%

Revenue CAGR over the past three years





SCALING WITH SURETY

At Barbeque-Nation, adopting a multi-region portfolio strategy, we have been able to diversify our earnings base in cash flow-generative markets. In addition to embedding our presence further in large established cities of India, we are also taking the casual dining experience deeper into the country's hinterlands to increasingly cater to the mass consumer base that is evolving in income, aspirations and lifestyle.

Our strategies in action

- We strengthened our network by launching 21 new Barbeque Nation restaurants in 2019-20, taking our overall base up to 150 (as on 31 March 2020) restaurants in India at the close of the year. With this expansive base, we have a near pan-India presence and cater to a wide variety of consumers across the demographic and income scale
- In a further major scale-up initiative, we acquired Bengaluru-based Toscano, a casual dining restaurant chain in the premium segment. The acquisition gave us ready access to 11 operational outlets located in Bengaluru, Chennai and Pune. The restaurant chain, part of the rapidly-growing casual dining

segment in India's food services sector, also has a catering business located in Infosys campus in Bengaluru, thus opening up an exciting new food services niche for us

- We had 6 Barbeque Nation restaurants located internationally as on end March 2020
- Going forward, our focus will be anchored on network expansion of Barbeque Nation and Toscano restaurants in the domestic market





OPTIMISING WITH EFFICIENCY

At Barbeque Nation, leveraging our scale for operational synergy, we focus on optimising capital management and resource allocation within our multi-locational restaurant portfolio. This allows us to control costs, mitigate risks and boost our ability to navigate various market conditions.

Our strategies in action

- As of 31 March, 2020, we had 150 Barbeque Nation restaurants, 6 international Barbeque Nation restaurants and 11 Italian restaurants, of which nine are operated under the brand name “Toscano” and one each under the brand names “La Terrace” and “Collage”

- Our restaurant base and pan-India presence provides us with benefits of scale and size, enabling us to optimise costs

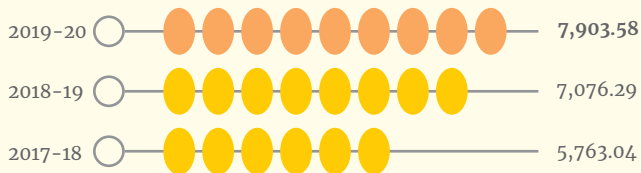


Financial highlights

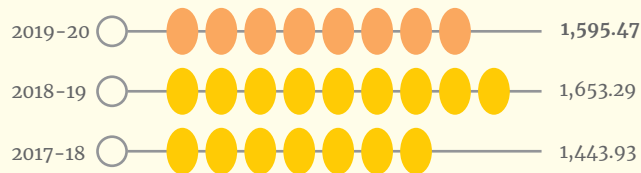
In 2019-20, the Company's business model demonstrated resilience, supported by disciplined execution against our strategic priorities.

FINANCIAL INFORMATION

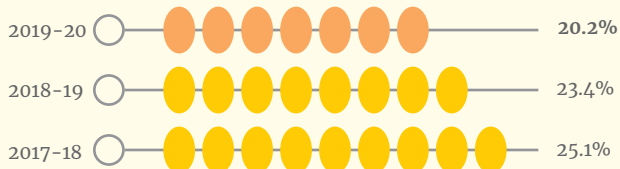
Revenue (₹ in mn)



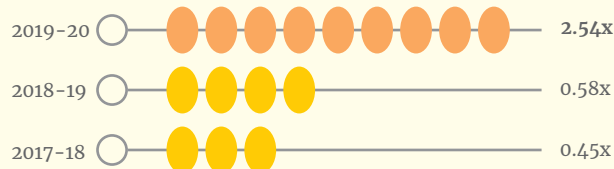
EBIDTA (₹ in mn)



Operating profit margin (%)

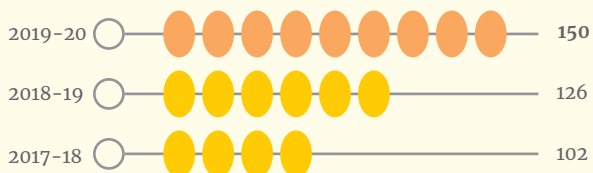


Debt-equity (times)

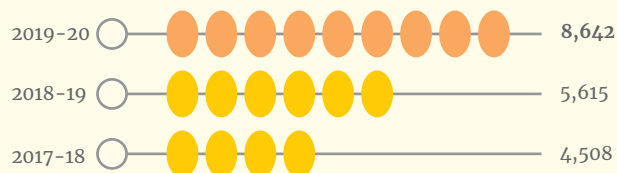


OTHER INFORMATION

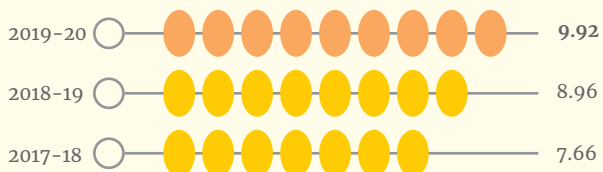
Total restaurants



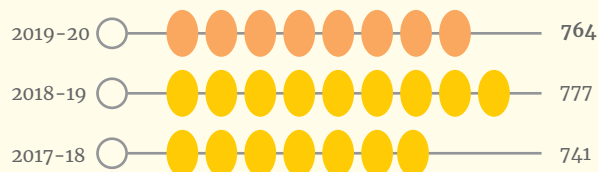
Workforce



Covers sold (mm)



APC (avge. price / cover, ₹)







Our competitive strengths

A strong presence in the Indian market positions Barbeque-Nation well to capitalise on the growth in consumer spending from expected increase in disposable incomes.

Our core competitive strengths

One of India's fastest growing and widely-recognised restaurant brands in the rapidly growing casual dining restaurant market of India, with continued focus to expand its restaurant base – both 'Barbeque-Nation' and 'Toscano' – in existing cities.

Efficient business processes and robust back-end systems developed and matured over the years. Further, all restaurant locations are selected post a stringent multi-step evaluation process undertaken by a dedicated internal team to ensure success without having to pay premium rentals.

Standardised base food offerings allowing for customisation as per regional variations in taste. Periodic food festivals keep the menu refreshed and guests engaged and excited.



Our people

At Barbeque-Nation, we provide all our employees with a safe working environment, while instilling a culture of excellence, high standards of conduct and a conducive working environment for their personal and professional growth.

Our HR practices

We have a diverse workforce drawn from different age groups, races and backgrounds. We embrace differences among our employees as we build bridges to respect and trust.

Our employees are our true assets on whom the success of our business depends. Motivated employees are needed for an organisation to further improve productivity, which ultimately leads to better performance. The company constantly strives towards nurturing a conducive workplace and promoting work-life balance and work flexibility to motivate employees in their daily work activities.

To motivate and retain our employees, we conduct multiple programs that aim to review compensation values to ensure our offers are fair and competitive. Further, the company has also established career progression pathways for employees at all job levels, which increases the visibility and transparency of their career growth plans.

Furthermore, we provide training to equip our employees with relevant skill-sets, conduct process reviews and foster a range of work schedules to retain and attract a wider pool of talent.

Some of our other major employee engagement initiatives

- Umang festival comprising employee felicitation
- Annual outbound programs for team-bonding and relaxation
- Barbeque Nation Cricket League
- Monthly reward and recognition program
- Annual innovation award that seeks to reward the best ideas received from employees pan-India



As a vindication of our robust HR practices, some of the awards won by Barbeque-Nation in 2019-20 include:

- 'India's 10 Best Workplaces in Retail 2020' by Restaurant Association of India
- Ranked 7th in 'Asia's Best Workplaces 2020' by Great Place to Work

Our food festivals

At Barbeque-Nation, we organise food festivals all through the year to bring popular as well as lesser-known cuisine to the table of our discerning customers, while also ensuring a broader and more diverse variety of dishes served in our restaurants. We organised a number of food festivals in 2019-20.





Dawat-e-Ramadan

Dawat-e-Ramadan presented all the lip-smacking dishes associated with the month of Ramadan that were served at our restaurants.



Mango Mania

Mango Mania represents our popular seasonal food festival comprising a wide variety of dishes made with mangoes, the king of fruit.



Harvest of Happiness

Harvest of Happiness comprised a number of seasonal festivals organised across our restaurants celebrating Pongal, Sankranti, Lorhi, Bihu, etc. Local dishes were added to the menu to bring unique dishes with diverse flavours to our guests.



Let's Chilli Fest

Let's Chilli Fest comprised a unique food festival, bringing in the different flavors of chili from across the world. As the name suggests, the fest was the hottest food festival ever, with guests also being engaged in multiple activities at the restaurant.



Blue Nation Barbeque Nation

To capitalise on the Cricket World Cup frenzy, this campaign was conceptualised such that every customer visiting our restaurants could play Barbeque Nation cricket and win exciting vouchers. The festival brought all cricket-lovers and foodies together for a gala time.



Eat Street Food

This popular food festival brought flavours of street food from across the country. Guests enjoyed a lavish buffet comprising mouth-watering dishes from the streets of India. The look and feel of the restaurants was also changed to give a street/gully vibe!



Our Covid-19 response

At Barbeque-Nation, we are focused on accelerating our strategies to ensure faster normalisation of business activities to thus support industry, consumer and societal recovery.

During the COVID-19 crisis, we implemented high standards of safety and hygiene protocols across our Barbeque-Nation and Toscano restaurants in India, covering guest safety, employee safety, sanitisation, physical distancing, temperature checks and safe deliveries. We also made required changes to the seating layout and restricted movement of crowds to maintain physical distancing. Further, we also launched #NoCompromiseDining with our operating procedures outlining physical distancing, contact-free experience, sanitisation protocols and customer experience.

Well-positioned for recovery

We believe that our key strengths will enable us to ensure faster recovery with the gradual resumption of economic activity. These include:

- Seasoned leadership team with experience across business cycles
- Established track record in consumer/hospitality industry
- Enduring stakeholder relationships that drive sales repeatability and ensures business sustenance
- Proven execution skills

Market outlook

India's economic potential

India is the world's 6th largest economy and is expected to be in top-3 global economies by FY2050. Currently, the nation ranks 6th in the world in terms of nominal GDP and is the 3rd largest economy in the world in PPP terms. In FY2019, India was about one-eighth the size of the US economy and one-fifth the size of the Chinese economy (in nominal GDP terms).

Key drivers of growth:

- Young population: India has one of the youngest demographics, with the country's median age continuing to remain under 30 years till 2030.
- Increasing urbanisation: India is second-largest urban community in the world after China, with an urban population of about 472 mn (FY2019). Smart City initiative by the Government to

create new 'urban clusters' will further expedite urban development/urbanisation in India.

- Growing middle-class: The number of households with annual earnings between US\$ 5,000-10,000 have grown at a CAGR of 12% during the period FY2012-18 and is expected to grow at the same CAGR of 12% to reach 153 mn by FY2020.



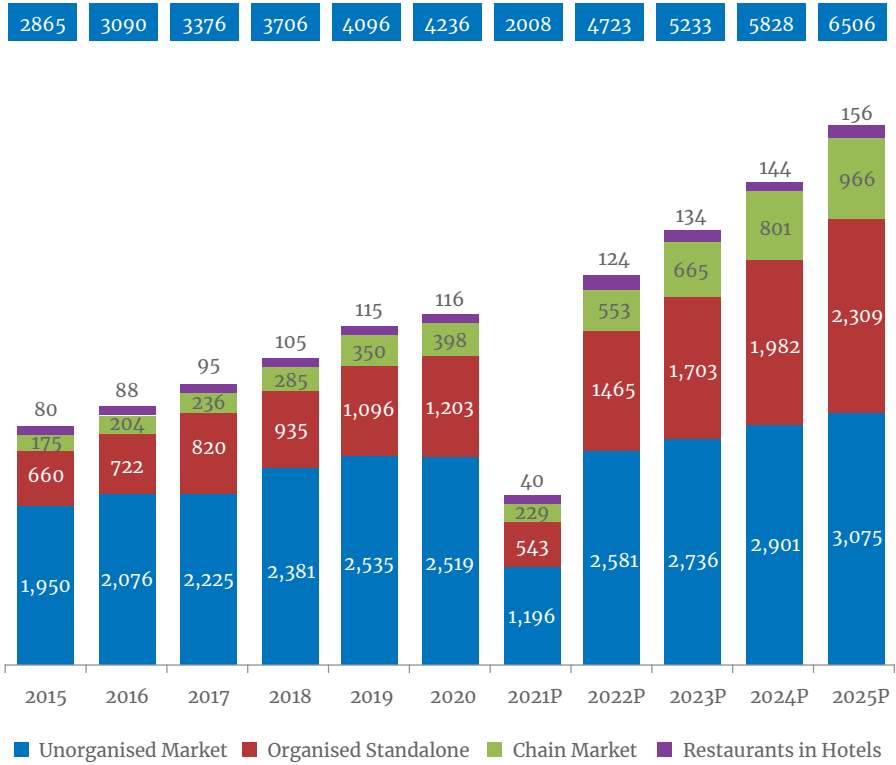
- **Nuclearisation:** The growth in the number of households exceeds increase in population growth, indicating increasing nuclearisation trend. According to census data 2011, 74% of urban households have five or less members, as compared to 65% in 2001.

- **Food services spend:** Food services is a key segment in the Indian economy, which accounted for approximately USD 56.5 bn in FY2020, of which around USD 22.8 bn comes from the organised market. Changing consumer dynamics are expected to continue to boost the food services sector's growth in the country.

India's food services market

India's food services market has been growing with international and domestic brands making substantial investments in building the backend consisting of suppliers and logistics. The size of the country's food services market was estimated at ₹4,236 bn in FY2020, and is projected to grow at a CAGR of 9% over the next 5 years to reach ₹6,506 bn by FY2025.

Food services market in India



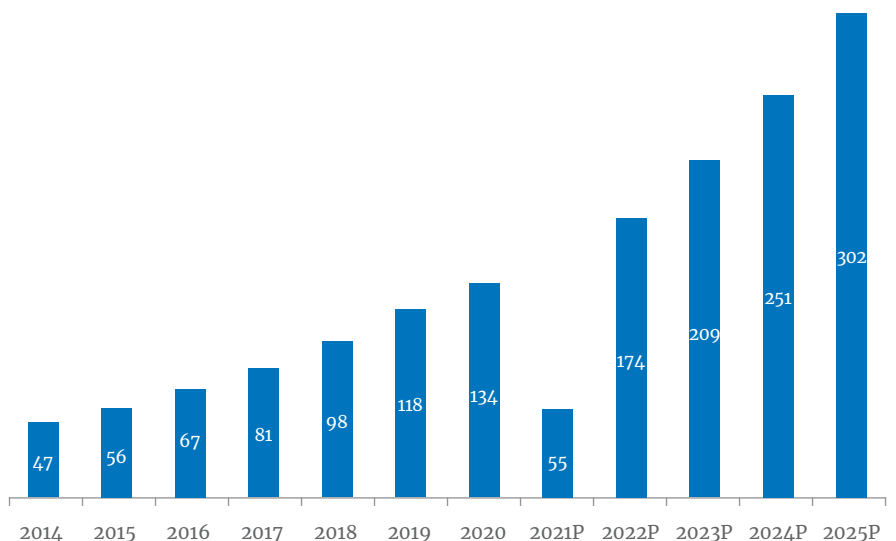
Source: Technopak BoK, Technopak; Analysis Year mentioned is Fiscal

The organised market (chain and organised standalone outlets, excluding restaurants in hotels) is estimated at ₹1,601 bn in FY2020 and is projected to grow at a CAGR of 15% to reach ₹3,275 bn by FY2025, gaining a share of 50%, from 38% in FY2020.

Chain casual dining market overview

The chain casual dining market in India has been flourishing over the last few years. The Chain CDR segment represents the second largest share in the chain food services market in India (after QSR).

In FY2020, the size of the chain casual dining market was estimated at ₹134 bn. The share of CDR market in the food services sector is expected to reach 31% in FY2025, from 34% in FY2020. Further, the segment is expected to grow at a healthy CAGR of 18% to reach ₹302 bn by FY2025.



Source: Technopak BoK, Technopak; Analysis Year mentioned is FY

Our Board

At Barbeque-Nation, our Board of Directors comprises an effective combination of individuals with a diverse range of skills, knowledge and experience that complement our strategic objectives and priorities.



T. Narayanan Unni

Chairman, Non-Executive Director and Independent Director

Mr. Unni has been a Director of the Company since February 9, 2009. He holds a Bachelor's degree in Commerce from Vikram University, Ujjain, and a Bachelor's degree in Law from the University of Indore. He is a member of the Institute of Chartered Accountants of India and has been a practicing Chartered Accountant since July 1, 1975.



Kayum Dhanani

Managing Director

Mr. Dhanani has been a Director of the Company since November 30, 2012. He holds a Diploma in sole-making from Central Leather Research Institute. He has also been associated with Sara Suole Private Limited since 2005, which is involved in manufacturing, processing and selling leather goods, including soles, shoes and other leather accessories.



Raof Dhanani

Non-Executive Director

Mr. Dhanani has been a Director of the Company since July 1, 2015. Prior to joining the Company, he was involved in the fertilisers business, which he divested in 2013. He joined the management of Sayaji Hotels Limited in 2013 and is currently involved in managing its operations.



Suchitra Dhanani

Non-Executive Director

Mrs. Dhanani holds a Bachelor's degree in Home Science with a Major in Clothing and Textiles, and a Master's in Social Work from Maharaja Sayajirao University, Baroda. She was a Director of the Company from November 2006 till March 2008. Thereafter, she was appointed as a consultant for interior decoration and housekeeping-related activities. She was subsequently appointed as a Director on July 1, 2015.



Tarun Khanna

Non-Executive, Nominee Director

Mr. Khanna has been a Director of the Company since April 12, 2013. He holds a Bachelor's degree in Science from the University of Maryland and an MBA from the University of Baltimore. He was previously associated with Citibank NA, YES Bank and GE Capital Transportation. He joined CX Advisors LLP in February 2009 as an Investment Principal and was subsequently inducted as a Partner in March 2013.



Abhay Chaudhari

Non-Executive, Independent Director

Mr. Chaudhari has been a Director of the Company since February 28, 2017. He holds a Master's degree in Science (Chemistry) and Diploma in Business Management from Nagpur University. A certified associate of the Indian Institute of Bankers, he joined SBI in October 1979. Subsequently, he was deputed to SBI Capital Markets in which he was President and COO from October 2013-January 2016 and was involved in merger and advisory, private equity, etc.

Board's Report

To the members

Barbeque-Nation Hospitality Limited

Your Directors have pleasure in presenting their 14th Annual Report on the business and operations of the Company together with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended 31st March, 2020 ('FY2020').

1. FINANCIAL SUMMARY OR HIGHLIGHTS

(₹ in million)

Particulars	Standalone		Consolidated	
	FY 2020	FY 2019	FY 2020	FY 2019
Continuing Operations				
Revenue from Operations	7,870.52	7,034.55	8,469.70	7,390.16
Other Income	33.06	41.74	38.24	35.25
Total Income	7,903.58	7,076.29	8,507.94	7,425.41
Operating Expenses	6,308.11	5,423.00	6,827.55	5,931.54
EBITDA	1,595.47	1,653.29	1,680.39	1,493.87
Finance Costs	631.61	472.91	755.92	564.01
Depreciation	1,045.73	773.84	1,339.63	895.36
Profit/Loss Before Tax and Exceptional Items	(81.87)	406.54	(415.16)	34.50
Exceptional Items	766.86	687.75	(163.80)	102.72
Profit/(Loss) Before Tax	(848.73)	(281.21)	(251.36)	(68.22)
Tax Expense/Benefit	77.92	88.94	77.92	143.80
Net Profit/(Loss)	(926.65)	(370.15)	(329.28)	(212.02)
Discontinued Operations				
Loss from Discontinued Operations	-	-	-	(226.70)
Tax Benefit / (Expense) of Discontinued Operations	-	-	-	54.86
Profit/(loss) after Tax from Discontinued Operations	-	-	-	(171.84)
Net Profit/(Loss) (Continued + Discontinued)	(926.65)	(370.15)	(329.28)	(383.86)
Other Comprehensive Income / (Losses)	(5.76)	(3.25)	(26.49)	(23.33)
Total Comprehensive Income/(Losses) for the year	(932.41)	(373.40)	(355.77)	(407.19)

2. COMPANY'S AFFAIRS AND BUSINESS PROSPECTS

Your Board is pleased to report that the FY2020 journey started with 131 stores/outlets (126 in India and 5 overseas). During the year your Company opened 21 stores in India and the cumulative number of stores/outlets of the Company as at the end of FY2020 is 148 (including 1 outlet for UBQ, a delivery and takeaway business unit of the Company).

COVID-19 pandemic and its impact on the Company:

In the last month of FY2020, the COVID-19 pandemic developed rapidly and became a global crisis, inducing the government to shut all economic activity by enforcing lockdown across the country. The pandemic has impacted all types of industries, especially the hospitality, food and restaurant industry. In line with the evolving situation, the

Company immediately emphasised on ensuring the health and safety of its employees and customers. The Company has been following stringent hygiene and sanitisation protocols across all restaurants/outlets, regularly.

Considering and evaluating the impact and incidence of the pandemic on business, the Company had to close few of its restaurants and, consequently, had to terminate lease agreements entered into for the closed restaurants.

Initiatives taken by the Company

a. Launch of 'Barbeque in a Box'

Considering the potential viability and growth of takeaway and delivery business model, the Company established a new brand called 'Barbeque in a Box' to provide barbeque experience to customers at their doorstep, in addition to the existing delivery business brand 'UBQ'.

b. Launch of contactless dine-in at the outlets

Your Company developed an in-house software 'SMART.DINE' to ensure a contactless experience between the outlet's staff and customers, without compromising the live grill experience and unlimited buffet. 'SMART.DINE' is a system whereby customers interact with the outlet staff virtually to order their food to the table without physically interacting with the staff. In addition, the new system 'SMART.DINE' enables customers to:

- Review the 360° safety and sanitization status of the outlet
- Call for special assistance
- Browse menu and add items
- Check offers and promotions
- Review bill estimate
- Call for bill when done
- e-pay with multiple options
- Provide e-feedback, etc.

c. Other Initiatives

In addition to the above and considering the continuing spread of the pandemic, the Company also took all possible precautionary and safety measures to ensure health and safety of its employees and customers, while also focusing on ensuring service quality to customers without compromising the Standards of Operating Procedure (SOPs) and rules and guidelines issued by the Government in view of the pandemic.

3. CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of the business of the Company.

4. DIVIDEND

In view of the losses incurred, your Directors regret inability to recommend any dividend for FY2020.

5. AMOUNT TRANSFERRED TO RESERVES

The Company has not transferred any amount to Reserves during FY2020.

6. EXTRACT OF THE ANNUAL RETURN

As required pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management

and Administration) Rules, 2014 an extract of Annual Return in MGT - 9 forms part of this Annual Report as ANNEXURE-1 and is available on the website of the Company.

7. BOARD MEETINGS

During the year under review, your Board met 6 (Six) times as per details below. The intervening gap between any two meetings was within the prescribed period as per the Companies Act, 2013.

The agenda and notes thereon for the meeting were circulated to the Directors in advance. Minutes of the meetings of the Board of Directors were circulated and maintained according to the provisions of Secretarial Standards and the Companies Act, 2013.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Sl. No.	Date of meeting held	No. of Directors attended
1	28th May, 2019	5
2	18th September, 2019	6
3	31st October, 2019	5
4	30th December, 2019	3
5	14th January, 2020	4
6	11th February, 2020	3

8. FORMAL ANNUAL EVALUATION

Your Company has formulated a Policy for selection of Directors, determining independence of Directors and for the performance evaluation of Board, Committees, other individual Directors and Independent Directors.

9. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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 at the end of the financial year 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 this 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; and
- e) 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.

10. DECLARATIONS FURNISHED BY INDEPENDENT DIRECTORS

The Company has received necessary declarations under Section 149(7) of the Companies Act, 2013 from all Independent Directors of the Company to the effect that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013.

11. MEETING OF INDEPENDENT DIRECTORS:

Due to the lockdown imposed by the Government to control the spread of the pandemic, the meeting of Independent Directors of the Company could not be held during the year. Further, the Ministry of Corporate Affairs, vide general circular no. 11/2020 dated 24th March 2020, provided relaxation to convene the meeting and it will not be treated as non-compliance or violation if the same has not been convened during FY2019-20. However, Independent Directors shared their views orally on the performance of Non-Independent Directors and the Board as a whole, and the flow of information between the Company, Management and the Board was conveyed to the Board.

12. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS AS STATED IN SECTION 178(3) OF THE COMPANIES ACT, 2013:

Your Company has an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As on 31.03.2020, the Board consists of 6 members - one an Executive Director, two Independent Directors, one a Nominee Director of investors and two Non-Executive Directors. The Board periodically evaluates the need for change in its composition and size. The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Sub-Section (3) of Section 178 of the

Companies Act, 2013, adopted by the Board, is appended as Annexure-II to the Board's Report.

13. DETAILS IN RESPECT OF FRAUDS REPORTED BY THE AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE REPORTABLE TO THE CENTRAL GOVERNMENT:

- NIL

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Loans, guarantees or investments covered under Section 186 of the Companies Act, 2013 forms part of the notes to the financial statements.

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1)

Particulars of contracts or arrangements with related parties referred to in Section 188(1) are enclosed in the prescribed format, Form AOC-2, as Annexure-5.

16. CHANGES IN SHARE CAPITAL

The paid-up share capital of the Company was increased from ₹13,99,20,070/- to ₹13,99,58,940/- pursuant to exercise of options by employees under Employees Stock Options Plan 2015. In the Board Meeting held on 18th September, 2019 the Company allotted 1,650 equity shares of ₹5/- each at an exercise price of ₹279/- each to an employee and further, in the Board Meeting held on 14th January, 2020, the Company allotted 6,124 equity shares of ₹5/- each at an exercise price of ₹93/- each to another employee. There were no further allotments during the year.

17. INVESTORS' EDUCATION AND PROTECTION FUND:

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed Dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by shareholders for seven consecutive years or more shall also be transferred to the DEMAT account of the IEPF Authority.

During the year under review, there were no unpaid or unclaimed amount required to be transferred to IEPF account and further, the Company has unclaimed dividend of ₹200/- lying in the unpaid dividend account of the Company for FY2020.

18. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no significant events occurred after the Balance Sheet date which have an adverse material impact on

financial statements, except as stated below:

The impact of the COVID-19 pandemic has been mentioned separately.

19. 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 and the date of the report, except as reported under para 18 above.

20. EMPLOYEE STOCK OPTION SCHEME

Your Company has an Employee Stock Option Scheme under 'ESOP Plan 2015' which is administered by the Nomination and Remuneration Committee for the benefit of employees.

Pursuant to Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, the applicable disclosures as on 31st March, 2020 are as follows:

Options at the beginning of the period (1st April, 2019)	3,43,711
Options granted during the period	2,32,807
Options vested during the period	1,14,880
Options exercised during the period	7,774
Total number of shares which may arise as a result of exercise of options	5,16,930
Options lapsed during the period	51,814
Exercise price per option	Exercise price varies from employee to employee depending on various factors, such as their level, experience, number of years of service in the Company, etc.
Pricing policy	The exercise price shall not be less than the face value of the equity shares of the Company and shall not exceed fair market value of equity shares of the Company on the date of grant.
Variation of terms of options during the year #	See note below
Money realised by exercise of options (₹)	₹10,29,882/-
Total number of options in force (31st March, 2020)	5,16,930

Employee-wise details of options granted to:

Sl. No.	Particulars	Number of Options Granted
1	Key Managerial Personnel (MD, CEO, CFO, CS)	
	a. Amit V Betala - Chief Financial Officer	5,136
	b. Nagamani C.Y - Company Secretary	974
2	Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	
	a. Gulshan Chawla - Chief People Officer	17,857
3	Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	0

Variation of terms of options:

During FY2020 the ESOP Plan 2015 got modified as hereunder:

- Pursuant to the Shareholders' Resolution dated 23rd July, 2019, the members have resolved to increase the number of options in the ESOP Plan 2015 from 5,32,480 options to 9,32,480 options.
- Pursuant to the Shareholders' Resolution dated 23rd July, 2019, the members have resolved to insert new provision under the clause 7.2 of the Scheme with respect to exercise of options by resigned employees. The new provision reads as follows:

"All vested options shall be exercised by the employee during his/her notice period, and except when the Company terminates the employment with a notice period of less than 1 month then within 1 month from the notice of termination."

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

Conservation of Energy

The Company has been working effectively for the conservation of all types of energies used across all the restaurants.

- It is using LED lighting system to ensure that consumption of energy is at minimal levels in operations.

- The Company has not taken any steps for alternative source of energy.
- The Company has installed timers for exhaust and fresh air system and energy management system to save energy.

Technology absorption: Not applicable to the Company.

Foreign Exchange Income

Particulars	(₹ in lakhs)	
	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Sale of food and beverages	2,568.60	1,428.64

CIF Value of Imports and Expenditure

Particulars	(₹ in lakhs)	
	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Capital Imports	216.45	98.04
Fish Import	957.96	1,439.87

22. A STATEMENT ON THE DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:

The business and financial risk of the Company are akin to any other company in the same line of business. The Company has a robust enterprise risk management framework to identify and evaluate business risk opportunities. This framework seeks to create transparency, minimise adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk policy defines the risk management approach across the enterprise at various levels, including documentation and reporting. The model has different modes that help identify risk trends, exposure and potential impact analysis at the Company-level and also separately for different business segments. The Company has identified various risks and also has mitigation plans for each risk identified.

23. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted a Corporate Social Responsibility (CSR) Committee comprising Mr. Tarun Khanna, Mr. T N Unni, Mr. Abhay Chaudhari, Mr. Kayum Dhanani and Mrs. Suchitra Dhanani and the Committee is in the process of identifying more projects to spend the amount under Corporate Social Responsibility (CSR) provisions of Section 135 of the Companies Act, 2013. A Report on the CSR initiatives by your Company is provided in Annexure-6.

24. INTERNAL FINANCIAL CONTROL

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

25. DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP)

The composition of the Board of Directors, Key Managerial Personnel and changes in the composition of the Board of Directors and Key Managerial Personnel as on 31.03.2020 is exhibited below:

Sl. No.	Name	Designation	Date of appointment
1	Mr. Kayum Razak Dhanani	Managing Director	30/11/2012
2	Mrs. Suchitra Dhanani	Director	01/07/2015
3	Mr. Tarun Khanna	Nominee Director	12/04/2013
4	Mr. T N Unni*	Independent Director	09/02/2009
5	Mr. Raoof Razak Dhanani	Director	01/07/2015
6	Mr. Abhay Chintaman Chaudhari	Independent Director	28/02/2017
7	Mr. Rahul Agrawal**	Chief Executive Officer	14/01/2020
8	Mr. Amit V Betala***	Chief Financial Officer	14/01/2020
9	Ms. Nagamani C Y	Company Secretary	21/07/2014

*Mr. T N Unni has been re-appointed as an Independent Director in the Annual General Meeting held on 23rd July, 2019 for the second term of 5 years till 11th August, 2024.

Mr. T N Unni is a member of the Institute of Chartered Accountants of India and he has been a Practising Chartered Accountant since July 1, 1975 and has wide experience in the field of Accounting, Taxation and Corporate Governance.

Further, Mr. T N Unni has been exempted from attending and passing the online proficiency self-assessment test conducted by the institute (i.e. Indian Institute of Corporate Affairs) by virtue of holding Directorship in listed public company for more than 10 years.

**Mr. Rahul Agrawal has resigned from the position of Chief Financial Officer with effect from 13th January, 2020 and further, he has been appointed to the position of Chief Executive Officer with effect from 14th January, 2020.

***Mr. Amit V Betala has been appointed as Chief Financial Officer with effect from 14th January, 2020.

26. COMMITTEES OF THE BOARD

As on 31.03.2020, the Board has 5 Committees: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, IPO Committee and Stakeholders' Relationship Committee. The composition of the Committees and compliances, as per the applicable provisions of the Act and Rules, are as follows:

Name of the Committee	Composition	Highlights of duties, responsibilities and activities
Audit Committee	1. Mr. T.N. Unni, Chairman 2. Mr. Abhay Chaudhari 3. Mr. Kayum Razak Dhanani	a) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is 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 the fixation of audit fee; c) Review and monitor the Auditor's independence and performance and the effectiveness of audit process; d) Scrutiny of inter-corporate loans and investments. e) Evaluation of internal financial controls and risk management systems. f) Reviewing with the management, annual financial statements and the Auditors' Report thereon before the submission to the Board for approval, with particular reference to; <ul style="list-style-type: none"> • Valuation of undertakings or assets of the Company, wherever it is necessary; • Evaluation of internal financial controls and risk management systems; • Monitoring the end use of funds raised through public offers and related matters.
Nomination and Remuneration Committee#	1. Mr. Abhay Chaudhari, Chairman 2. Mr. Tarun Khanna 3. Mr. T.N. Unni	a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and senior management. b) To evaluate the performance of the Board members and submit necessary Reports for further evaluation from the Board. c) To recommend to the Board the remuneration payable to the Directors, Key Managerial Personnel and senior management.
Corporate Social Responsibility Committee	1. Mr. T.N. Unni, Chairman 2. Mr. Tarun Khanna 3. Mr. Kayum Razak Dhanani 4. Mrs. Suchitra Dhanani 5. Mr. Abhay Chaudhari	a) Formulating and recommending to the Board the Corporate Social Responsibility Policy of the Company, including any amendments thereto in accordance with Schedule VII of the Companies Act, 2013 and the Rules made thereunder; b) Identifying Corporate Social Responsibility Policy partners and Corporate Social Responsibility Policy Programmes; c) Recommending the amount of corporate social responsibility policy expenditure for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company; d) Identifying and appointing the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required;

Name of the Committee	Composition	Highlights of duties, responsibilities and activities
IPO Committee	1. Mr. Kayum Razak Dhanani 2. Mr. Tarun Khanna 3. Mr. Abhay Chaudhari	<p>a) To finalize, settle, approve, adopt and file along with the Selling Shareholders in consultation with BRLMs where applicable, the draft red herring prospectus, the red herring prospectus the prospectus, the preliminary and final international wrap and any amendments, supplements, notices or corrigenda thereto, and take all such actions as may be necessary for the submission, withdrawal and filing of these documents including incorporating such alterations/corrections/modifications as may be required by the Securities and Exchange Board of India, the RoC or any other relevant governmental and statutory authorities or in accordance with applicable laws, rules, regulations and guidelines;</p> <p>b) To decide along with the Selling Shareholders in consultation with the BRLMs on the size, timing, pricing and all the terms and conditions of the Offer, including the price band, bid period, offer price, and to accept any amendments, modifications, variations or alterations thereto.</p> <p>c) To appoint and enter into and terminate arrangements along with the Selling Shareholders, where applicable, with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, legal advisors and any other agencies or persons or intermediaries to the Offer and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and, if required, amendment of the offer agreement with the BRLMs;</p> <p>d) To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and / or modify, as the case maybe, agreements and/or such other documents as may be required with the NSDL, the CDSL, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Company to execute all or any of the aforestated documents;</p>

Name of the Committee	Composition	Highlights of duties, responsibilities and activities
Stakeholders' Relationship Committee	1. Mr. Kayum Razak Dhanani 2. Mr. Tarun Khanna 3. Mr. Abhay Chaudhari 4. Mr. T N Unni	a) Redress grievances of shareholders, debenture holders and other security holders, including complaints related to the transfer of shares; b) Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities; c) Issue of duplicate certificates and new certificates on split/consolidation/renewal; d) Non-receipt of declared dividends, balance sheets of our Company, annual report or any other documents or information to be sent by our Company to its shareholders; and e) Carrying out any other function as prescribed under the SEBI Listing Regulations, Companies Act, 2013 and the rules and regulations made thereunder, each as amended or other applicable law.

#During FY2020 there were no changes in the Composition of Committees of the Board, except Mr. Abhay Chaudhari who has been appointed as Chairman of the Nomination and Remuneration Committee.

27. INFORMATION REQUIRED AS PER RULE 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Information required as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as hereunder

Name	Age	Designation	Remuneration (₹)		Nature of employment	Qualification & experience	Date of commencement of employment	Previous employment	% of shares held in the company	Whether relative of any directors or manager
			Monthly	Yearly						
*Mr. Rahul Agrawal	38 yrs	Chief Executive Officer	12,62,923	1,51,55,072	Chief Executive Officer	Post Graduate Diploma in Management from the Indian Institute of Management, 14 years of experience	24-July-17	Worked as Principal in CX Advisors LLP	25,000/- shares and percentage is 0.09%	No
Mr. Mansoor Memon	47 yrs	Head-Projects	10,00,625	1,20,07,500	Head - Projects	BE in Civil Engineering with 16 years of experience	01-March-19	Own Business	0	Not a relative as per Companies Act, 2013

*Resigned from the office of Chief Financial Officer with effect from 13th January 2020 and has been appointed as Chief Executive Officer with effect from 14th January, 2020.

28. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014 during the financial year. Hence, details to be given under the Rule 8(5) (v) of the Companies (Accounts) Rule, 2014 are: NIL

29. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES, AND JOINT VENTURES

Salient features of the financial statements of Subsidiaries/Associate Companies/Joint ventures are given in the prescribed Form AOC - 1, as Annexure-4.

- The Company is not a subsidiary of any company.
- The Company has the following subsidiary in India:
 - Red Apple Kitchen Consultancy Private Limited (61.35%)
- The Company has the following wholly-owned

subsidiaries in Dubai and Mauritius, viz.,

- Barbeque Nation Mena Holding Limited, registered with Jebel Ali Authority (100%)
 - Barbeque Nation Holdings Private Limited (100%)
 - Barbeque Holdings Private Limited (100%) (Wound up wef 10th August 2020, pursuant to the notice issued by Registrar of Companies, Port Louis, Mauritius)
- d) The Company has the following step-down subsidiaries/associates viz.:
- Barbeque Nation Restaurant LLC (Barbeque Nation Mena Holding Limited holds 49%)
 - Barbeque Nation (Malaysia) SDN. BHD. (Barbeque Nation Mena Holding Limited holds 100%)

3. Barbeque Nation International LLC, Oman (Barbeque Nation Mena Holding Limited holds 49%)
4. Barbeque Nation Kitchen LLC (Barbeque Nation Mena Holding Limited holds 49%) (Yet to commence business operations)

30. CASH FLOW STATEMENT

The cash flow statement for the year ended 31st March, 2020 is attached to the Balance Sheet.

31. STATUTORY AUDITORS AND THE REPORT

Pursuant to the provisions of Section 139 (2) of the Companies Act, 2013, Messrs Deloitte Haskins & Sells, Chartered Accountants, have been appointed for the second term of five consecutive years at the 12th Annual General Meeting held on 4th June, 2018 and they shall hold office until the conclusion of 17th Annual General Meeting.

QUALIFICATIONS IN THE AUDIT REPORT: There were no qualifications or observations by the Auditors in their Audit Report, except with respect to the COVID-19 pandemic and its impact on the Company.

32. INTERNAL AUDITORS & CONTROLS:

Messrs KPMG were appointed as Internal Auditors as per Section 138 (1) of the Companies Act, 2013, read with corresponding rules, pursuant to the resolution passed in the Board meeting held on 19th November, 2018 for a period of 2 years effecting from 1st October, 2018 to 30th September, 2020. The Internal Auditors conduct quarterly internal audit of the Company and their findings have been reviewed regularly by the Audit Committee.

33. SECRETARIAL AUDITOR:

Mr. Vijayakrishna KT, Company Secretary, Bengaluru has been appointed as Secretarial Auditor of the Company for the financial year 2019-20 by the Board in its meeting held on 5th June, 2020. The Secretarial Audit Report in the prescribed form, MR-3, is enclosed as Annexure-3.

The qualifications in Secretarial Audit Report and Board comments: NIL

34. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

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

35. CORPORATE GOVERNANCE:

Your Company has voluntarily taken steps for implementation of directives of Corporate Governance to ensure value system of integrity, fairness, transparency,

accountability and adoption of the highest standards of business ethics which are of benefit to all stakeholders.

36. 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. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment.

The following is the summary of sexual harassment complaints received and disposed off during the year.

- No. of complaints received: NIL
- No. of complaints disposed off: NIL

37. 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 year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in the future.

38. SECRETARIAL STANDARDS

Your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

39. VIGILANCE MECHANISM/WHISTLE BLOWER POLICY

Pursuant to Section 177 of the Companies Act, 2013, the Company has established a Whistle Blower Policy for Directors and employees to report genuine concerns.

40. DISCLOSURE ABOUT COST AUDIT

Maintenance of cost records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013, is not applicable to the Company.

41. ACKNOWLEDGEMENTS:

The Directors place on record their appreciation of the co-operation and continued support extended by customers, shareholders, investors, partners, vendors, bankers, the Government and statutory authorities for the Company's growth. We thank employees at all levels across the Group for their valuable contribution to our progress and look forward to their continued support.

For and on Behalf of the Board of Directors

Place: Bangalore
Date: November 3, 2020

Kayum Razak Dhanani
Managing Director
DIN: 00987597

T.N. Unni
Director
DIN: 00079237

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31/03/2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS

1.	CIN	U55101KA2006PLC073031
2.	Registration Date	13/10/2006
3.	Name of the Company	Barbeque-Nation Hospitality Limited
4.	Category/Sub-category of the Company	Indian Non-Government Company
5.	Address of the registered office and contact details	Sy. No.62, Site No.13, 6th Cross, N.S. Palya, BTM Layout, Bengaluru-560076, Karnataka, India
6.	Whether listed company	No
7.	Name, address and contact details of the registrar and share transfer agent, if any	Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikhorli (West), Mumbai - 400083, Maharashtra, India

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sl. No.	Name and description of main products/services	NIC code of the product/service	% to total turnover of the Company
1	Restaurants	563	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associates	% of shares held	Applicable section
1	Barbeque Nation Mena Holding Limited, Country- Dubai	NA	Wholly owned subsidiary	100%	2(87) (ii)
2	Barbeque Nation Restaurant LLC Country- Dubai	NA	Step down Subsidiary/ Associate	49% *	2(87)
3	Barbeque Nation Holdings Private Limited, Country- Mauritius	NA	Wholly owned subsidiary	100%	2(87) (ii)
4	**Barbeque Holdings Private Limited Country- Mauritius	NA	Wholly owned subsidiary	100%	2(87) (ii)
5	Barbeque Nation (Malaysia) SDN. BHD. Country- Malaysia	NA	Step down Subsidiary/ Associate	100%*	2(87)
6	Barbeque Nation International LLC Country-Oman	NA	Step down Subsidiary/ Associate	49% *	2(87)
7	Barbeque Nation Kitchen (LLC)	NA	Step down Subsidiary/ Associate	49% *	2(87)
8	***Red Apple Kitchen Consultancy Private Limited	U55101KA2005PTC036195	Subsidiary	61.35%	2(87) (ii)

* Step down subsidiary/Associate

** Application for the winding up of Barbeque Holdings Private Limited was filed with Corporate and Business Registration Department on 27th November, 2019 and Order from Registrar of Companies, Corporate and Business Registration Department, Port Louis, Mauritius was received on 10th August 2020 for having wound up wef 10th August 2020.

*** Pursuant to the Board Resolution dated 31st October 2019 and 14th January 2020 and Shareholders' Resolution dated 29th November 2019, the Company has decided to acquire 3,232 equity shares of Red Apple Kitchen Consultancy Private Limited from Samar Retail Private Limited. Further, the acquired 2,964 shares were credited to demat of the Company on 9th January 2020 and 268 shares were credited on 12th February, 2020.

IV. SHAREHOLDING PATTERN (Equity share capital breakup as percentage of total equity)

(i) Category-wise shareholding

Category of shareholders	No. of shares held at the beginning of the year [As on 31/03/2019]				No. of shares held at the end of the year [As on 31/03/2020]				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters / Promoters Group									
(1) Indian									
a) Individual/ HUF	43,32,774	0	43,32,774	15.48	42,32,774	0	42,32,774	15.12	0.36
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	1,26,21,116	0	1,26,21,116	45.10	1,26,21,116	0	1,26,21,116	45.09	0.01
e) Banks/FIs	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	1,69,53,890	0	1,69,53,890	60.58	1,68,53,890	0	1,68,53,890	60.21	0.37
(2) Foreign									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks/FIs	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0
A = A(1) + A(2)	1,69,53,890	0	1,69,53,890	60.58	1,68,53,890	0	1,68,53,890	60.21	0.37
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FIs	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Foreign Portfolio Investors)	9,60,000	0	9,60,000	3.43	9,60,000	0	9,60,000	3.43	0
Sub-total (B)(1):-	9,60,000	0	9,60,000	3.43	9,60,000	0	9,60,000	3.43	0
2. Non-Institutions									
a) Body Corporates									
i) Indian	0	0	0	0	777	0	777	0	0
ii) Overseas	97,93,470	0	97,93,470	34.99	97,93,470	0	97,93,470	34.99	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	53,262	0	53,262	0.19	60,259	0	60,259	0.22	0.03
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	25,000	0	25,000	0.09	1,25,000	0	1,25,000	0.45	0.36
c) Others (specify)									
i) AAJV Investment Trust	1,98,392	0	1,98,392	0.71	1,98,392	0	1,98,392	0.70	0
Sub-total (B)(2):-	1,00,70,124	0	1,00,70,124	35.98	1,01,77,898	0	1,01,77,898	36.36	0.38
Total public shareholding (B) = (B)(1) + (B)(2)	1,10,30,124	0	1,10,30,124	39.42	1,11,37,898	0	1,11,37,898	39.79	0.37
C. Shares held by custodian for GDRs and ADRs	0	0	0	0	0	0	0	0	0
Grand total (A+B+C)	2,79,84,014	0	2,79,84,014	100	2,79,91,788	0	2,79,91,788	100	0.03

(ii) Shareholding of promoters

Sl. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	Kayum Dhanani	13,98,684	5.00	NIL	12,98,684	4.64	NIL	0.36
2	Sayaji Housekeeping Services Limited	1,26,21,116	45.10	NIL	1,26,21,116	45.09	NIL	0.01
3	Suchitra Dhanani	6	0.00	NIL	6	0.00	NIL	0
4	Sayaji Hotels Limited	0	0	0	0	0	0	0
5	Raof Dhanani	0	0	0	0	0	0	0

(iii) Change in promoters' shareholding (please specify if there is no change)

Sl. No.	Name of Promoter	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Kayum Dhanani	At the beginning of the year	13,98,684	5.00	-	-
		6th January 2020 (Transfer of equity shares)	(1,00,000)	0.36	-	-
		At the end of the year	-	-	12,98,684	4.64
2.	Sayaji Housekeeping Services Limited	At the beginning of the year	1,26,21,116	45.10	-	-
		Date wise Increase/ Decrease in Promoters Share Holding during the year specifying the reasons for increase/decrease (Eg: allotment/ transfer/ bonus/sweat equity etc):	-	-	-	0
		At the end of the year	-	-	1,26,21,116	45.09
3.	Suchitra Dhanani	At the beginning of the year	6	0.00	-	-
		Date wise Increase/ Decrease in Promoters Share Holding during the year specifying the reasons for increase/decrease (Eg: allotment/ transfer/ bonus/sweat equity etc):	-	-	0	0
		At the end of the year	-	-	6	0
4.	Raof Dhanani	At the beginning of the year	0	0	-	-
		Date wise Increase/ Decrease in Promoters Share Holding during the year specifying the reasons for increase/decrease (Eg: allotment/ transfer/ bonus/sweat equity etc):	-	-	-	-
		At the end of the year	-	-	-	-
5.	Sayaji Hotels Limited	At the beginning of the year	0	0	-	-
		Date wise Increase/ Decrease in Promoters Share Holding during the year specifying the reasons for increase/decrease (Eg: allotment/ transfer/ bonus/sweat equity etc):	-	-	-	-
		At the end of the year	0	0	0	0

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, promoters and holders of GDRs and ADRs)

Sl. No.	For each of the top 10 Shareholders	Shareholding at the beginning of the year		Increase/ decrease during the year	Cumulative shareholding during theyear		At the end of the year	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Tamara Private Limited	60,78,402	21.72	-	60,78,402	21.71	60,78,402	21.71
2.	Pace Private Limited	31,82,964	11.37	-	31,82,964	11.37	31,82,964	11.37
3.	Alchemy India Long Term Fund Limited	5,75,000	2.05	-	5,75,000	2.05	5,75,000	2.05
4.	Menu Private Limited	5,32,104	1.90	-	5,32,104	1.90	5,32,104	1.90
5	Sanya Dhanani*	4,97,893	1.78	-	4,97,893	1.78	4,97,893	1.78
6.	Azhar Dhanani*	4,97,890	1.78	-	4,97,890	1.78	4,97,890	1.78
7.	Zuber Dhanani*	4,97,890	1.78	-	4,97,890	1.78	4,97,890	1.78
8.	Saba Dhanani*	4,97,890	1.78	-	4,97,890	1.78	4,97,890	1.78
9.	Sadiya Dhanani*	4,97,890	1.78	-	4,97,890	1.78	4,97,890	1.78
10.	Zoya Dhanani*	4,44,631	1.59	-	4,44,631	1.59	4,44,631	1.59

*Promoter Group

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Shareholding of each Director and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Kayum Razak Dhanani (Managing Director)				
	At the beginning of the year	13,98,684	5.00		
	6th January 2020 (Transfer of equity shares)	(1,00,000)	0.36	12,98,684	4.64
	Date-wise increase/decrease in promoters' shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)				
	At the end of the year	12,98,684	4.64	12,98,684	4.64
2.	Suchitra Dhanani (Director)				
	At the beginning of the year	06	0.00		
	Date-wise increase/decrease in promoters' shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity, etc.)				
	At the end of the year	06	0.00	06	0.00
3.	Rahul Agrawal (Chief Executive Officer)				
	At the beginning of the year	25,000	0.09		
	At the end of the year	25,000	0.09	25,000	0.09

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(Amount in ₹ million)

Particulars	Secured loans excluding deposits	Overdraft facilities that are Secured	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year					
i) Principal Amount	833.37	50.06	85.00	-	968.43
ii) Interest due but not paid	-	-	-	-	-
iii) Interest accrued but not due	-	-	-	-	-
Total (i+ii+iii)	833.37	50.06	85.00	-	968.43
Change in Indebtedness during the financial year					
* Addition	952.67	149.93	14.41	-	1,117.01
* Reduction	229.11	-	-	-	229.11
Net change	723.56	149.93	14.41	-	887.90
Indebtedness at the end of the financial year					
i) Principal amount	1,543.19	199.99	99.41	-	1,842.59
ii) Interest due but not paid	13.74	-	-	-	13.74
iii) Interest accrued but not due	-	-	-	-	-
Total (i+ii+iii)	1,556.93	199.99	99.41	-	1,856.33

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NIL

B. Remuneration to other Directors:

(Amount in ₹)

SN.	Particulars of Remuneration	Name of Director	Name of Director	Total Amount
1	Independent Directors	T N Unni	Abhay Chintaman Chaudhari	-
	Fee for attending board and committee meetings	1,50,000	1,50,000	3,00,000
	Commission	0	0	0
	Others, please specify	0	0	0
	Total (1)	1,50,000	1,50,000	3,00,000
2	Other Non-Executive Directors	Suchitra Dhanani	Raooof Razak Dhanani	
	Fee for attending board and committee meetings	1,00,000	50,000	1,50,000
	Commission	0	0	0
	Others, please specify	0	0	0
	Total (2)	1,00,000	50,000	1,50,000
	Total (B)=(1+2)	2,50,000	2,00,000	4,50,000
	Total Managerial Remuneration	Not Applicable	Not Applicable	Not Applicable
	Overall Ceiling	Not Applicable	Not Applicable	Not Applicable

*Sitting fees is not forming part of Managerial Remuneration as per the Section 197(5) of companies Act, 2013.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amount in ₹)

SN.	Particulars of Remuneration	CEO	CFO	CS	Total
1	Gross salary	1,51,55,072	18,18,468	14,18,016	1,83,91,566
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961			-	
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961			-	
2	Stock options (ESOP)*	#2,00,000	##5,136	###2,916	2,08,052
3	Sweat equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	Others, specify	-	-	-	-
5	Others, (Equity shares of ₹5/- each)	#25,000	-	-	#25,000
	Total	1,51,55,072	18,18,468	14,18,016	1,83,91,566

*Stock Options (ESOP) and Shares shall not be considered for the Total.

2,00,000 Options were granted to Mr. Rahul Agrawal (CEO) on 5th August 2017 and out of which 16,000 Options got vested on 4th August 2018 and 16,000 Options got vested on 4th August 2019 and 1,68,000 Options got vested on 4th August 2020

5,136 Options were granted to Mr. Amit V Betala (CFO) on January 2020 and those Options will vest on January 2023

###A total of 2,916 Options were granted to Ms. Nagamani CY (CS) and out of which 1,942 Options got vested on 1st April 2019 and 974 Options were granted on October 2019.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

A report on the Penalties/Punishment/Compounding of Offences by your Company is provided in Annexure – 7.

For and on Behalf of the Board of Directors

Place: Bangalore
Date: November 3, 2020

Kayum Razak Dhanani
Managing Director
DIN: 00987597

T.N Unni
Director
DIN: 00079237

Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters as stated in Section 178(3) of the Companies Act, 2013.

NOMINATION AND REMUNERATION POLICY

Our policy on the appointment and remuneration of Directors and Key Managerial Personnel provides a framework based on which our Human Resources Management aligns its recruitment plans for the strategic growth of the Company. The Nomination and Remuneration Policy is provided herewith pursuant to Section 178 of the Companies Act, 2013.

I. PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of every listed public company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee. The Company has already constituted a Nomination and Remuneration Committee comprising three Non-Executive Directors, out of which two are Independent Directors as required under the Companies Act, 2013.

A Policy is required to be formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules.

II. OBJECTIVES

The key objectives of the Committee:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and senior management.
- b) To specify the manner for evaluation of the performance of the Board, the Committees and individual Directors and submit necessary reports for further evaluation from the Board.
- c) To recommend to the Board the remuneration payable to the Directors, Key Managerial Personnel and senior management.

III. DEFINITIONS

- 'Act' means Companies Act, 2013 and rules there under
- "Board" means Board of Directors of the Company.
- "Company" means "Barbeque-Nation Hospitality Limited."
- "Employees' Stock Option" means the option given to the Directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such Directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the Company at a future date and at a pre-determined price.
- "Independent Director" means a Director referred to in Section 149 (6) of the Companies Act, 2013.
- "Key Managerial Personnel" (KMP) means
 - (i) Chief Executive Officer or the Managing Director or the Manager, (ii) Whole-time Director, (iii) Company Secretary, (iv) Chief Financial Officer, (v) Such other officer, not more than one level below the Directors who is in whole-time employment, designated as key managerial personnel by the Board; and (v) such other officer as may be prescribed in the Companies Act 2013.
- "MANAGERIAL PERSON" shall mean managing director and whole time director.
- "Nomination and Remuneration Committee" shall mean a Committee of the Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.
- "Policy" or "this Policy" means "Nomination and Remuneration Policy."
- "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.
- "Senior Management" means personnel of the Company who are members of its core management team excluding the Board of Directors. This would include all members of the management one level below the Executive Directors, including all functional heads.

IV. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, as amended from time to time.

V. GUIDING PRINCIPLES

This Policy ensures that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- The Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- The Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay, reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in senior management, Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies in the industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and senior management personnel and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company's operations; and
- To retain, motivate and promote talent and to ensure long-term sustainability of talented managerial persons and create competitive advantage.
- To lay down criteria for appointment, removal of directors, Key Managerial and senior management personnel and evaluation of their performance.

VI. ROLE OF THE COMMITTEE

The role of the Committee inter alia is the following:

- a) To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) Formulate criteria for evaluation of Independent Directors and the Board.
- c) Identify persons who are qualified to become Directors and may be appointed in senior management in accordance with the criteria laid down in this Policy.
- d) To specify the manner for effective evaluation of performance of the Board, its Committees and individual Directors.
- e) To recommend to the Board the appointment and removal of Directors and senior management.
- f) To recommend to the Board, policy relating to remuneration for Directors, Key Managerial Personnel and senior management.
- g) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- h) To devise a policy on Board diversity.
- i) To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- j) To perform such other functions as may be necessary or appropriate for the performance of its duties.

VII. MEMBERSHIP

- a) The Committee shall comprise at least three (3) Directors, all of whom shall be Non-Executive Directors and at least half shall be Independent.
- b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirements.
- c) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- d) Membership of the Committee shall be disclosed in the Annual Report.
- e) Term of the Committee shall be continued unless terminated by the Board of Directors.
- f) The Committee shall meet at such intervals as deems fit to carry out the objectives set out in the Policy.
- g) The Members may attend the meeting physically or via permitted audio-visual mode, subject to the provisions of the Act.
- h) The Committee shall have the authority to call such employee(s), senior official(s) and / or externals, as it deems fit.

- i) The Company Secretary shall act as Secretary to the Committee.

VIII. CHAIRMAN

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairman of the Company may be appointed as a member of the Committee but shall not chair the Committee.
- c) In the absence of Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee may be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

IX. COMMITTEE MEMBERS' INTERESTS

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

X. VOTING

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall, for all purposes, be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

XI. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

Appointment criteria and qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at the senior management level and recommend to the Board his/her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has the discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- d) The Managing Director of the Company shall appoint all the senior managerial personnel including the Head of any department, except Chief Financial Officer, Chief Executive Officer and Company Secretary.
- e) Appointment of Independent Directors is subject to compliance with the provisions of Section 149 of the Act, read with schedule IV and rules made thereunder.

Term/Tenure

- a) **Managing Director/Whole-time Director/Manager (Managerial Person):**
The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) **Independent Director**
An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Removal

The Committee may recommend to the Board, with reasons recorded in writing, removal of a Director, KMP or senior management subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

The Director, KMP and senior management personnel shall retire as per the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, senior management personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

XII. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT PERSONNEL**General**

The remuneration/compensation/commission, etc. to Managerial Person, KMP and senior management personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/commission, etc. shall be subject to the prior/post approval of the shareholders of the Company, wherever required.

The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Act, and the rules made thereunder for the time being in force.

Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the shareholders in case of the Managerial Person.

Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if any such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Managerial Person, KMP and senior management:**Fixed pay**

Managerial Person, KMP and senior management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Act, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites, including employer's contribution to P.F., pension scheme, medical expenses, etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders, wherever required.

Minimum remuneration

If, in any financial year, the Company has no or inadequate profits, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the approval of the shareholders.

Remuneration to Non-Executive/Independent Director**Remuneration/Commission**

The remuneration/commission shall be in accordance with the statutory provisions of the Act, and the rules made thereunder for the time being in force.

Sitting fees

The Non-Executive/Independent Directors may receive remuneration by way of fees for attending meetings of the Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government and approved by the Board from time to time.

Limit of remuneration/commission

Remuneration/Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Act.

Stock options

An Independent Director shall not be entitled to any stock option of the Company. Only such employees of the Company and of its subsidiaries as approved by the Committee will be granted ESOPs.

XIII. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be recorded in the minutes and signed by Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent meeting.

XIV. DEVIATIONS FROM THIS POLICY

Deviations on elements of this Policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so subject to the approval of the Board.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2020

[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

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: U55101KA2006PLC073031 (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 31.03.2020 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 31.03.2020 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made there under
- The Depositories Act, 1996 and the Regulations and Bye-laws framed there under
- 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

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 Karnataka Excise Act, 1965
- ▶ The Trade Marks Act, 1999

(i). The other general laws as may be applicable to the Company including the following:

- ▶ Karnataka Shops & Commercial Establishment Act & Rules
- ▶ The ESI Act & General Regulations
- ▶ 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
- ▶ The Registration Act, 1908

(ii). 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 as may be applicable. In my opinion, the Company needs to strengthen the compliances under the Companies Act read with the Rules thereto, and the Secretarial Standards as well as other laws including HR and Labour Laws. The Company may take necessary actions to place the required documents/information in its web site.

Certain non-material findings made during the course of the audit relating to the provisions of Companies Act were noted which have been communicated to the Company.

I further state that during the period under the review and based on my verification of the records maintained by the Company and also on the review of compliance reports/statements by respective department heads/Chief Financial Officer/ Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exist in the Company to monitor and ensure compliance with applicable labour laws, environmental laws and other applicable laws as mentioned above.

I further report that I have not reviewed the applicable financial laws, direct and indirect tax laws since the same have been subject to review and audit by the Statutory Auditors of the Company.

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.

As per the information received from the Company Secretary, 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.

I further report that I could not physically verify few documents/registers/returns due to Lockdown situation in relation to outbreak of Pandemic Covid-19 and I have relied up on the soft copies/information shared with me.

Place: Bangalore
Date: 16.10.2020

Sd/-
Vijayakrishna KT
FCS.1788 CP: 980
UDIN: F001788B000972659

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: 16.10.2020

Sd/-
Vijayakrishna KT
FCS.1788 CP: 980
UDIN:F001788B000972659

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

Part “A”: Subsidiaries

(Information in respect of each subsidiary has been presented with amounts in ₹ million)

1	Name of the subsidiary	Red Apple Kitchen Consultancy Private Limited, COUNTRY-INDIA	Barbeque Nation Mena Holding Limited, COUNTRY-DUBAI	Barbeque Nation Restaurant LLC, COUNTRY-DUBAI	Barbeque Nation Malaysia SDN BHD, COUNTRY-MALAYSIA	Barbeque Nation Holdings Pvt Ltd, COUNTRY-MAURITIUS	Barbeque Nation International LLC – OMAN
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period is same 1st April 2019 to 31st March 2020	Reporting period is same 1st April 2019 to 31st March 2020	Reporting period is same 1st April 2019 to 31st March 2020	Reporting period is same 1st April 2019 to 31st March 2020	Reporting period is same 1st April 2019 to 31st March 2020	Reporting period is same 1st April 2019 to 31st March 2020
3	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR March 2020 Rate: NA	AED March 2020 Rate: 20.52	AED March 2020 Rate: 20.52	RM March 2020 Rate: 17.47	\$ March 2020 Rate: 75.37	OMR March 2020 Rate: 196.01
4	Share capital	0.53	327.14	6.16	17.47	1.51	29.40
5	Reserves and surplus	152.31	-89.79	-579.94	-62.44	-3.09	-14.16
6	Total assets	450.80	895.16	501.97	68	1.32	108.62
7	Total Equity and liabilities	450.80	895.16	501.97	68	1.32	108.62
8	Investments	-	36.74	-	-	-	-
9	Turnover/Revenue	459.96	46.69	407.24	34.75	-	59.71
10	Profit before taxation	7.39	-10.43	-281.36	-21.62	-1.1	-8.11
11	Provision for taxation	2.66	-	-	-	-	-
12	Profit after taxation	4.73	-10.43	-281.36	-21.62	-1.1	-8.11
13	Proposed dividend	-	-	-	-	-	-
14	% of shareholding	61.35%	100%	49%	100%	100%	49%

Red Apple Kitchen Consultancy Private Limited (“Red Apple”)

Pursuant to the vide Board Resolution dated 31st October 2019 and 14th January 2020 and Shareholders Resolution dated 29th November 2019, the Company has decided to acquire 3,232 Equity Shares of Red Apple from Samar Retail Private Limited. Further, the acquired 2,964 shares were credited to demat account of the Company on 9th January 2020 and 268 shares were credited on 12th February, 2020.

Barbeque Holdings Private Limited (“BHPL”)

Application for the winding up of BHPL, a Wholly Owned Subsidiary incorporated in Mauritius, was filed with Corporate and Business Registration Department on 27th November, 2019 and Order from Registrar of Companies, Corporate and Business Registration Department, Port Louis, Mauritius was received on 10th August 2020 for having wound up wef 10th August 2020.

Barbeque Nation Kitchen LLC (“BBQ Kitchen LLC”)

BBQ Kitchen LLC, incorporated on 9th January 2019 is yet to commence its Operations.

Part “B”: Associates and joint ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to associate companies and joint ventures: Not Applicable

For and on Behalf of the Board of Directors

Place: Bangalore
Date: November 3, 2020

Kayum Razak Dhanani
Managing Director
DIN: 00987597

T.N Unni
Director
DIN: 00079237

Form AOC-2

(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

(a)	Name(s) of the related party and nature of relationship	There are no transactions which are not at arm's length basis
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	date(s) of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis

Sl. No.	Name	Nature of contracts	Duration of the contracts	Amount (in ₹)	Terms and conditions	Date of the Board approval, if any,	Amount paid as advance, if any
1.	Sara Suole Private Limited	Entered Sub Lease Agreement for Office premises	5 years from 2nd November 2019	Rent of ₹5,22,000/- p.m. plus applicable taxes and paid CAM Charges on actual basis	As per the agreement	Approved through Circular Resolution and ratified at the Board Meeting held on 31st October, 2019	Paid security deposit of ₹31,32,000/-
2.	Red Apple Kitchen Consultancy Private Limited	Entered Memorandum of Understanding (MOU) for usage of liquor license	3 years	License fees of ₹1,50,000/- p.m. plus applicable taxes	As per Memorandum of Understanding agreed between parties	Approved through Circular Resolution and ratified at the Board Meeting held on 31st October, 2019	Paid security deposit of ₹25,00,000/-
3.	Samar Retail Private Limited, Red Apple Kitchen Consultancy Private Limited	Acquired equity shares of Red Kitchen Consultancy Private Limited from Samar Retail Private Limited	NA	a) 2,964 equity shares at ₹52,72,06,680/- b) 268 shares at ₹4,76,69,160/-	As per the Securities Purchase agreement (SPA)	31st October 2019 and 14th January 2020	Nil
4.	Sanya Dhanani	Daughter of Mrs. Suchitra Dhanani, Director. Promoted as Cluster Manager from the position of Manager	Employment	Salary not exceeding ₹13,00,000/- p.a.	Based on HR Policy	14th January 2020	Nil
5.	Samar Retail Private Limited	Entered sub lease agreement for Regional office	3 years from 1st February, 2019	Rent of ₹4,15,945/- plus applicable taxes	As per the agreement	4th February, 2019	Nil
6.	Gulshan Mohammed Ismail Memon	Lease Deed	9 years commencing from 25th March 2019	Paid Rent of ₹62,39,422/- for the FY 2020	As per the agreement	29th June, 2017 and 4th February 2019	Paid security deposit of ₹55,13,005/-
7.	Sayaji Hotels Limited	Lease rent and Service	-	Payment of CAM Charges of ₹1,19,46,957/- for the outlet situated at Wakad outlet and Paid ₹80,825/- for stay of Company employees at Sayaji Hotel	-	-	Nil
8.	Samar Lifestyle Private Limited	Service	-	Paid CAM Charges of ₹2,63,910/- during the FY 2020	-	-	Nil

For and on Behalf of the Board of Directors

Kayum Razak Dhanani
Managing Director
DIN: 00987597

T.N Unni
Director
DIN: 00079237

Place: Bangalore
Date: November 3, 2020

ANNUAL REPORT ON CSR ACTIVITIES

1	A Brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken	<p>Barbeque-Nation shall lay down its focus on the following CSR activities in line with statute governing the CSR and for the benefit of public.</p> <ul style="list-style-type: none"> (i) Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation, and making available safe drinking water, (ii) Promoting education, including special education and employability-enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects; (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups; (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water; (v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts; (vi) Measures for the benefit of armed forces veterans, war widows and their dependents; (vii) Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports; (viii) Contribution to Prime Minister's National Relief Fund or any other fund set up by the central government for socio-economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women; (ix) Contribution or funds provided to technology incubators located within academic institutions which are approved by the central government; (x) Rural development projects. (xi) Any other CSR activities as per Companies Act, 2013 and approved by the Board from time to time.
2	The composition of the CSR committee	<ul style="list-style-type: none"> 1. Mr. T N Unni, (Chairman) 2. Mr. Tarun Khanna 3. Mr. Kayum Razak Dhanani 4. Mrs. Suchitra Dhanani 5. Mr. Abhay Chitaman Chaudhary
3	Average net profit of the company for the last three financial years.	Due to the losses incurred during FY2020, the Company is not liable for CSR contribution for FY2020.
4	Details of CSR Expenditure during the financial year	Christel House India - ₹2,00,000
5	Details of Amount Unspent	NIL
6	Reason for unspent amount	Not Applicable

For and on Behalf of the Board of Directors

Place: Bangalore
Date: November 3, 2020

Kayum Razak Dhanani Managing Director DIN: 00987597	T.N Unni Director DIN: 00079237
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Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs		Amount outlay (budget) project or programs wise	Amount spent on the projects or programs		Cumulative expenditure up to the reporting period	Amount spent	
			(1) Local area or other	(2) Specify the State and district Where projects or Programs was undertaken		Direct expenditure on projects or programs	Overheads		Directly	Through implementing agency
1.	Christel House India	Promoting education among children.	Local Area	Bangalore - Karnataka	Donated ₹2,00,000 to Christel House India registered under section 25 of the Companies Act 1956, it is providing education to underprivileged children.	₹2,00,000	-	-	Christel House India	₹2,00,000

We hereby affirm that the CSR Policy, as approved by the Board has been implemented and the CSR Committee monitors the implementation of the projects and activities in compliance with our CSR Objective.

For and on Behalf of the Board of Directors

Kayum Razak Dhanani
Managing Director
DIN: 00987597

T.N Unni
Director
DIN: 00079237

Place: Bangalore

Date: November 3, 2020

Details of Penalties/Punishment/Compounding of Offences:

Sl. No.	Name of the company	Name of the concerned Authority	Date of Order	Name of the Act and section under which penalized / punished	Details of penalty/ punishment (in ₹)	Details of appeal (if any) including present status	Brief description and facts of the case
1	Barbeque-Nation Hospitality Limited	Commercial Tax Department, Tamil Nadu	14-06-2019	Section 7(1)(b) r/w Section 2(9) of the Tamil Nadu Value Added Tax Act, 2006	9,32,43,971	The Company has filed the Writ Application Nation” under the Trade Marks Act, 1999 (Central Act 47 against the order in of 1999). Pursuant to section 7(1)(b) r/w Section 2(9) of the the Madras High Court, TNVAT Act, 2006 the dealer automatically becomes ineligible Chennai vide SR NO to opt the Composition scheme, if they are registered under 105206/2019 dated the Trade Marks Act. Hence the Department is demanding to pay the differential tax on turnover for the FY2016-17.	

For and on Behalf of the Board of Directors

Kayum Razak Dhanani T.N Unni
Managing Director *Director*
 DIN: 00987597 DIN: 00079237

Place: Bangalore
 Date: November 3, 2020

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, 2020, 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.

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, 2020, and its loss, total comprehensive loss, 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.

Emphasis of Matters

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

- (i) We draw attention to Note 2.2 to the standalone financial statements, which describe the impact of COVID 19 pandemic on the Company's operations. Further, the current liabilities exceeded its current assets by ₹1,787.13 million as of March 31, 2020.

As stated in the aforesaid note, the board of directors have approved management's detailed business plan (including cash flows) for the Company which inter alia envisages (i) cost savings and continuing revenue growth through various initiatives, (ii) extension of moratorium for repayment of loan and interest by its lenders (iii) raising adequate funding through incremental debt and fresh equity infusion and after duly considering the aforesaid business plan and the continued financial support expected to be received from the Promoters of the Company as stated in Note 2.2, have approved the preparation of the standalone financial statements on a going concern basis.

- (ii) We also draw attention to Note 34 to the standalone financial statements which describes significant management estimates and assumptions involved in assessing the financial impact of COVID 19 pandemic. Based on such assessment, the Management has concluded that the Company will recover the carrying amount of its assets as on March 31, 2020. However, given the uncertainty regarding the duration, extent and eventual outcome of the impact of the COVID-19 pandemic, the Company cannot estimate with any precision the impact on its prospective financial performance and the eventual outcome of the impact could be different than that estimated as at the date of approval of these standalone financial statements.

Our opinion is not modified in respect of the matters stated in (i) and (ii) above.

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the 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.

The Board of Directors is 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.

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.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash flows and the 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting 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 over financial reporting.
- g) 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.

- h) 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 35 of its standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("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:20206920AAAAX7146

BENGALURU
November 03, 2020

Annexure “A” to the Independent Auditor’s Report

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Barbeque-Nation Hospitality Limited (“the Company”) as of March 31, 2020 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 based on the internal control over financial reporting 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 over financial reporting 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. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over

financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting 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 over financial reporting 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting 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.

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No. 008072S

Sathya P. Koushik
Partner
(Membership No. 206920)
UDIN:20206920AAAAKX7146

BENGALURU
November 03, 2020

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)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Some of the fixed 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 fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the Order is not applicable.
- (ii) As explained to us, the inventories were physically verified by the Management at reasonable intervals during the year and post year end on account of the lockdown and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (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) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) The maintenance of cost records has not been specified 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) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Customs Duty, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities, except for the month of February and March 2020 for which the Company has not yet deposited its dues.
- (b) 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, 2020 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax and Value Added Tax which have not been deposited as on March 31, 2020 on account of disputes are given below:

Name of Statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount involved (₹ in million)	Amount unpaid (₹ in million)
Punjab Value Added Tax Act, 2005	Value Added Tax	Commercial Tax Officer, Chandigarh	2011-2014	1.90	1.25
Maharashtra Value Added Tax, 2002	Value Added Tax	Commercial Tax Officer, Maharashtra	2011-2014	1.08	0.91
Gujarat Value Added Tax Act, 2005	Value Added Tax	Commercial Tax Officer, Gujarat	January 2013 to December 2016	4.17	2.67
Gujarat Value Added Tax Act, 2005	Value Added Tax	Commercial Tax Officer, Gujarat	2014-16	2.03	1.53
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	-
Goods and Services Tax Act, 2017	Goods and Services Tax	Director General of Anti-Profiteering (GST)	November 2017 to March 2019	325.89	325.89

Name of Statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount involved (₹ in million)	Amount unpaid (₹ in million)
Tamilnadu Value Added Tax Act, 2006	Value Added Tax	Commercial Tax Officer, Tamilnadu	2016-17	155.41	155.41
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	2011-12	26.76	26.76
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	2012-13	25.64	20.51
Income Tax Act, 1961	Income tax	Assistant Commissioner of Income tax, Indore	2013-14	1.42	1.42
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	2013-14	27.87	22.29
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	2014-15	13.25	10.60
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	2015-16	8.88	7.11
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	2016-17	47.63	38.11
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	2017-18	2.84	2.28
Income Tax Act, 1961	Income tax	Commissioner of Income Tax (Appeals)	2016-17	266.07	266.07*

*Represents the disputed due relating to subsidiary disposed off during the FY 2018-19.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions or from government. The Company also has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and

explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, 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) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No. 008072S

Sathya P. Koushik
Partner

BENGALURU
November 03, 2020

(Membership No. 206920)
UDIN:20206920AAAAKX7146

Standalone Balance Sheet as at 31 March, 2020

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

Particulars	Note	As at 31-Mar-20	As at 31-Mar-19 (Restated)*	As at 01-Apr-18 (Restated)*
ASSETS				
Non-current assets				
Property, plant and equipment	4(a)	2,817.93	2,579.11	2,020.94
Lease right of use assets	5	3,581.91	3,146.41	2,363.39
Capital work-in-progress		97.33	90.13	119.67
Goodwill	6	189.66	189.66	189.66
Other Intangible assets	4(b)	65.00	54.44	44.37
Financial Assets				
Investments	7	406.33	279.04	275.66
Loans	8	234.99	193.49	166.49
Other financial assets	9	21.59	15.04	11.39
Deferred tax assets (net)	35	277.90	304.53	262.23
Other non-current assets	10	57.24	27.06	21.25
Total Non-current assets [A]		7,749.88	6,878.91	5,475.05
Current assets				
Inventories	11	129.82	182.63	175.01
Financial assets				
Investments		-	-	0.01
Trade receivables	12	25.24	56.31	65.41
Cash and cash equivalents	13	125.24	67.68	355.83
Loans		-	-	149.10
Other financial assets	14	57.38	37.38	52.10
Other current assets	15	271.99	183.07	159.04
Total current assets [B]		609.67	527.07	956.50
Total assets [A+B]		8,359.55	7,405.98	6,431.55
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	16	139.96	139.92	138.00
Other equity	17	617.85	1,569.89	1,671.63
Equity attributable to owners of the Company [C]		757.81	1,709.81	1,809.63
Liabilities				
Non-current liabilities				
Financial Liabilities				
Borrowings	18	1,249.55	611.11	469.32
Lease Liability	19	3,880.15	3,383.89	2,623.18
Provisions	20	75.24	103.45	76.98
Other non-current liabilities		-	-	1.71
Total Non-current liabilities [D]		5,204.94	4,098.45	3,171.19
Current liabilities				
Financial Liabilities				
Borrowings	21	405.92	157.10	185.12
Lease Liability	19	404.60	338.68	247.88
Trade payables	22			
- Total outstanding dues of micro enterprises and small enterprises		8.67	1.03	-
- Total outstanding dues of creditors other than micro and small enterprises		973.67	670.19	628.13
Other financial liabilities	23	428.15	277.54	239.01
Other current liabilities	24	108.99	79.94	65.25
Provisions	25	56.19	33.54	32.20
Current tax liabilities (Net)	26	10.61	39.70	53.14
Total current liabilities [E]		2,396.80	1,597.72	1,450.73
Total liabilities [F= [D+E]]		7,601.74	5,696.17	4,621.92
Total equity and liabilities [F+C]		8,359.55	7,405.98	6,431.55

See accompanying notes to the Standalone Financial Statements

*Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer note 44)

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Sathya P Koushik

Partner

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

Amit V Betala

Chief Financial Officer

Nagamani C Y

Company Secretary

Place : Bengaluru,

Date : November 3rd, 2020

Place : Bengaluru,

Date : November 3rd, 2020

Standalone Statement of Profit & Loss

for the year ended 31 March, 2020

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

Particulars	Note	For the year ended 31-Mar-20	For the year ended 31-Mar-19 (Restated)*
REVENUE			
Revenue from operations	27	7,870.52	7,034.55
Other income	27 (I)	33.06	41.74
Total (A)		7,903.58	7,076.29
Expenses			
Cost of food and beverages consumed	28	2,752.97	2,366.30
Employee benefits expenses	29	1,778.63	1,451.52
Other operating expenses	30	1,776.51	1,605.18
Total (B)		6,308.11	5,423.00
Earnings before exceptional items, finance costs, depreciation and amortisation (EBITDA) (C) = (A-B)		1,595.47	1,653.29
Finance costs (D)	31	631.61	472.91
Depreciation and amortisation expense (E)	32	1,045.73	773.84
Profit before tax and exceptional items (F) = (C-D-E)		-81.87	406.54
Exceptional items (G)	33	766.86	687.75
Profit before tax (H) = (F-G)		-848.73	-281.21
Tax expense / (benefit):	35		
Current tax		49.35	129.50
Deferred tax		-56.63	-40.56
Deferred tax impact due to change in tax rate		85.20	-
Net tax expense / (benefit) (I)		77.92	88.94
Net Profit for the year (J) = (H-I)		-926.65	-370.15
Other Comprehensive Income / (Losses) (K)	37		
Items that will not be reclassified to Statement of profit and loss			
Remeasurements of the defined benefit plans		-7.70	-4.99
Income tax on the above		1.94	1.74
Total comprehensive income / (Losses) for the year (J + K)		-932.41	-373.40
Earnings per share	40		
Basic (in ₹) (Face value of ₹5 each)		-33.11	-13.96
Diluted (in ₹) (Face value of ₹5 each)		-33.11	-13.96

See accompanying notes to the Standalone Financial Statements

*Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer note 44)

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Sathya P Koushik

Partner

For and on behalf of the Board of Directors

Kayum Dhanani

Managing Director

Din No:- 00987597

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Director

Din No:- 00079237

Rahul Agrawal

Chief Executive Officer

Amit V Betala

Chief Financial Officer

Nagamani C Y

Company Secretary

Place : Bengaluru,

Date : November 3rd, 2020

Place : Bengaluru,

Date : November 3rd, 2020

Standalone Cash Flow Statement for the year ended 31 March, 2020

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

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19 (Restated)*
A. Cash flow from operating activities		
Profit / (loss) before tax	(848.73)	(281.21)
Adjustments for:		
Depreciation and amortisation	1,045.73	773.84
Interest expense on borrowings	133.27	63.31
Interest on lease liabilities	433.96	347.53
Interest expenses on provision for asset retirement obligations	3.56	3.15
Interest income	(24.06)	(33.85)
Income from government grant	-	(4.71)
Expense on employee stock option scheme	13.12	7.40
Provision no longer required	(9.00)	-
Net loss on disposal of investments in subsidiary (Refer note 33)	-	413.60
Provision for impairment of loans and interest receivable from subsidiary (Refer note 33)	117.90	274.86
Provision for impairment of investments (Refer note 33)	584.09	
Recognition of credit loss in respect of financial guarantee given towards loan taken by subsidiary (Refer note 33)	71.20	-
Net loss relating to restaurant units closed / relocated	(6.33)	(0.71)
Provision for doubtful receivables and advances	5.00	12.16
Operating profit before working capital changes	1,519.71	1,575.37
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	52.81	(7.62)
Trade receivables	31.07	(3.06)
Other assets (financial & non financial)	(88.19)	(49.76)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	311.12	43.11
Other liabilities	29.05	17.69
Non-current provisions	(26.91)	10.43
Current provisions	19.09	1.34
Cash generated from operations	1,847.75	1,587.50
Net income tax (paid) / refunds	(78.44)	(142.94)
Net cash flow from / (used in) operating activities (A)	1,769.31	1,444.56
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment, including Right-of-use assets, CWIP and capital advances	(795.40)	(952.27)
Proceeds from sale of property, plant and equipment	0.68	1.03
Investment in subsidiary	(711.38)	(260.43)
Proceeds from sale of investment in subsidiary	-	0.50
Loan given to subsidiary	(111.95)	(199.26)
Deposits placed for margin money	(36.44)	(9.86)
Interest received	-	23.69
Sale of investment in mutual fund	-	0.01
Net cash flow from / (used in) investing activities (B)	(1,654.49)	(1,396.59)

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19 (Restated)*
C. Cash flow from financing activities		
Proceeds from issue of equity shares	1.02	320.31
Share issue expenses / Expenses towards offer for sale of shares	(61.10)	(22.70)
Proceeds from long-term borrowings	899.03	614.30
Repayment of long-term borrowings	(216.03)	(497.08)
Net increase / (decrease) in working capital borrowings	248.82	(28.02)
Dividend paid (including dividend tax)	(33.73)	(33.73)
Payments of interest portion of lease liabilities	(433.96)	(347.53)
Payments of principal portion of lease liabilities	(332.69)	(275.77)
Interest paid	(128.62)	(65.91)
Net cash flow from financing activities (C)	(57.26)	(336.13)
Net increase in cash and cash equivalents (A+B+C)	57.56	(288.16)
Cash and cash equivalents at the beginning of the year	67.68	355.84
Cash and cash equivalents at the end of the year	125.24	67.68

See accompanying notes to the Standalone Financial Statements

*Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer note 44)

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Sathya P Koushik

Partner

For and on behalf of the Board of Directors

Kayum Dhanani

Managing Director

Din No:- 00987597

Rahul Agrawal

Chief Executive Officer

Place : Bengaluru,
Date : November 3rd, 2020

T.N Unni

Director

Din No:- 00079237

Amit V Betala

Chief Financial Officer

Nagamani C Y

Company Secretary

Standalone Statement of Changes in Equity as at 31 March, 2020

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

(a) Equity share capital

Particulars	For the year ended	For the year ended
	31-Mar-20	31-Mar-19
Opening balance	139.92	138.00
Changes in equity share capital during the year		
Issue of the equity share during the year	0.04	1.92
Closing balance	139.96	139.92

(b) Other equity

Particulars	Reserves and Surplus			Total other equity
	Securities premium	Share options outstanding account	Retained earnings	
Balance as at April 01, 2018	1,330.43	28.58	735.31	2,094.32
Restatement pursuant to retrospective adoption of Ind AS 116 (net of deferred tax)	-	-	(422.69)	(422.69)
Balance as at April 01, 2018 *	1,330.43	28.58	312.62	1,671.63
Profit /(loss) for the year	-	-	(370.15)	(370.15)
Remeasurements of the defined benefit plans (net of tax)	-	-	(3.25)	(3.25)
Total comprehensive income/(loss)	-	-	(373.40)	(373.40)
Premium received on shares issued	318.39	-	-	318.39
Share issue expenses	(20.40)	-	-	(20.40)
Share based compensation to employees	-	7.40	-	7.40
Dividend and tax thereon	-	-	(33.73)	(33.73)
Balance as at March 31, 2019 *	1,628.42	35.98	(94.51)	1,569.89
Profit /(loss) for the year	-	-	(926.65)	(926.65)
Remeasurements of the defined benefit plans (net of tax)	-	-	(5.76)	(5.76)
Total comprehensive income/(loss)	-	-	(932.41)	(932.41)
Transfer on exercise of options	-	(1.61)	-	(1.61)
Transfer on forfeiture of options	-	(0.18)	0.18	-
Premium received on shares issued	2.59	-	-	2.59
Share based compensation to employees	-	13.12	-	13.12
Dividend and tax there on	-	-	(33.73)	(33.73)
Balance as at March 31, 2020	1,631.01	47.31	(1,060.47)	617.85

See accompanying notes to the Standalone Financial Statements

*Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer note 44)

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Sathya P Koushik

Partner

For and on behalf of the Board of Directors

Kayum Dhanani

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Din No:- 00987597

T.N Unni

Director

Din No:- 00079237

Rahul Agrawal

Chief Executive Officer

Amit V Betala

Chief Financial Officer

Nagamani C Y

Company Secretary

Place : Bengaluru,

Date : November 3rd, 2020

Place : Bengaluru,

Date : November 3rd, 2020

Notes forming part of the Standalone Financial Statement

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 Survey No. 62, Site No. 13, 6th cross, NS Palya, Stage 2, BTM Layout, Bengaluru - 560 076, Karnataka, India.

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. Refer note 42 in respect of change in accounting policy due to adoption of Ind AS 116.

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.

The impact of the COVID-19 pandemic and the measures put in place to control the spread of virus by the jurisdictional regulatory authorities, have triggered disruptions to the Company's operations at the balance sheet date. Further, its current liabilities exceeded its current assets by ₹1,787.13 Million as of March 31, 2020.

Due to the restrictions placed by the jurisdictional regulatory authorities, the Company's restaurant outlets were closed temporarily commencing from latter part of March 2020 and pursuant to the reduced level of operations, the Company has incurred operating losses during the period of closure and in the period subsequent to March 31, 2020. The Company has resumed its operations in a phased manner depending on easing of lockdown restrictions and its evaluation of operating scenarios at respective store locations. As on date of approval of these financial statements, the Company had opened substantially all of its outlets and commenced operations.

In order to address the matter of having adequate liquidity in the Company to ensure that the Company can meet all its obligations in the normal course of business, the management of the Company has taken various measures which include the following:

- A number of cash conservation measures, including a (i) significant reduction in the level of capital expenditure in the short term, (ii) limiting the outflows to only outlets which the Company intends to operationalise, compliance and health and safety related spend, (iii) pausing all non-essential discretionary and variable spending, (iv) payroll cost reductions through store manpower rationalisation and salary cuts, and (v) extended credit with suppliers and lessors, reduction in lease rentals etc.
- Continuing focus on outdoor catering and sourcing of customers from third party platforms, its various initiatives to comply with sanitization and social distancing protocols, minimal contact experience through non-touch alternatives and

Notes forming part of the Standalone Financial Statement

strict adherence to hygiene norms along with gradual easing of regulatory restrictions are expected to help the Company to achieve its pre-COVID level of operations and profitability by April 2021.

- The Company has approached its lenders requesting for moratorium for payment of interest across all the loan facilities till March 31, 2021 and repayment of principal for all its loans till August 31, 2022.
- Raising adequate funding through incremental debt from banks with 1 year moratorium for repayment of principal and interest and fresh equity infusion.

The Promoters of the Company have committed to the Company, financial support, if any required to ensure that the Company shall be able to meet all its obligations in the normal course of business for a period of not less than one year from the date of approval of these financial statements.

The Board of directors of the Company have approved the aforesaid business plan and in their assessment, based on due consideration of the business plan and the Promoters' undertaking referred above, the Company will be able to meet all its obligations in the normal course of business. Accordingly, the Board of directors have approved the preparation of the standalone financial statements on a going concern basis.

The standalone financial statements do not therefore incorporate adjustments, if any, that may be required in respect of recoverability and classification of asset carrying amounts or the amounts and classification of liabilities, should the Company not continue as a going concern

2.3 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 i.e. on transfer of control of the goods or service to the 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 gift voucher, 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.

2.4 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.

2.5 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.

Notes forming part of the Standalone Financial Statement

2.6 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.

2.7 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

2.8 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

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.

2.9 Investments in subsidiary

Investment in subsidiaries are measured at cost less impairment.

Notes forming part of the Standalone Financial Statement

2.10 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.

2.11 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. 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 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

Notes forming part of the Standalone Financial Statement

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.

2.12 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.

2.13 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.

2.14 Foreign Currency transactions and translations

The functional currency of the Company is Indian Rupee (₹).

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:

- (a) 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;

2.15 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

Notes forming part of the Standalone Financial Statement

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.

2.16 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.

2.17 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.

2.18 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.

For arrangements entered into prior to the date of transition to Ind AS, i.e., April 1, 2018, the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

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 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.

Notes forming part of the Standalone Financial Statement

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.

2.19 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 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.

Notes forming part of the Standalone Financial Statement

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.

2.20 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.

2.21 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.

2.22 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.

2.23 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.

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.

Notes forming part of the Standalone Financial Statement

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 Statement

(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-19	Additions	Deletions	Balance as at 31-Mar-2020	Balance as at 01-Apr-19	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31-Mar-2020	Balance as at 31-Mar-2020
4(a) Property, plant and equipment (owned)									
Lease hold improvements	1,090.90	234.82	0.51	1,325.21	297.77	166.36	0.49	463.64	861.57
Furniture and fixtures	947.73	176.02	0.51	1,123.24	231.73	131.78	0.29	363.22	760.02
Plant & machinery	696.63	166.35	4.44	858.54	103.28	62.37	2.59	163.06	695.48
Service equipments	651.83	133.06	0.79	784.10	250.75	118.93	0.48	369.20	414.90
Computer equipments	126.26	47.64	1.40	172.50	54.20	40.87	1.38	93.69	78.81
Vehicles	4.97	4.60	0.32	9.25	1.48	0.83	0.21	2.10	7.15
Total	3,518.32	762.49	7.97	4,272.84	939.21	521.14	5.44	1,454.91	2,817.93
4(b) Intangible assets (others)									
Liquor licenses	7.63	0.60	-	8.23	5.84	0.16	-	6.00	2.23
Software and licenses	36.70	19.62	-	56.32	13.53	9.50	-	23.03	33.29
Brand name	29.48	-	-	29.48	-	-	-	-	29.48
Total	73.81	20.22	-	94.03	19.37	9.66	-	29.03	65.00
Grand Total	3,592.13	782.71	7.97	4,366.87	958.58	530.80	5.44	1,483.94	2,882.93

Particulars	Cost			Accumulated depreciation/amortisation				Net Block	
	Balance as at 01-Apr-18	Additions	Deletions	Balance as at 31-Mar-2019	Balance as at 01-Apr-18	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31-Mar-2019	Balance as at 31-Mar-2019
4(a) Property, plant and equipment (owned)									
Lease hold improvements	796.63	295.26	0.99	1,090.90	176.62	121.58	0.43	297.77	793.13
Furniture and fixtures	718.18	229.96	0.41	947.73	140.34	91.59	0.20	231.73	716.00
Plant & machinery	519.36	180.13	2.86	696.63	58.78	45.54	1.04	103.28	593.35
Service equipments	506.77	148.68	3.62	651.83	180.58	72.28	2.11	250.75	401.08
Computer equipments	63.51	62.75	-	126.26	30.93	23.27	-	54.20	72.06
Vehicles	4.53	0.44	-	4.97	0.79	0.69	-	1.48	3.49
Total	2,608.98	917.22	7.88	3,518.32	588.04	354.95	3.78	939.21	2,579.11
4(b) Intangible assets (others)									
Liquor licenses	7.63	-	-	7.63	4.62	1.22	-	5.84	1.79
Software and licenses	19.39	17.31	-	36.70	7.51	6.02	-	13.53	23.17
Brand name	29.48	-	-	29.48	-	-	-	-	29.48
Total	56.50	17.31	-	73.81	12.13	7.24	-	19.37	54.44
Grand Total	2,665.48	934.53	7.88	3,592.13	600.17	362.19	3.78	958.58	2,633.55

*Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer note 44)

Notes forming part of the Standalone Financial Statement

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

5 Right-of-use asset*

Gross carrying value

Particulars	₹
As at April 1, 2018	3,852.46
Additions	1,202.30
Deletions	(21.45)
As at March 31, 2019	5,033.31
Additions	1,037.68
Deletions	(128.93)
As at March 31, 2020	5,942.06

Accumulated depreciation

Particulars	₹
As at April 1, 2018	1,489.07
Depreciation charge for the year	411.65
Deletions	(13.82)
As at March 31, 2019	1,886.90
Depreciation charge for the year	514.93
Deletions	(41.68)
As at March 31, 2020	2,360.15
Net carrying value	
As at March 31, 2020	3,581.91
As at March 31, 2019	3,146.41
As at April 1, 2018	2,363.39

*Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer note 44)

6. Goodwill

Particulars	As at 31-Mar-20	As at 31-Mar-19
Goodwill allocated to the business of operating restaurant outlets	189.66	189.66

The carrying value of and brand referred under note 4 amounting ₹37.57 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 4 to 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 Statement

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

7. Investments

(Classified under non-current assets)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Unquoted Investments in equity instruments of subsidiary (carried at cost):		
Barbeque Nation Mena Holding Limited (formerly known as Barbeque Nation Holdings Limited) (159,425 (31 March 2019: 140,525) equity shares of AED 100 each)	313.09	276.26
Less:- Allowance for impairment (Refer note 33)	(313.09)	-
Barbeque Nation Holdings Pvt Ltd (19,980 (31 March 2019: 19,980) equity shares of USD 1 each)	1.39	1.39
Barbeque Holdings Pvt Ltd (19,980 (31 March 2019: 19,980) equity shares of USD 1 each)	1.39	1.39
Less: Impairment pursuant to wind up (Refer note below)	(1.39)	-
Red Apple Kitchen Consultancy Private Limited (3,232 (31 March 2019: Nil) equity shares of ₹100 each) (Refer note below)	674.87	-
Less:- Allowance for impairment (Refer note 33)	(271.00)	-
Share application money:		
Barbeque Nation Holdings Pvt Ltd	1.07	-
Total	406.33	279.04
Aggregate amount of un-quoted investments	406.33	279.04

- (a) The Company subscribed for 13,000,000 equity shares of ₹10 each of Prime Gourmet Private Limited (PGPL) at face value on August 29, 2016. Pursuant to this investment of ₹130, the Company acquired 78.64% stake in PGPL. Subsequently, the Company acquired remaining stake in PGPL for ₹47.73 during November 2016. Further, the Company made additional investments in PGPL of ₹28.97 during the previous year and ₹50.35 during the year ended 31 March 2018. During the previous year ended March 31, 2019, the management terminated the franchisee with Johnny Rockets and also disposed of its investments in PGPL for the net consideration of ₹0.5 million.
- (b) Barbeque Holdings Pvt. Ltd has been wound up pursuant to the notice/ order, dated August 10, 2020, issued by the Registrar of Companies, Port Louis, Mauritius towards the application made on September 27, 2019.
- (c) The Company acquired securities of Red Apple Kitchen Consultancy Private Limited (“Red Apple”) representing 61.35% stake on a fully diluted basis and additional acquisition rights in Red Apple, for a total consideration of ₹674.87 towards 2,964 equity shares of face value of ₹100 each of Red Apple from Samar Retail Private Limited, a related party which is controlled by the Managing Director of the Company. This acquisition was approved by the Board of Directors and shareholders in their meeting dated December 30, 2019 and November 29, 2019, respectively.

8. Loans

(Classified under non-current assets)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Unsecured,		
Security deposits (Towards the lease of restaurant outlets)		
- Unsecured, considered good	234.99	193.49
- Doubtful	11.69	-
Less : Allowance for bad and doubtful deposits pursuant to closure of outlets (Refer note below)	(11.69)	-
Loans to related parties		
considered good	-	-
credit impaired	386.81	274.86
Less: Allowance for impairment (Refer note 33)	(386.81)	(274.86)
Total	234.99	193.49

Note: 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 33.

Notes forming part of the Standalone Financial Statement

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

9. Other financial assets

(Classified under non-current assets)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Balances held as margin money or security	21.59	15.04
Total	21.59	15.04

10. Other non-current assets

Particulars	As at 31-Mar-20	As at 31-Mar-19
Unsecured, considered good:		
Amounts paid to statutory authorities under protest	29.77	10.62
Other security deposits	27.47	16.44
Total	57.24	27.06

11. Inventories

Particulars	As at 31-Mar-20	As at 31-Mar-19
(At lower of cost and net realisable value)		
Food & beverages	117.34	134.14
Stores & consumables	12.48	48.49
Total	129.82	182.63

12. Trade Receivables

Particulars	As at 31-Mar-20	As at 31-Mar-19
Trade receivables (unsecured) consist of following		
Considered good	25.24	56.31
Considered doubtful	1.65	14.68
	26.89	70.99
Allowance for doubtful receivables (expected credit loss allowance)	(1.65)	(14.68)
Total	25.24	56.31

The Company business is predominantly retail in nature on 'cash and carry' basis which is largely through cash and credit card collections. The credit risk on such credit card collections is minimal, since they are primarily owned by card issuing banks. The Company also has certain receivables from corporates on credit terms ranging upto 60 days.

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

Movement in allowance for doubtful debts is as follows:

Particulars	As at 31-Mar-20	As at 31-Mar-19
Opening balance	14.68	2.52
Movement in expected credit loss (ECL) allowance on trade receivables at lifetime ECL	-	12.16
Written-off during the year	(13.03)	-
Closing balance	1.65	14.68

Notes forming part of the Standalone Financial Statement

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

13. Cash and cash equivalents

Particulars	As at 31-Mar-20	As at 31-Mar-19
Balances with banks		
In current accounts	123.43	49.87
In deposit accounts	-	-
Cash on hand	1.81	17.81
Cash and cash equivalents as per balance sheet	125.24	67.68

14. Other financial assets

(Classified under current assets)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Balances held as margin money or security	36.10	6.21
Interest accrued on		
fixed deposits	5.79	3.87
loans given to related parties	5.95	-
Less: Allowance for impairment (Refer note 33)	(5.95)	-
Other receivables from subsidiaries	15.49	27.30
Total	57.38	37.38

15. Other current assets

Particulars	As at 31-Mar-20	As at 31-Mar-19
Advance to employees	27.43	5.69
Prepaid expenses	48.59	65.90
Advances paid for supply of materials / rendering of services		
Unsecured, considered good	57.25	31.65
Doubtful	8.98	9.96
	66.23	41.61
Less: Allowance for bad and doubtful advances	(8.98)	(9.96)
	57.25	31.65
Balance with Government authorities	2.54	4.75
Unamortised share issue expenses (Refer note below)	136.18	75.08
Total	271.99	183.07

Note: The Company has incurred certain expenses towards proposed Initial Public Offering of its equity shares. The Company expects to recover certain amounts from the shareholders and the balance amount would be charged-off to securities premium account in accordance with Section 52 of the Companies Act, 2013 upon the shares being issued.

Movement in allowance for bad and doubtful advances

Particulars	As at 31-Mar-20	As at 31-Mar-19
Opening balance	9.96	9.96
Additional provision during the year	5.00	-
Written-off during the year	(5.98)	-
Closing balance	8.98	9.96

Notes forming part of the Standalone Financial Statement

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

16. Equity Share capital

Particulars	As at 31-Mar-20	As at 31-Mar-19
Authorised		
60,000,000 equity shares of ₹5/- each (as at 31-Mar-19 60,000,000 equity shares of ₹5/- each)	300.00	300.00
Issued, subscribed and fully paid up capital		
27,991,788 equity shares of ₹5/- each (as at 31-Mar-19 27,984,014 equity shares of ₹5/- each)	139.96	139.92
Total	139.96	139.92

(a) Reconciliation of the number of shares and amount outstanding as at the beginning and at the end of the year

Particulars	As at 31-Mar-20		As at 31-Mar-19	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹5/- each:				
Opening balance	2,79,84,014	139.92	2,75,99,014	138.00
Add: Issued during the year #	7,774	0.04	3,85,000	1.93
Closing balance	2,79,91,788	139.96	2,79,84,014	139.92

#

- (i) 7,774 equity shares of ₹5 each were issued to employees pursuant to Employee stock options scheme
(ii) 385,000 equity shares of ₹5 each were issued to Partner Reinsurance Europe SE at a premium of ₹827 per share on April 11, 2018.

(b) Details of shares held by each shareholder holding more than 5% shares

Particulars	As at 31-Mar-20		As at 31-Mar-19	
	No. of Shares	% holding	No. of Shares	% holding
Sayaji Housekeeping Services Limited	1,26,21,116	45.09%	1,26,21,116	45.10%
Tamara Private Limited	60,78,402	21.71%	60,78,402	21.72%
Pace Private Limited	31,82,964	11.37%	31,82,964	11.37%
Kayum Razak Dhanani	12,98,684	4.64%	13,98,684	5.00%

(c) Number of equity shares reserved for issuance

Particulars	As at 31-Mar-20	As at 31-Mar-19
Equity shares of ₹5/- each to eligible employees under Employee Stock Option Scheme	9,24,706	5,32,480

- (d) The Company has only one class of equity share having a par value of ₹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.

17. Other equity

Particulars	As at 31-Mar-20	As at 31-Mar-19
Securities premium	1,631.01	1,628.42
Share based payment reserve	47.31	35.98
Retained earnings	(1,060.47)	(94.51)
Total	617.85	1,569.89

Notes forming part of the Standalone Financial Statement

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

Particulars	As at 31-Mar-20	As at 31-Mar-19
Securities premium account		
Opening balance	1,628.42	1,330.43
Add: Premium on shares issued during the year [Refer Note 16 (a)]	2.59	318.39
Less : Share issue expenses	-	(20.40)
Closing balance	1,631.01	1,628.42
Share based payment reserve		
Opening balance	35.98	28.58
Add: Charge for year	13.12	7.40
Less: Transfer to securities premium on account of exercise	(1.61)	-
Less: Transfer to retained earnings on account of forfeiture	(0.18)	-
Closing balance	47.31	35.98
Retained earnings		
Opening balance	(94.51)	312.62
Add: Transfer on forfeiture of options	0.18	-
Add: Profit /(loss) for the year	(926.65)	(370.15)
Less: Remeasurement loss recognised in Other comprehensive Income (net of tax)	(5.76)	(3.25)
Less: Dividend on equity shares (refer note below)	(27.98)	(27.98)
Less: Dividend distribution tax (refer note below)	(5.75)	(5.75)
Closing balance	(1,060.47)	(94.51)

Particulars	As at 31-Mar-20	As at 31-Mar-19
The amount of dividends proposed before the financial statements were approved for issue but not recognised as a distribution to owners during the year	-	27.98
Tax on dividend above	-	5.75

Nature and purpose of 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 share 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.

18. Borrowings

Particulars	As at 31-Mar-20	As at 31-Mar-19
Secured at amortised cost:		
(For details of terms and security, refer notes)		
Term loans		
(i) from banks	866.36	611.11
(ii) from non-banking financial institutions	382.14	-
Vehicle loans	1.05	-
Total	1,249.55	611.11

Notes forming part of the Standalone Financial Statement

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

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

Terms of repayment and security	As at 31-Mar-20	As at 31-Mar-19
Term loans from banks		
(i) Term loan 1:		
Non -Current portion	291.73	154.92
Current maturities of long-term debt	45.77	60.00
Repayment terms:		
Repayable in 60 monthly instalments after a moratorium of 6 months and carries an interest rate of 1 Year MCLR + 0.40% 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		
(ii) Term loan 2:		
Non -Current portion	11.77	23.35
Current maturities of long-term debt	13.69	21.53
Repayment terms:		
USD loan - Repayable in 60 defined monthly instalments and carries an interest rate of 6 months LIBOR + 450 base points		
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		
(iii) Term loan 3:		
Non -Current portion		
Current maturities of long-term debt	207.24	-
Repayment terms:	39.41	-
Repayable in 54 defined installments and carries an interest rate of 1 year MCLR plus 0.85% 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		
(iv) Term loan 4:		
Non -Current portion		
Current maturities of long-term debt	52.51	63.00
Repayment terms:	10.51	18.00
Repayable in 60 equal monthly instalments and carries an interest rate of 12 month MCLR plus 1% p.a		

Notes forming part of the Standalone Financial Statement

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

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		
(v) Term loan 5:		
Non - Current portion	11.56	20.00
Current maturities of long-term debt	8.26	14.40
Repayment terms:		
Repayable in 42 defined monthly instalments 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		
(vi) Term loan 6:		
Non - Current portion	254.96	297.88
Current maturities of long-term debt	48.38	82.56
Repayment terms:		
Repayable in 60 monthly instalments and carries interest rate at 1 year MCLR plus 0.60% p.a		
Security :		
1) First paripassu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future		
2) First paripassu charge over the Brand of the Company		
(vii) Term loan 7:		
Non - Current portion	17.92	22.23
Current maturities of long-term debt	4.79	10.00
Repayment terms:		
Repayable in 20 equal quarterly instalments and carries an interest at 1 year MCLR + 155 base points p.a.		
Security :		
1) First paripassu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future		
2) First paripassu charge over the Brand of the Company		
(viii) Term loan 8:		
Non - Current portion	18.67	29.73
Current maturities of long-term debt	5.08	10.53
Repayment terms:		
Repayable in 19 equal quarterly instalments and carries an interest at 1 year MCLR + 155 base points p.a.		
Security :		
1) First paripassu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future		
2) First paripassu charge over the Brand of the Company		

Notes forming part of the Standalone Financial Statement

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

(ix) Term loan 9:		
Non -Current portion	-	-
Current maturities of long-term debt	-	6.97
Repayment terms:		
Repayable in 9 quarterly instalments and carries an interest at 1 year MCLR + 155 base points p.a later, rate to be reset annually.		
Security :		
1) First paripassu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future		
2) First paripassu charge over the Brand of the Company		
(x) Term loan 10:		
Non -Current portion	187.00	-
Current maturities of long-term debt	39.20	-
Repayment terms: Repayable in 36 defined monthly installments and carries an interest rate of 14% p.a		
Security :		
1) Second ranking pari-passu charge over all current and moveable fixed assets and security deposits of the Company, both present and future.		
2) Exclusive pledge over the shares of Red Apple Kitchen Consultancy Private Limited.		
(xi) Term loan 11:		
Non -Current portion	195.14	-
Current maturities of long-term debt	51.26	-
Repayment terms: Repayable in 33 defined monthly installments and carries an interest rate of 14% p.a		
Security :		
1) Second paripassu charge over all current assets and security deposits of the Company, both present and future		
2) Exclusive pledge over 35% of the aggregate share capital of Red Apple Kitchen Consultancy Private Limited (on a fully diluted basis) acquired by the Company.		
(xi) Vehicle loan:		
Non-Current portion	1.05	-
Current maturities of long-term debt	2.20	-
Repayment terms: Repayable in 36 equated monthly installments and carries an interest rate of 8.5% p.a		
Security :		
Hypothecation of underlying vehicle in favor of lender		
Total	1,518.10	835.10
Non-current portion	1,249.55	611.11
Current maturities of long-term debt	268.55	223.99

19. Lease liabilities

Particulars	As at	As at
	31-Mar-20	31-Mar-19
Opening balance	3,722.57	2,871.06
Addition	992.33	1,138.70
Accreation of interest	433.96	347.53
Payments	(766.65)	(623.30)
Deletions	(97.46)	(11.42)
Closing balance	4,284.75	3,722.57
Current	404.60	338.68

Notes forming part of the Standalone Financial Statement

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

Particulars	As at 31-Mar-20	As at 31-Mar-19
Non-Current	3,880.15	3,383.89
Maturity Analysis - contractual undiscounted cash flows		
Less than one year	838.15	753.30
One to five years	3,575.93	2,978.25
More than five years	2,335.57	3,308.32
Total Undiscounted Lease Liability as at	6,749.65	7,039.87

20. Provisions

Particulars	As at 31-Mar-20	As at 31-Mar-19
Provision for employee benefits:		
Compensated absences	7.48	20.95
Gratuity	29.04	31.95
Provision for asset retirement obligations	38.72	50.55
Total	75.24	103.45

21. Borrowings

Particulars	As at 31-Mar-20	As at 31-Mar-19
Secured loans repayable on demand from banks:		
(i) Working capital loan	50.00	19.00
The rate of interest is 1 month MCLR plus 65 bps		
Security		
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		
(ii) Overdraft facility	99.42	31.06
The rate of interest is 6 month MCLR plus 25 bps		
Security		
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		
Unsecured		
(i) Overdraft facility	150.00	85.01
Repayable on demand and carries and interest rate of 1 month MCLR		
(ii) CC - A Treds	71.80	22.03
Repayable on demand and the rate of financing depends on the bidding by various banks on the platform.		
(iii) Axis bank credit card	34.70	-
Repayable in fifty two days credit period		
Total	405.92	157.10

Notes forming part of the Standalone Financial Statement

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

22. Trade payables

Particulars	As at 31-Mar-20	As at 31-Mar-19
Other than Acceptances		
Total outstanding dues of micro enterprises and small enterprises	8.67	1.03
Total outstanding dues of creditors other than micro enterprises	973.67	670.19
Total	982.34	671.22

Disclosure required under section 22 of the micro, small and Medium Enterprises Development Act, 2006:

Particulars	As at 31-Mar-20	As at 31-Mar-19
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	8.67	1.03
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(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	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(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	-	-

23. Other financial liabilities

Particulars	As at 31-Mar-20	As at 31-Mar-19
Current maturities of long-term borrowings		
from banks	178.09	223.99
from non-banking financial institutions	90.46	-
Recognition of credit loss in respect of financial guarantee given towards loan taken by subsidiary (Refer note 33)	71.20	-
Interest accrued but not due on borrowings	8.04	3.39
Payables on purchase of property, plant and equipment	80.36	50.16
Total	428.15	277.54

24. Other current liabilities

Particulars	As at 31-Mar-20	As at 31-Mar-19
Payable towards statutory remittances	75.04	60.26
Contract liability		
Gift card liability (Refer note below)	33.95	19.68
Total	108.99	79.94

Note: The Company recognised revenue from contractual liability in the statement of profit and loss in the following year.

25. Provisions

Particulars	As at 31-Mar-20	As at 31-Mar-19
Provision for employee benefits:		
Compensated absences	16.00	15.73
Gratuity	33.93	14.81
Provision for asset retirement obligations	6.26	3.00
Total	56.19	33.54

Notes forming part of the Standalone Financial Statement

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

26. Current tax liabilities (Net)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Provision - Others:		
Income Tax (net of advance income tax)	10.61	39.70
Total	10.61	39.70

27. Revenue from operations

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Sale of food & beverages	7,840.17	6,995.03
Other operating revenues (net of expenses directly attributable to such income) (Refer note (i) below)	30.35	39.52
Total	7,870.52	7,034.55

(i) Other operating revenue

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Revenue from displays and sponsorships	2.43	6.56
Share of profits and income from royalty	15.25	23.42
Sale of scrap	2.23	3.07
Other receipts from outdoor catering	1.96	-
Guarantee commission	4.04	3.98
Others	4.43	2.49
Total	30.35	39.52

27 (i) Other income

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Interest income on		
financial assets at amortised cost	16.08	14.81
fixed deposits and loans	7.98	19.04
Income from government grant	-	4.71
Foreign exchange gain	-	1.77
Income from sublease of premises	-	1.41
Provision no longer required	9.00	-
Total	33.06	41.74

28. Cost of food and beverages consumed

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Opening stock	134.14	138.17
Add: Purchases	2,736.17	2,362.27
	2,870.31	2,500.44
Less Closing stock	(117.34)	(134.14)
Total	2,752.97	2,366.30

Notes forming part of the Standalone Financial Statement

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

29. Employee benefits expenses

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Salaries and wages	1,275.76	1,032.85
Contributions to provident and other funds	74.73	49.75
Gratuity expenses	16.19	9.48
Expense on employee stock option scheme	13.12	7.40
Staff welfare expenses	398.83	352.04
Total	1,778.63	1,451.52

30. Other operating expenses

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Consumption of stores & operating supplies	172.89	126.10
Power and fuel	617.56	545.59
Rent including lease rentals	152.57	145.66
Repairs and maintenance:		
Buildings	3.78	7.57
Machinery	31.31	29.50
Others	28.11	34.30
House keeping services	131.68	166.99
Water charges	41.30	36.34
Insurance	11.15	10.57
Rates and taxes	88.48	69.74
Communication	38.89	39.78
Travelling and conveyance	30.96	30.61
Printing and stationery	39.38	34.08
Laundry expenses	16.74	15.02
Security service charges	19.36	23.87
Recruitment expenses	2.35	4.05
Business promotion	160.40	143.90
Vehicle hiring charges	11.31	10.86
Legal and professional	42.24	44.95
Payments to auditors (Refer note below)	5.81	4.48
Parking Charges	7.20	8.03
Expenses on Corporate social responsibility	0.20	5.60
Loss on sale of fixed assets	1.85	-
Provision for doubtful receivables and advances	5.00	12.16
Miscellaneous expenses	115.99	55.43
Total	1,776.51	1,605.18

Note: Payment to auditors

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
(Excluding ₹8.85 (₹2.60 for the year ended March 31, 2019) which are considered as unamortised share issue expenses under other current assets)		
For statutory audit and quarterly reviews	4.50	3.50
Other services (including reimbursement of expenses)	0.50	0.30
Taxes thereon	0.81	0.68
Total	5.81	4.48

Notes forming part of the Standalone Financial Statement

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

31. Finance costs

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Interest expense on:		
Borrowings	133.27	63.31
Provision for asset retirement obligations	3.56	3.15
Interest on lease liabilities	433.96	347.53
Others	0.33	0.82
Receivable discounting charges	46.46	48.13
Other bank charges	14.03	9.97
Total	631.61	472.91

32. Depreciation and amortisation expense

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Depreciation on Property, plant and equipment (Refer note 4(a))	521.14	354.95
Depreciation on Lease right of use assets (Refer note 5)	514.93	411.65
Amortisation on Intangible assets (Refer note 4(b))	9.66	7.24
Total	1,045.73	773.84

33. Exceptional items

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Net loss on disposal of investments in PGPL (Refer note (i) below)	-	413.60
Provision for impairment of investments in (Refer note (ii) below)		
Barbeque Nation Mena Holdings Limited	313.09	-
Red Apple Kitchen Consultancy Private Limited	271.00	-
Provision for impairment of loans given to Barbeque-Nation Mena Holdings Limited (Refer note (ii) below)	117.90	274.86
Recognition of credit loss in respect of financial guarantee given towards loan taken by subsidiary (Refer note (ii) below)	71.20	-
Net loss relating to restaurant units closed / relocated	(6.33)	(0.71)
Total	766.86	687.75

Notes:

(i) Loss on disposal of investments in PGPL

PGPL was operating Johnny Rockets Restaurants pursuant to the terms of International Master Development Agreement (IMDA) with Johnny Rockets Licensing LLC. During the year ended 31 March 2019, the parties terminated the IMDA and the Company also disposed off its investments in PGPL. The following consequential losses pursuant to the above have been recognised under exceptional items.

Particulars	Year 2019-20
Carrying value of investments and loans and advances	330.55
Less: Consideration received	0.50
Net loss	330.05
Liability towards bank loan taken by PGPL assumed by the Company pursuant to the guarantee given by the Company	83.55
Net loss on disposal of investments	413.60

Notes forming part of the Standalone Financial Statement

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

(ii) Impairment assessment of investments made and loans and advances given to subsidiaries:

Following is the exposure towards subsidiaries :

Particulars	Red Apple	Barbeque-Nation Mena Holding Limited	
	As at 31-Mar-20	As at 31-Mar-20	As at 31-Mar-19
Prior to impairment			
Investments	674.87	313.09	276.26
Loans and advances	-	117.90	295.51
Bank guarantee given towards loans taken by Barbeque-Nation Mena Holding Limited	-	524.75	583.92
Total	674.87	955.74	1,155.69
Less: Provision for impairment	(271.00)	(502.19)	(274.86)
Exposure post impairment	403.87	453.55	880.83

The Directors 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.

For its impairment assessment as at March 31, 2020, the management has assessed the impact of the Covid 19 on the operations and forecasted cash flows. The following inputs have been used for arriving the said recoverable amount.

Particulars	As at 31-Mar-20	As at 31-Mar-19
Input considered		
Discount rate	18.00%	15.00%
Growth rate	2.00%	2.00%

Pursuant to the above impairment assessment, the Company recognised provision for impairment of investments and loans and advances of ₹773.19 (for the year ended March 31, 2019 - ₹274.86) under exceptional items.

34 As explained in Note 2.2, the impact of the COVID-19 pandemic and the measures put in place to control the spread of virus, have triggered significant disruptions to the Company’s operations. The management has considered external and internal information in assessing the impact of COVID - 19 pandemic on its financial statements, including recoverability of its assets as at the Balance Sheet date. Given the uncertainty regarding the duration, extent and eventual outcome of the impact of the COVID-19 pandemic, the Company cannot estimate with any precision, the impact on its prospective financial performance and accordingly the eventual outcome of the impact may be different from that estimated as at the date of approval of these financial statements.

35 Tax expense / (benefit):

Tax expenses recognised in Statement of Profit and Loss

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Current tax	49.35	129.50
Deferred tax	(56.63)	(40.56)
Deferred tax impact due to reduction in tax rate	85.20	-
Total	77.92	88.94

Notes forming part of the Standalone Financial Statement

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

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-20	For the year ended 31-Mar-19
Profit before tax	(848.73)	(281.21)
Enacted income tax rate in India	25.17%	34.94%
Computed expected tax expense	(213.61)	(98.27)
Tax impact on:		
Tax impact on account of change in effective tax rate (Refer note below)	85.20	-
Tax impact on account of change in WDV	6.12	-
Deduction u/s 80JJAA of Income tax Act, 1961	(12.42)	-
Loss on disposal of investments in subsidiaries	-	89.65
Impairment of investments and loans in subsidiaries	194.60	96.05
Expenses relating to closed outlets	8.95	-
Effect on account of non-deductible expenses under income tax	4.87	5.27
Others	4.21	-3.76
Income tax expense recognised in Statement of profit and loss	77.92	88.94

Note:

The Government of India vide ordinance No 15 of 2019 dated September 20, 2019 amended the income tax provision by inserting section 115BAA. As per amended provisions, the Company has opted to pay tax at rate of 22% plus applicable surcharge and cess subject to the condition mentioned under the amendment provisions and recognised the effect of change by revising the annual effective income tax rate. Due to the reduced tax rate, the Company has re-measured its Net Deferred Tax Assets as at April 01, 2019 and the impact of this change has been recognized in the Statement of Profit and Loss for the year ended March 31, 2020 under "Tax Expense".

Movement in deferred tax balances

Particulars	For the year ended March 31, 2020				
	Opening balance	Impact due to change in tax rate	Recognised in profit and Loss	Recognised in Other Comprehensive Income	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, Plant and Equipment	(32.37)	9.06	27.25	-	3.94
Tax effect of items constituting deferred tax assets					
Right-of-use and lease liabilities (net)	262.96	(73.57)	21.21	-	210.60
Provision towards asset retirement obligations	19.75	(5.53)	(2.90)	-	11.32
Employee Benefits and other provisions	46.13	(12.91)	0.44	1.94	35.60
Others	8.06	(2.25)	10.63	-	16.44
Net deferred tax asset / (liabilities)	304.53	(85.20)	56.63	1.94	277.90

Notes forming part of the Standalone Financial Statement

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

Movement in deferred tax balances

Particulars	For the year ended March 31, 2019				
	Opening balance	Impact of Ind AS 116 adjusted in retained earnings	Recognised in profit and Loss	Recognised in Other Comprehensive Income	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, Plant and Equipment	(20.44)	-	(11.93)	-	(32.37)
Tax effect of items constituting deferred tax assets					
Right-of-use and lease liabilities (net)	-	223.70	39.26	-	262.96
Provision towards asset retirement obligations	14.72	-	5.03	-	19.75
Employee Benefits and other provisions	37.85	-	6.54	1.74	46.13
Others	6.40	-	1.66	-	8.06
Net deferred tax asset / (liabilities)	38.53	223.70	40.56	1.74	304.53

36. Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at 31-Mar-20	As at 31-Mar-19
A. Contingent liabilities		
Claims against the Company not acknowledged as debt		
- on account of indirect tax matters (Sales tax, VAT and GST)	493.78	18.56
- on account of direct tax matters	420.36	1.42
Customs duties saved against imports under EPCG scheme	-	0.65
Stand-by Letter of Credit given to bank and corporate guarantee on borrowings by subsidiary (to the extent of loans outstanding)	513.28	583.92
B. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for tangible assets	102.60	75.92

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-20	As at 31-Mar-19
Contribution to Provident Fund and Employee State Insurance Scheme	101.25	49.75

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.

Notes forming part of the Standalone Financial Statement

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

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	As at
	31-Mar-20	31-Mar-19
Discount rate	5.00%	6.80%
Salary escalation	5.00%	8.00%
Attrition rate	53.00%	40.00%
Retirement age	58 years	58 years
Mortality	As per IALM (2012-14) ultimate	As per IALM (2006-08) ultimate

Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:

Particulars	As at	As at
	31-Mar-20	31-Mar-19
Service cost:		
Current service cost	12.96	7.16
Net interest expense	3.23	2.32
Components of defined benefit costs recognised in profit or loss	16.19	9.48
Remeasurement on the net defined benefit liability:		
Return on plan assets [excluding amounts included in net interest expense] (excess) / Short return	(0.02)	(0.02)
Actuarial (gains) / losses arising from changes in demographic assumptions	(2.62)	-
Actuarial (gains) / losses arising from changes in financial assumptions	(2.45)	0.22
Actuarial (gains) / losses arising from experience adjustments	12.79	4.79
Components of defined benefit costs recognised in other comprehensive income	7.70	4.99
Total	23.89	14.47

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	As at
	31-Mar-20	31-Mar-19
Present value of funded defined benefit obligation	65.21	48.83
Fair value of plan assets	(2.25)	(2.09)
Funded status	62.96	46.74
Restrictions on asset recognised	-	-
Net liability arising from defined benefit obligation	62.96	46.74
Current	33.93	14.81
Non-current	29.03	31.93

Notes forming part of the Standalone Financial Statement

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

Movements in the present value of the defined benefit obligation are as follows:

Particulars	As at 31-Mar-20	As at 31-Mar-19
Opening defined benefit obligation	48.83	37.78
Expenses recognised in the statement of profit and loss		
Current service cost	12.96	7.16
Interest cost	3.23	2.45
Remeasurement (gains)/losses recognised in other comprehensive income:		
Actuarial gains and losses arising from changes in demographic assumptions	(2.62)	-
Actuarial gains and losses arising from changes in financial assumptions	(2.45)	0.22
Actuarial gains and losses arising from experience adjustments	12.79	4.79
Benefits paid	(7.53)	(3.57)
Closing defined benefit obligation	65.21	48.83

Particulars	As at 31-Mar-20	As at 31-Mar-19
Opening fair value of the asset	2.09	1.94
Interest income on plan assets	0.14	0.13
Return of plan assets greater / (lesser) than discount rate	0.02	0.02
Benefits paid	-	-
Closing fair value of assets	2.25	2.09

Significant actuarial assumptions for the determination of the defined obligation 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-20	As at 31-Mar-19
Discount Rate		
1 Effect on defined benefit obligation due to 100 bps increase in Discount Rate	63.99	47.78
2 Effect on defined benefit obligation due to 100 bps decrease in Discount Rate	66.47	49.93

Particulars	As at 31-Mar-20	As at 31-Mar-19
Salary escalation rate		
1 Effect on defined benefit obligation due to 100 bps increase in salary escalation rate	63.99	47.78
2 Effect on defined benefit obligation due to 100 bps decrease in salary escalation rate	66.47	49.93

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:

Financial year	As at 31-Mar-20	As at 31-Mar-19
1 year	33.93	17.45
2 to 5 year	35.50	49.57
6 to 10 year	2.56	25.13

Notes forming part of the Standalone Financial Statement

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

38 Employee Stock Option Scheme

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 ₹10/- each per option) under the Scheme titled “ Employee Stock Option Scheme 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 ₹10 each into 2 equity shares of ₹5 each during the year ended March 31, 2017, the scheme comprise of 532,480 options (underlying equity share of face value of ₹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 to 932,480.

As per the Scheme, the Remuneration committee grants the options to the employees deemed eligible. 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 twenty four months from the vesting date or at the time of liquidity event, as approved by the Board, whichever is later. However, in respect of resigned employees, vested options shall stand forfeited unless such options are exercised by the employees during his/her notice period before the last working day and in respect of terminated employees, vested options shall be exercised within one month from the notice of termination.

On April 1, 2016, July 10, 2017, August 5, 2017, October 1, 2019 and January 14, 2020, the Company granted options under said scheme for eligible personnel. 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.

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	01-Apr-16	01-Apr-16	01-Apr-16	01-Apr-16	01-Apr-16	01-Apr-16	01-Apr-16
Fair market value of option at grant date (₹)	232.44	207.98	184.64	162.87	142.94	108.96	94.82
Fair market value of shares per option at grant date (₹)	310.00	310.00	310.00	310.00	310.00	310.00	310.00
Vesting period	3 years	3 years	3 years	3 years	3 years	3 years	3 years
Exercise price (₹)	93.00	124.00	155.00	186.00	217.00	279.00	310.00

Date of grant	05-Aug-17	10-Jul-17	05-Aug-17	05-Aug-17	05-Aug-17	05-Aug-17	05-Aug-17
Fair market value of option at grant date (₹)	375.54	357.15	294.11	253.39	212.67	131.23	90.52
Fair market value of shares per option at grant date (₹)	500.00	500.00	500.00	500.00	500.00	500.00	500.00
Vesting period	3 years	1.75 years	3 years	3 years	3 years	3 years	3 years
Exercise price (₹)	150.00	155.00	250.00	300.00	350.00	450.00	500.00

Date of grant	05-Aug-17	05-Aug-17	05-Aug-17
Fair market value of option at grant date (₹)	21.45	51.40	79.65
Fair market value of shares per option at grant date (₹)	500.00	500.00	500.00
Vesting period	1 year	2 years	3 years
Exercise price (₹)	500.00	500.00	500.00

Date of grant	01-Oct-19	01-Oct-19	01-Oct-19	01-Oct-19	01-Oct-19	01-Oct-19
Fair market value of option at grant date (₹)	350.89	294.40	241.47	201.39	179.26	163.80
Fair market value of shares per option at grant date (₹)	635.00	635.00	635.00	635.00	635.00	635.00
Vesting period	3 years	3 years	3 years	3 years	3 years	3 years
Exercise price (₹)	350.00	420.00	490.00	560.00	630.00	700.00

Notes forming part of the Standalone Financial Statement

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

Date of grant	14-Jan-20	14-Jan-20	14-Jan-20	14-Jan-20
Fair market value of option at grant date (₹)	350.89	241.47	179.26	163.80
Fair market value of shares per option at grant date (₹)	635.00	635.00	635.00	635.00
Vesting period	3 years	3 years	3 years	3 years
Exercise price (₹)	350.00	490.00	630.00	700.00

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 (₹)
Options outstanding at the beginning of 01 April 2018	4,30,235	339.98
Granted during the year	-	-
Lapsed during the year	86,524	254.84
Options outstanding at the end of 31 March 2019	3,43,711	361.41
Options available for grant as at 31 March 2019	1,88,769	
Options outstanding at the beginning of 01 April 2019	3,43,711	361.41
Granted during the year	2,32,807	575.00
Exercised during the year	7,774	132.48
Lapsed/forfeited during the year	40,789	472.43
Options outstanding at the end of 31 March 2020	5,27,955	450.34
Options available for grant as at 31 March 2020	4,02,875	

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	01-Apr-16	10-Jul-17	05-Aug-17	05-Aug-17	05-Aug-17	01-Oct-19	14-Jan-20
Risk Free Interest Rate	6.60%	6.68%	6.68%	6.68%	6.68%	6.76%	6.76%
Expected Life	3.5 years	1.75 years	1 year	2 years	3 years	3 years	3 years
Expected Annual Volatility of Shares	33.33%	3.02%	3.02%	3.02%	3.02%	31.30%	31.30%
Expected Dividend Yield	0.24%	0.15%	0.15%	0.15%	0.15%	0.20%	0.20%

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.

Amount recognised in Special Purpose Restated Standalone Statement of Profit and Loss

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Depreciation: on Right-of-use assets	514.93	411.65
Finance cost: Interest on lease liabilities	433.96	347.53
Short term and variable lease payments (Refer Note below)	152.57	145.66

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.

Notes forming part of the Standalone Financial Statement

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

Amount recognised in Standalone Statement of Cash flows

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Cash outflows for leases		
Interest portion of lease liabilities	(433.96)	(347.53)
Principal portion of lease liabilities	(332.69)	(275.77)
Additional information:		
Non-cash additions to lease liabilities	894.87	1,127.28

40 Earnings per share:

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Basic and Diluted Earnings Per Share (₹)		
Basic Earnings Per Share (Basic EPS)		
Net profit/(loss) after tax attributable to equity shareholders	(926.65)	(370.15)
Less: Share issue expenses debited to securities premium	-	(20.40)
	(926.65)	(390.55)
Weighted average number of Equity Shares outstanding	2,79,86,203	2,79,73,466
Basic EPS in ₹	(33.11)	(13.96)
Face value in ₹	5.00	5.00
Diluted Earnings Per Share (Diluted EPS)		
Net profit/(loss) after tax attributable to equity shareholders	(926.65)	(370.15)
Less: Share issue expenses debited to securities premium	-	(20.40)
	(926.65)	(390.55)
Weighted average number of Shares used for calculating Basic EPS	2,79,86,203	2,79,73,466
Add: Effect of ESOPs and share warrants which are dilutive*	-	-
Weighted average number of shares considered for calculating Diluted EPS	2,79,86,203	2,79,73,466
Diluted EPS in ₹	(33.11)	(13.96)
Face value in ₹	5.00	5.00

*The effect of ESOPs outstanding is anti-dilutive for the year ended March 31, 2020 and year ended March 31, 2019 and hence ignored for the purpose of computing Diluted EPS.

41 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.

42 Financial instruments

The carrying value and fair value of financial instruments by categories

Particulars	Carrying value		Fair value	
	As at 31- Mar-20	As at 31- Mar-19	As at 31- Mar-20	As at 31- Mar-19
Financial assets				
Amortised cost				
Loans	234.99	193.49	234.99	193.49
Trade receivables	25.24	56.31	25.24	56.31
Cash and cash equivalents	125.24	67.68	125.24	67.68
Other financial assets	78.97	52.42	78.97	52.42
Total assets	464.44	369.90	464.44	369.90
Financial liabilities				
Amortised cost				
Loans and borrowings	1,924.02	381.09	1,924.02	381.09

Notes forming part of the Standalone Financial Statement

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

Particulars	Carrying value		Fair value	
	As at 31-Mar-20	As at 31-Mar-19	As at 31-Mar-20	As at 31-Mar-19
Lease Liabilities	4,284.75	3,722.57	4,284.75	3,722.57
Trade payables	982.34	671.22	982.34	671.22
Other financial liabilities	159.60	53.55	159.60	53.55
Total liabilities	7,350.71	4,828.43	7,350.71	4,828.43

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).

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. The Company'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 Company to address liquidity issues so as to ensure that the Company 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 Company is given below:

Particulars	As at 31-Mar-20	As at 31-Mar-19
Cash and cash equivalents	125.24	67.68
Total	125.24	67.68

4.2 Financial instruments

The table below provides details regarding the contractual maturities of significant financial liabilities

Particulars	As at 31-March, 2020				Carrying value
	< 1 year	1-3 years	> 3 years	Total	
Borrowings	674.47	1,151.69	97.86	1,924.02	1,924.02
Trade payables	982.34	-	-	982.34	982.34
Other financial liabilities	159.60	-	-	159.60	159.60
Total	1,816.41	1,151.69	97.86	3,065.96	3,065.96

Notes forming part of the Standalone Financial Statement

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

Particulars	As at 31-March, 2019			Total	Carrying value
	< 1 year	1-3 years	> 3 years		
Borrowings	381.09	443.32	174.11	998.52	381.09
Trade payables	671.22	-	-	671.22	671.22
Other financial liabilities	53.55	-	-	53.55	53.55
Total	1,105.86	443.32	174.11	1,723.29	1,105.86

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-20	As at 31-Mar-19
Borrowings in USD	25.46	44.88

Foreign currency rate sensitivity analysis

Particulars	After tax impact of profit after tax	
	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Depreciation of USD by 5%		
Increase in profit	0.95	1.46
Appreciation of USD by 5%		
Decrease in profit	(0.95)	(1.46)

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	
	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Decrease in interest rate by 1%		
Increase in profit	14.40	2.48
Increase in interest rate by 1%		
Decrease in profit	(14.40)	(2.48)

Capital management

The Company manages its capital to ensure that entities in the Company 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.

Notes forming part of the Standalone Financial Statement

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

The capital structure is as follows:

Particulars	As at	As at
	31-Mar-20	31-Mar-19
Equity attributable to the equity share holders of the company	757.81	1,709.81
Equity as a percentage of total capital	62%	65%
Current borrowings	584.01	381.09
Non-current borrowings	-	617.43
Total borrowings	584.01	998.52
Less: Cash and cash equivalents	125.24	67.68
Net borrowings	458.77	930.84
Net borrowings as a percentage of total capital	38%	35%
Total capital (borrowings and equity)	1,216.58	2,640.65

43 Related party transactions

Description transactions	Names of related parties
Subsidiaries	Prime Gourmet Private Limited (from 29 August, 2016 to 5 December 2018) Barbeque Nation MENA Holding Limited (formerly known as Barbeque Nation Holdings Limited) Barbeque Nation Restaurant LLC Barbeque Nation Holdings Pvt Ltd Barbeque Holdings Pvt Ltd Barbeque Nation (Malaysia) SDN. BHD. Barbeque Nation International LLC Barbeque Nation Kitchen LLC Red Apple Kitchen Consultancy Private Limited (from December 31, 2019)
Investing party for which the Company is an Associate	Sayaji Hotels Limited Sayaji Housekeeping Services Limited Tamara Private Limited
Key Management Personnel (KMP)	Kayum Dhanani (Managing Director) Amit V Betala (Chief Financial Officer - from January 14, 2020) Rahul Agrawal (Chief Financial Officer - from May 21, 2018 to January 13, 2020) Rahul Agrawal (Chief Executive Officer - from January 14, 2020) Mohan Kumar Ramamurthy (Chief Financial Officer, w.e.f June 15, 2017 till 01 May 2018) Sameer Bhasin (Chief Executive Officer till 22 May 2018) Nagamani CY (Company Secretary) Non-Executive Directors T Narayanan Unni Raouf Razak Dhanani Suchitra Dhanani Tarun Khanna Abhay Chintaman Chaudhary
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 Samar Retail Private Limited

Notes forming part of the Standalone Financial Statement

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

43 Standalone Statement of Transactions and Balances with Related Parties

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Transactions with related parties		
Sale of materials		
Subsidiary company:		
Prime Gourmet Private Limited	-	0.13
Income from sub-lease		
Subsidiary company:		
Prime Gourmet Private Limited	-	1.41
Services rendered		
Investing party for which the Company is an Associate :		
Sayaji Hotels Limited	11.95	17.47
Entity in which KMP / Relatives of KMP can exercise significant influence		
Samar Lifestyle Private Limited	-	0.60
Royalty income		
Subsidiary company:		
Barbeque Nation Restaurant LLC	7.90	6.96
Barbeque Nation (Malaysia) SDN. BHD.	0.69	0.36
Barbeque Nation International LLC	1.05	-
Guarentee commission		
Subsidiary company:		
Barbeque Nation MENA Holding Limited	4.04	3.98
Services received		
Investing party for which the Company is an Associate :		
Sayaji Hotels Limited	0.08	1.85
Entity in which KMP / Relatives of KMP can exercise significant influence		
Sara Soule Private Limited	1.57	-
Samar Lifestyle Private Limited	0.26	0.50
Reimbursement of expenses paid		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	5.26	33.60
Barbeque Nation Restaurant LLC	0.01	-
Barbeque Nation (Malaysia) Sdn. Bhd.	0.82	3.81
Barbeque Nation International LLC	0.29	-
Barbeque Nation Holdings Pvt Ltd	-	0.29
Barbeque Holdings Pvt Ltd	-	0.28
Purchase of consumables		
Entity in which KMP / Relatives of KMP can exercise significant influence		
Sara Soule Private Limited	0.08	6.00
Purchase of property, plant and equipment		
Subsidiaries		
Prime Gourmet Private Limited	-	9.15
Rent and maintenance charges		
Entity in which KMP / Relatives of KMP can exercise significant influence		
Sara Soule Private Limited	0.56	-
Sana Reality Private Limited	14.99	10.30
Samar Retail Private Limited	5.66	-
Investing party for which the Company is an Associate		

Notes forming part of the Standalone Financial Statement

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

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Sayaji Hotels Limited	0.57	0.89
Relatives of KMP		
Gulshanbanu Memon	4.56	5.04
Remuneration		
Relatives of KMP		
Sanya Dhanani	0.74	0.52
Security deposit paid		
Entities in which KMP / relatives of KMP have significant influence:		
Sara Soule Private Limited	3.13	-
Samar Retail Private Limited	2.50	-
Relatives of KMP		
Gulshanbanu Memon	0.51	5.00
Investment made during the year in		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	36.82	257.65
Red Apple Kitchen Consultancy Private Limited	674.87	-
Loan granted to subsidiaries		
Subsidiaries:		
Prime Gourmet Private Limited	-	50.20
Barbeque Nation MENA Holding Limited	111.95	149.06
Receipt towards interest on loan granted to subsidiary		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	-	1.00
Write off of loan receivable		
Subsidiaries:		
Prime Gourmet Private Limited	-	73.50
Provision for impairment of investment and loan/interest receivable		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	430.99	274.86
Barbeque Holdings Private Limited	1.39	-
Red Apple Kitchen Consultancy Private Limited	271.00	-
Recognition of credit loss in respect of financial guarantee given towards loan taken by subsidiary		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	71.20	-
Interest income on loan granted		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	5.95	15.89
Balances outstanding with related parties		
Particulars	As at 31-Mar-20	As at 31-Mar-19
Trade receivables		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	4.04	3.98
Barbeque Nation Restaurant LLC	7.91	6.96
Barbeque Nation (Malaysia) SDN. BHD.	0.69	0.36
Barbeque Nation International LLC (Oman)	1.05	-

Notes forming part of the Standalone Financial Statement

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

Particulars	As at 31-Mar-20	As at 31-Mar-19
Loans receivable		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	386.81	274.86
Less: Allowance for impairment	-386.81	-274.86
Security deposits (refundable) with		
Entities in which KMP / relatives of KMP have significant influence:		
Sara Soule Private Limited	3.13	0.21
Samar Retail Private Limited	2.50	-
Sana Reality Private Limited	3.00	3.00
Red Apple Kitchen Consultancy Private Limited	2.50	
Relatives of KMP		
Gulshanbanu Memon	7.46	6.94
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	5.10	5.10
Trade Payables		
Entities in which KMP / relatives of KMP have significant influence:		
Sara Soule Private Limited	0.69	0.28
Samar Lifestyle Private Limited	0.04	-
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	2.61	4.54
Other current assets		
Advances paid for supply of materials / rendering of services		
Samar Lifestyle Private Limited	-	0.11
Other receivables		
Subsidiaries		
Barbeque Nation MENA Holding Limited	7.68	20.65
Barbeque Nation Holdings Private Limited, Mauritius	0.84	0.84
Barbeque Holdings Private Limited, Mauritius	-	0.83
Barbeque Nation (Malaysia) SDN. BHD.	5.76	4.89
Barbeque Nation International LLC (Oman)	0.38	0.09
Interest accrued on loan (before impairment)		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	5.95	-

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-20	For the year ended 31-Mar-19
Short-term benefits	17.33	17.61
Share-based payments	4.69	5.08
Total	22.02	22.69

The above compensation excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by actuary.

Notes forming part of the Standalone Financial Statement

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

44 Adoption of Ind As 116 - Leases

Effective April 1, 2019, the Company adopted Ind AS 116 - "Leases", which sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires Lessees to account for leases in a manner similar to accounting for finance leases under erstwhile Ind AS 17. The Company adopted Ind AS 116 using the full retrospective method. Accordingly the comparative figures have been adjusted in accordance with the policy mentioned in Note 2.18 of Notes to Standalone Financial Statements. The cumulative adjustment on application of this Standard has been adjusted to retained earnings as at April 1, 2018.

The following is the summary of practical expedients elected by the Company on the initial application:

- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly Ind AS 116 is applied to all the lease contracts entered before 1st April, 2018 on the initial date of application of Ind AS 116.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- 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.

For the year ended March 31, 2020, the Company has not applied the practical expedient which permits lessees not to account for COVID-19 related rent concessions as a lease modification.

A Reconciliation of total comprehensive income

Particulars	FY 2018-19
As per audited financial statements	(306.51)
Impact of Ind AS 116	
Reversal of rent expenses recognised under Other operating expenses	642.07
Finance cost (interest) on lease liability	(347.53)
Depreciation on Right-of-use assets	(411.65)
Decrease in depreciation of leasehold improvements pursuant to reclassification to Depreciation on Right-of-use assets	7.18
Profit on early termination of lease contracts recognised under exceptional items	3.78
Tax impact on the above	39.26
As per standalone financial statements	(373.40)

B Reconciliation of Equity

Particulars	As at 01 April, 2018				
	Equity share capital	Securities premium	Share based payment reserve	Retained earnings	Total Equity
Equity as per audited financial statements	138.00	1,330.43	28.58	735.31	2,232.32
Cumulative impact on account of adoption of Ind AS 116 (net of deferred tax)	-	-	-	(422.69)	(422.69)
Total equity, as restated	138.00	1,330.43	28.58	312.62	1,809.63

Particulars	As at 31 Mar, 2019				
	Equity share capital	Securities premium	Share based payment reserve	Retained earnings	Total Equity
Equity as per audited financial statements	139.92	1,628.42	35.98	395.07	2,199.39
Cumulative impact on account of adoption of Ind AS 116 (net of deferred tax)	-	-	-	(489.58)	(489.58)
Total equity, as restated	139.92	1,628.42	35.98	(94.51)	1,709.81

Notes forming part of the Standalone Financial Statement

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

C Statement showing impact of cashflows for the year ended

Particulars	Year ended 31 Mar, 2019		
	As per audited financials	Impact of Ind AS 116	As per standalone financial statements
Cashflow from operating activities	802.49	642.07	1,444.56
Cashflow from investing activities	(1,377.82)	(18.77)	(1,396.59)
Cashflow from financing activities	287.17	(623.30)	(336.13)
Net impact	(288.16)	-	(288.16)

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Sathya P Koushik
Partner

Place : Bengaluru,
 Date : November 3rd, 2020

For and on behalf of the Board of Directors

Kayum Dhanani
Managing Director
 Din No:- 00987597

Rahul Agrawal
Chief Executive Officer

Place : Bengaluru,
 Date : November 3rd, 2020

T.N Unni
Director
 Din No:- 00079237

Amit V Betala
Chief Financial Officer

Nagamani C Y
Company Secretary

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 March 31, 2020, 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.

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 auditor on separate financial statements of the subsidiary referred to in 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 March 31, 2020, and their consolidated loss, their consolidated total comprehensive loss, 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 auditor in terms of their report 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.

Emphasis of matters

- (i) We draw attention to Note 2.2 to the consolidated financial statements, which describe the impact of COVID 19 pandemic on the Group's operations. Further, the current liabilities exceeded its current assets by ₹2,031.99 million as of March 31, 2020.

As stated in the aforesaid note, the board of directors have approved management's detailed business plan (including cash flows) for the Group which interalia envisages (i) cost savings and continuing revenue growth through various initiatives, (ii) extension of moratorium for repayment of loan and interest by its lenders (iii) raising adequate funding through incremental debt and fresh equity infusion and after duly considering the aforesaid business plan and the continued financial support expected to be received from the Promoters of the Parent Company as stated in Note 2.2, have approved the preparation of the consolidated financial statements on a going concern basis.

- (ii) We also draw attention to Note 36 to the consolidated financial statements which describes significant management estimates and assumptions involved in assessing the financial impact of COVID 19 pandemic. Based on such assessment, the Management has concluded that the Group will recover the carrying amount of its assets as on March 31, 2020. However, given the uncertainty regarding the duration, extent and eventual outcome of the impact of the COVID-19 pandemic, the Group cannot estimate with any precision the impact on its prospective financial performance and the eventual outcome of the impact could be different than that estimated as at the date of approval of these consolidated financial statements.

Our opinion is not modified in respect of the matters stated in (i) and (ii) above.

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 Director's 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 subsidiary audited by the other auditor, to the extent it relates to this entity and, in doing so, place reliance on the work of the other auditor 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 subsidiary is traced from their financial statements audited by other auditor.

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 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 included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit 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 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.

Other Matters

We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of ₹443.86 million as at March 31, 2020, total revenues of ₹112.34 million and net cash outflows amounting to ₹3.86 million for the

year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has 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 and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, are not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditor.

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 auditor on the separate financial statements referred to in the Other Matters section above we report, to the extent applicable, 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, returns and the reports of the other auditor.
- 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 Company as on March 31, 2020 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 March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating

effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditors’ reports of the Parent and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

- g) 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.
- h) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated

financial position of the Group in note 39 of the consolidated financial statements;

- ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company and its subsidiary company incorporated in India.

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm’s Registration No. 008072S

Sathya P. Koushik
Partner
(Membership No. 206920)
UDIN:20206920AAAAKX7146

BENGALURU
November 03, 2020

Annexure “A” to the Independent Auditor’s Report

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

Report on the Internal Financial Controls Over Financial Reporting 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 Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Barbeque-Nation Hospitality Limited (hereinafter referred to as “Parent”) and its subsidiary company, which includes internal financial controls over financial reporting, which are companies incorporated in India as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India, 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 and the audit evidence obtained by other auditor of the subsidiary company which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting 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 over financial reporting 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial

controls over financial reporting insofar as it relates to one subsidiary company incorporated in India, is based solely on the report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No. 008072S

Sathya P. Koushik
Partner
(Membership No. 206920)
UDIN:20206920AAAAKX7146

BENGALURU
November 03, 2020

Consolidated Balance Sheet

as at 31 March, 2020

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

Particulars	Note	As at 31-Mar-20	As at 31-Mar-19 (Restated)*	As at 01-Apr-18 (Restated)*
ASSETS				
Non-current assets				
Property, plant and equipment	4(a)	3,321.93	3,032.36	2,247.50
Lease right of use assets	5	4,014.71	3,546.34	2,939.15
Capital work-in-progress		108.92	158.86	185.18
Goodwill	6	722.97	189.66	229.97
Other Intangible assets	4(b)	67.25	54.87	61.96
Financial Assets				
Loans	7	289.15	232.39	212.06
Other financial assets	8	21.59	15.25	11.60
Deferred tax assets (net)	37	277.90	304.53	262.23
Other non-current assets	9	57.24	33.30	172.57
Total Non-current assets [A]		8,881.66	7,567.56	6,322.22
Current assets				
Inventories	10	149.25	192.73	189.80
Financial assets				
Investments		-	-	0.01
Trade receivables	11	21.51	48.99	55.95
Cash and cash equivalents	12	146.96	119.81	436.22
Other financial assets	13	41.89	10.08	3.03
Other current assets	14	313.31	251.68	224.37
Total current assets [B]		672.92	623.29	909.38
Total assets [A+B]		9,554.58	8,190.85	7,231.60
EQUITY AND LIABILITIES				
Equity				
Equity Share capital	15	139.96	139.92	138.00
Other equity	16	(80.80)	1,176.36	1,311.89
Equity attributable to owners of the Company [C]		59.16	1,316.28	1,449.89
Non-controlling interest	17	52.31	-	-
Total equity [D]		111.47	1,316.28	1,449.89
Liabilities				
Non-current liabilities				
Financial Liabilities				
Borrowings	18	1,650.64	1,092.96	854.35
Lease Liability	19	4,327.99	3,768.08	3,220.72
Other financial liabilities	20	674.25	-	-
Provisions	21	85.32	114.07	87.29
Other non-current liabilities		-	-	1.71
Total Non-current liabilities [E]		6,738.20	4,975.11	4,164.07
Current liabilities				
Financial Liabilities				
Borrowings	22	414.66	157.10	185.12
Lease Liability	19	487.74	431.59	286.62
Trade payables	23	-	-	-
- Total outstanding dues of micro enterprises and small enterprises		8.67	1.03	-
- Total outstanding dues of creditors other than micro enterprises		1,116.46	767.27	673.29
Other financial liabilities	24	488.47	389.29	320.38
Other current liabilities	25	115.59	79.94	66.84
Provisions	26	62.71	33.54	32.25
Current tax liabilities (Net)	27	10.61	39.70	53.14
Total current liabilities [F]		2,704.91	1,899.46	1,617.64
Total liabilities [G= [E+F]]		9,443.11	6,874.57	5,781.71
Total equity and liabilities [G+D]		9,554.58	8,190.85	7,231.60

See accompanying notes to the Consolidated Financial Statements

*Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer note 44)

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Sathya P Koushik

Partner

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

Amit V Betala

Chief Financial Officer

Nagamani C Y

Company Secretary

Place : Bengaluru,

Date : November 3rd, 2020

Place : Bengaluru,

Date : November 3rd, 2020

Consolidated Statement of Profit & Loss

for the year ended 31 March, 2020

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

Particulars	Note	For the year ended 31-Mar-20	For the year ended 31-Mar-19 (Restated)*
Continuing Operations			
Revenue from operations	28	8,469.70	7,390.16
Other income	29	38.24	35.25
Total Revenue		8,507.94	7,425.41
Expenses			
Cost of food and beverages consumed	30	2,921.99	2,476.25
Employee benefits expenses	31	1,975.08	1,679.80
Other operating expenses	32	1,930.48	1,775.49
Total		6,827.55	5,931.54
Earnings before exceptional items, finance costs, depreciation and amortisation (EBITDA)		1,680.39	1,493.87
Finance costs	33	755.92	564.01
Depreciation and amortisation expense	34	1,339.63	895.36
Profit/(loss) before exceptional items and tax		(415.16)	34.50
Exceptional items	35	(163.80)	102.72
Profit/(loss) before tax		(251.36)	(68.22)
Tax expense / (benefit):	37		
(1) Current tax		49.35	184.36
(2) Deferred tax		(56.63)	(40.56)
(3) Deferred tax impact on account of change in effective tax rate		85.20	-
Total tax expense		77.92	143.80
I Profit/(loss) after tax from continuing operations		(329.28)	(212.02)
Discontinued Operations			
(1) Loss from discontinued operations	38 (II)	-	(226.70)
(2) Tax benefit / (expense) of discontinued operations		-	54.86
II Profit/(loss) after tax from discontinued operations		-	(171.84)
III Profit/(loss) for the year (I + II)		(329.28)	(383.86)
Profit/(Loss) from continuing operations for the year attributable to:			
Owners of the Company		(323.91)	(212.02)
Non controlling interests		(5.37)	-
Profit/(Loss) from discontinued operations for the year attributable to:			
Owners of the Company		-	(171.84)
Non controlling interests		-	-
IV Other comprehensive income			
A (i) Items that will not be recycled to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)		(7.70)	(4.99)
(ii) Income tax relating to items that will not be reclassified to profit or loss		1.94	1.74
B (i) Items that may be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operation		(20.73)	(20.08)
V Total comprehensive income for the year (III+IV)		(355.77)	(407.19)
Total comprehensive income for the year attributable to:			
Owners of the Company		(350.40)	(407.19)
Non controlling interests		(5.37)	-
Earnings per equity share (for continuing operation):			
(1) Basic	44	(11.77)	(8.31)
(2) Diluted	44	(11.77)	(8.31)
Earnings per equity share (for discontinued operation):			
(1) Basic	44	-	(6.14)
(2) Diluted	44	-	(6.14)
Earnings per equity share (for continuing and discontinued operations):			
(1) Basic	44	(11.77)	(14.45)
(2) Diluted	44	(11.77)	(14.45)

See accompanying notes to the Consolidated Financial Statements

*Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer note 47)

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Sathya P Koushik

Partner

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

Amit V Betala

Chief Financial Officer

Nagamani C Y

Company Secretary

Place : Bengaluru,

Date : November 3rd, 2020

Place : Bengaluru,

Date : November 3rd, 2020

Consolidated Cash Flow Statement for the year ended 31 March, 2020

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

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19 (Restated)*
A. Cash flow from operating activities		
Profit / (loss) before tax		
from continuing operations	(251.36)	(68.22)
from discontinuing operations	-	(226.70)
Adjustments for:		
Depreciation and amortisation	1,339.63	1,021.63
Net loss relating to restaurant units closed / relocated	22.37	102.72
Write back of gross obligation to acquire non-controlling interests in Red Apple (Refer note 20)	(236.17)	-
Impairment of goodwill (Refer note 6)	50.00	-
Loss on disposal of subsidiary during the year (Refer Note 38(II))	-	89.68
Interest expense on borrowings	172.77	98.12
Interest expense on gross obligation	23.29	-
Interest expenses on provision for asset retirement obligations	3.56	9.08
Interest on lease liabilities	481.33	398.93
Interest income	(22.21)	(17.96)
Income from government grant	-	(4.71)
Expense on employee stock option scheme	13.12	7.40
Provision no longer required	(9.00)	-
Provision for doubtful receivables and advances	10.86	12.16
Operating profit before working capital changes	1,598.19	1,422.13
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	43.48	(2.93)
Trade receivables	16.62	(5.20)
Other assets (financial & non financial)	(74.13)	(176.90)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	343.27	98.10
Non-current provisions	(28.75)	15.95
Current provisions	34.61	1.29
Other liabilities	(44.32)	13.04
Cash generated from operations	1,888.97	1,365.48
Net income tax (paid) / refunds	(78.44)	(142.94)
Net cash flow from / (used in) operating activities (A)	1,810.53	1,222.54
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment, including Right-of-use assets, CWIP and capital advances	(840.59)	(1,299.82)
Proceeds from sale of property, plant and equipment	0.68	1.03
Proceeds from sale of investment in subsidiary	-	0.50
Aquisition of Subsidiary	(674.87)	-
Deposits placed for margin money	(36.44)	(9.86)
Deposits held as margin money released	-	-
Interest received	22.21	17.12
Sale of investment in mutual fund	-	0.01
Net cash flow from / (used in) investing activities (B)	(1,529.01)	(1,291.02)

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19 (Restated)*
C. Cash flow from financing activities		
Proceeds from issue of equity shares	1.02	320.31
Share issue expenses / Expenses towards offer for sale of shares	(61.10)	(22.70)
Proceeds from long-term borrowings	943.88	827.09
Repayment of long-term borrowings	(325.50)	(497.08)
Net increase / (decrease) in working capital borrowings	257.56	(28.02)
Dividend paid (including dividend tax)	(33.73)	(33.73)
Payments of interest portion of lease liabilities	(481.29)	(398.93)
Payments of principal portion of lease liabilities	(393.43)	(311.25)
Interest paid	(172.77)	(103.13)
Net cash flow from financing activities (C)	(265.36)	(247.44)
Net increase in cash and cash equivalents (A+B+C)	16.16	(315.92)
Cash and cash equivalents at the beginning of the year	119.81	436.23
Add: Cash and bank balances pursuant to acquisition of subsidiary during the year	10.99	-
Less: Cash and bank balances pursuant to disposal of subsidiary during the year	-	(0.50)
Cash and cash equivalents at the end of the year	146.96	119.81

See accompanying notes to the Consolidated Financial Statements

*Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer note 47)

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Sathya P Koushik

Partner

For and on behalf of the Board of Directors

Kayum Dhanani

Managing Director

Din No:- 00987597

Rahul Agrawal

Chief Executive Officer

T.N Unni

Director

Din No:- 00079237

Amit V Betala

Chief Financial Officer

Nagamani C Y

Company Secretary

Place : Bengaluru,

Date : November 3rd, 2020

Place : Bengaluru,

Date : November 3rd, 2020

Consolidated Statement of Changes in Equity as at 31 March, 2020

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

(a) Equity share capital

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Opening balance	139.92	138.00
Changes in equity share capital during the year		
Issue of the equity share during the year	0.04	1.92
Closing balance	139.96	139.92

(b) Other equity

Particulars	Reserves and Surplus				Equity attributable to equity holders of the Company (E=A+B+C+D)	Non-controlling interests (F)	Total other equity (G= E+F)
	Securities premium (A)	Share options outstanding account (B)	Retained earnings (C)	Other comprehensive income - Foreign currency translation (D)			
Balance as at April 01, 2018*	1,330.43	28.58	(43.88)	(3.24)	1,311.89	-	1,311.89
Profit /(loss) for the year	-	-	(383.86)	-	(383.86)	-	(383.86)
Remeasurements of the defined benefit plans (net of tax)	-	-	(3.25)	-	(3.25)	-	(3.25)
Foreign currency translation	-	-	-	(20.08)	(20.08)	-	(20.08)
Total comprehensive income/(loss)	-	-	(387.11)	(20.08)	(407.19)	-	(407.19)
Premium received on shares issued during the year	318.39	-	-	-	318.39	-	318.39
Share issue expenses	(20.40)	-	-	-	(20.40)	-	(20.40)
Share based compensation to employees for the year	-	7.40	-	-	7.40	-	7.40
Dividend and tax thereon	-	-	(33.73)	-	(33.73)	-	(33.73)
Balance as at March 31, 2019 *	1,628.42	35.98	(464.72)	(23.32)	1,176.36	-	1,176.36
Profit /(loss) for the year	-	-	(323.91)	-	(323.91)	(5.37)	(329.28)
Remeasurements of the defined benefit plans (net of tax)	-	-	(5.76)	-	(5.76)	-	(5.76)
Foreign currency translation	-	-	-	(20.73)	(20.73)	-	(20.73)
Total comprehensive income/(loss)	-	-	(329.67)	(20.73)	(350.40)	(5.37)	(355.77)
Pursuant to business combination (Refer note 17)	-	-	-	-	-	57.68	57.68
Premium received on shares issued during the year	2.59	-	-	-	2.59	-	2.59
Share issue expenses	-	-	-	-	-	-	-
Transfer on exercise of options	-	(1.61)	-	-	(1.61)	-	(1.61)
Transfer on forfeiture of options	-	(0.18)	0.18	-	-	-	-
Share based compensation to employees	-	13.12	-	-	13.12	-	13.12
Dividend and tax thereon	-	-	(33.73)	-	(33.73)	-	(33.73)
Gross obligation towards put option given to non-controlling interests	-	-	(887.13)	-	(887.13)	-	(887.13)
Balance as at March 31, 2020	1,631.01	47.31	(1,715.07)	(44.05)	(80.80)	52.31	(28.49)

See accompanying notes to the Standalone Financial Statements

*Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer note 44)

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Sathya P Koushik
Partner

Place : Bengaluru,
Date : November 3rd, 2020

For and on behalf of the Board of Directors

Kayum Dhanani
Managing Director
Din No:- 00987597

Rahul Agrawal
Chief Executive Officer

Place : Bengaluru,
Date : November 3rd, 2020

T.N Unni
Director
Din No:- 00079237

Amit V Betala
Chief Financial Officer

Nagamani C Y
Company Secretary

Notes to the Consolidated Financial Statement

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 Survey No. 62, Site No. 13, 6th cross, NS Palya, Stage 2, BTM Layout, Bengaluru - 560 076, Karnataka, India.

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. Refer note 46 in respect of change in accounting policy due to adoption of Ind AS 116.

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.

The impact of the COVID-19 pandemic and the measures put in place to control the spread of virus by the jurisdictional regulatory authorities, have triggered disruptions to the Group's operations at the balance sheet date. Further, its current liabilities exceeded its current assets by ₹2,031.99 Million as of March 31, 2020.

Due to the restrictions placed by the jurisdictional regulatory authorities, the Group's restaurant outlets were closed temporarily commencing from latter part of March 2020 and pursuant to the reduced level of operations, the Group has incurred operating losses during the period of closure and in the period subsequent to March 31, 2020. The Group has resumed its operations in a phased manner depending on easing of lockdown restrictions and its evaluation of operating scenarios at respective store locations. As on date of approval of these financial statements, the Group had opened substantially all of its outlets and commenced operations.

In order to address the matter of having adequate liquidity in the Group to ensure that the Group can meet all its obligations in the normal course of business, the management of the Group has taken various measures which include the following:

- A number of cash conservation measures, including a (i) significant reduction in the level of capital expenditure in the short term, (ii) limiting the outflows to only outlets which the Group intends to operationalise, compliance and health and safety related spend, (iii) pausing all non-essential discretionary and variable spending, (iv) payroll cost reductions through store manpower rationalisation and salary cuts, and (v) extended credit with suppliers and lessors, reduction in lease rentals etc.
- Continuing focus on outdoor catering and sourcing of customers from third party platforms, its various initiatives to comply with sanitization and social distancing protocols, minimal contact experience through non-touch alternatives and

Notes to the Consolidated Financial Statement

strict adherence to hygiene norms along with gradual easing of regulatory restrictions are expected to help the Group to achieve its pre-COVID level of operations and profitability by April 2021.

- The Group has approached its lenders requesting for moratorium for payment of interest across all the loan facilities till March 31, 2021 and repayment of principal for all its loans till August 31, 2022.
- Raising adequate funding through incremental debt from banks with 1 year moratorium for repayment of principal and interest and fresh equity infusion.

The Promoters of the Group have committed to the Parent Company, financial support, if any required to ensure that the Group shall be able to meet all its obligations in the normal course of business for a period of not less than one year from the date of approval of these financial statements.

The Board of directors of the Parent Company have approved the aforesaid business plan and in their assessment, based on due consideration of the business plan and the Promoters' undertaking referred above, the Group will be able to meet all its obligations in the normal course of business. Accordingly, the Board of directors have approved the preparation of the consolidated financial statements on a going concern basis.

The consolidated financial statements do not therefore incorporate adjustments, if any, that may be required in respect of recoverability and classification of asset carrying amounts or the amounts and classification of liabilities, should the Group not continue as a going concern.

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:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- 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 Restated Consolidated Financial Information of the Group include subsidiaries in the table below:

Name of the entity	Country of incorporation	As at 31-Mar-20	As at 31-Mar-19	As at 01-Apr-18
Prime Gourmet Private Limited (Refer note 38 of for further details)	India	-	-	100%
Barbeque Nation Mena Holding Limited	Dubai	100%	100%	100%
Barbeque-Nation Restaurant LLC	Dubai	49%	49%	49%
Barbeque Nation (Malaysia) SDN. BHD.	Malaysia	100%	100%	100%
Barbeque Nation International LLC	Oman	49%	49%	NA
Barbeque Nation Holdings Private Limited	Mauritius	100%	100%	100%
Barbeque Holdings Private Limited	Mauritius	100%	100%	100%
Barbeque Nation Kitchen LLC	Dubai	49%	49%	N/A
Red Apple Kitchen Consultancy Private Limited (Refer note 38)	India	61.35%	N/A	N/A

Notes to the Consolidated Financial Statement

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 i.e. on transfer of control of the goods or service to the 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 gift voucher, 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 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.

Notes to the Consolidated Financial Statement

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

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.

Notes to the Consolidated Financial Statement

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. 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.

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.

Notes to the Consolidated Financial Statement

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 (₹).

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 to the Consolidated Financial Statement

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.

The Company had formulated Phantom Option Scheme (POS) under which eligible members are granted phantom shares entitling them to receive cash payments for the amounts measured as a difference between market value of share and the exercise price after the completion of specified period from the date of grant. Fair value of such cash-settled options is measured at every reporting date and is recognised as expense to the Statement of Profit and loss over the remaining vesting period on a straight-line basis with a corresponding adjustment recognised as liability.

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.

For arrangements entered into prior to the date of transition to Ind AS, i.e., April 1, 2018, the Group has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

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.

Notes to the Consolidated Financial Statement

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.

2.20 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.

Notes to the Consolidated Financial Statement

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

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.

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 to the Consolidated Financial Statement

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.

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:

Name of the entity	Country of incorporation	As at	As at	As at
		31-Mar-20	31-Mar-19	01-Apr-18
Barbeque-Nation Restaurant LLC	Dubai	49%	49%	49%
Barbeque Nation International LLC	Oman	49%	49%	NA
Barbeque Nation Kitchen LLC	Dubai	49%	49%	N/A

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 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 to the Consolidated Financial Statement

(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-19	Additions	Acquisition through Business combination (Refer note 38)	Deletions	Effect of foreign currency exchange differences	Balance as at 31-Mar-2020	Depreciation / amortisation expense for the year	Eliminated on disposal of assets (Refer note 38)	Effect of foreign currency exchange differences	Balance as at 31-Mar-2020	Balance as at 31-Mar-2019	Balance as at 31-Mar-2020
4(a) Property, plant and equipment (owned)												
Lease hold improvements	1,379.08	279.48	132.71	(0.51)	29.51	1,820.27	343.85	49.34	9.98	684.15	1,136.12	1,097.61
Furniture and fixtures	1,003.24	192.73	28.82	(0.51)	4.79	1,229.07	145.19	15.45	1.69	407.88	821.19	757.40
Plant & machinery	703.39	179.01	19.60	(4.44)	4.43	901.99	69.97	5.67	1.01	174.98	727.01	602.47
Service equipments	752.52	148.08	61.59	(0.79)	6.53	967.93	136.37	24.12	1.36	423.76	544.17	490.13
Computer equipments	137.88	47.77	3.49	(1.40)	0.99	188.73	44.97	2.00	0.50	103.57	85.16	80.40
Vehicles	7.00	4.60	3.58	(0.32)	0.30	15.16	2.06	2.24	0.14	6.88	8.28	4.35
Total	3,983.11	851.67	249.79	(7.97)	46.55	5,123.15	742.41	98.82	14.68	1,801.22	3,321.93	3,032.36
4(b) Intangible assets (others)												
Liquor licenses	8.82	0.60	2.25	-	-	11.67	0.16	-	-	6.83	4.84	2.15
Software and licenses	37.87	19.62	-	-	0.13	57.62	9.94	-	0.12	24.69	32.93	23.24
Brand name	29.48	-	-	-	-	29.48	-	-	-	-	29.48	29.48
Total	76.17	20.22	2.25	-	0.13	98.77	10.10	-	0.12	31.52	67.25	54.87
Grand Total	4,059.28	871.89	252.04	(7.97)	46.68	5,221.92	752.51	98.82	14.80	1,832.74	3,389.18	3,087.23
Particulars	Cost					Accumulated depreciation/amortisation					Net Block	
Balance as at 01-Apr-18	Additions	Acquisition through Business combination (Refer note 38)	Deletions	Effect of foreign currency exchange differences	Balance as at 31-Mar-2019	Depreciation / amortisation expense for the year	Eliminated on disposal of assets (Refer note 38)	Effect of foreign currency exchange differences	Balance as at 31-Mar-2019	Balance as at 31-Mar-2019	Balance as at 31-Mar-2018	
4(a) Property, plant and equipment (owned)												
Lease hold improvements	871.29	617.44	(55.94)	(63.89)	10.18	1,379.08	185.53	(6.06)	1.15	281.47	1,097.61	714.50
Furniture and fixtures	765.30	261.03	(16.95)	(8.28)	2.14	1,003.24	114.05	(0.86)	0.57	245.84	757.40	616.27
Plant & machinery	584.83	180.13	(5.61)	(4.96)	-	703.39	90.39	(1.04)	-	100.92	602.47	516.65
Service equipments	534.32	235.24	(7.17)	(14.19)	4.32	752.52	92.85	(2.82)	0.61	262.39	490.13	355.40
Computer equipments	74.21	69.93	(5.64)	(1.01)	0.39	137.88	28.41	(0.22)	0.14	57.48	80.40	39.42
Vehicles	6.36	0.44	-	-	0.20	7.00	1.52	-	0.03	2.65	4.35	5.26
Total	2,836.31	1,364.21	(142.31)	(92.33)	17.23	3,983.11	512.75	(11.00)	2.50	950.75	3,032.36	2,247.50
4(b) Intangible assets (others)												
Liquor licenses	33.04	0.50	(24.72)	-	-	8.82	18.52	-	-	6.67	2.15	20.17
Software and licenses	20.52	17.85	(0.30)	(0.28)	0.08	37.87	6.77	(0.09)	0.04	14.63	23.24	12.31
Brand name	29.48	-	-	-	-	29.48	-	-	-	-	29.48	29.48
Total	83.04	18.35	(25.02)	(0.28)	0.08	76.17	25.29	(0.09)	0.04	21.30	54.87	61.96
Grand Total	2,919.35	1,382.56	(167.33)	(92.61)	17.31	4,059.28	538.04	(11.09)	2.54	972.05	3,087.23	2,309.46

*Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer note 4.7)

Notes to the Consolidated Financial Statement

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

5 Right-of-use asset*

Cost

Particulars	₹
As at April 01, 2018	4,522.17
Additions	1,232.40
Deletions	(229.96)
Effect of foreign currency exchange differences	32.23
As at March 31, 2019	5,556.84
Additions	1,037.68
Adjustment due to modification	(45.04)
Add : Recognised from business combinations during the year (Refer note 38(I))	364.02
Deletions	(261.30)
Effect of foreign currency exchange differences	33.29
As at March 31, 2020	6,685.49

Accumulated depreciation

Particulars	₹
As at April 01, 2018	1,584.13
Depreciation charge for the year	483.61
Deletions	(62.24)
Effect of foreign currency exchange differences	5.00
As at March 31, 2019	2,010.50
Depreciation charge	587.12
Add : Recognised from business combinations during the year (Refer note 38(I))	144.56
Deletions	(83.07)
Effect of foreign currency exchange differences	11.67
As at March 31, 2020	2,670.78

Net Book Value

Particulars	₹
As at March 31, 2020	4,014.71
As at March 31, 2019	3,546.34
As at April 01, 2018	2,938.04

*Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer note 44)

6. Goodwill

A reconciliation of the carrying amount of goodwill at the beginning and end of the reporting period

Particulars	As at 31-Mar-20	As at 31-Mar-19
Cost or deemed cost	722.97	189.66
Total	722.97	189.66

Movement of Goodwill

Particulars	As at 31-Mar-20	As at 31-Mar-19
Opening balance	189.66	229.97
Additional amounts recognised from business combinations / derecognised on account of discontinued operations (Refer note 38(I))	583.31	(40.31)
Impairment of goodwill	(50.00)	-
Closing balance	722.97	189.66

Notes to the Consolidated Financial Statement

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

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-20	As at 31-Mar-19
Group of Cash generating units		
Restaurant outlets acquired and operating with the brand name Barbeque-Nation	189.66	189.66
Outlets operating with the brand name "Toscano" and "Café Toscano"	583.31	-
Total	772.97	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. For its impairment assessment as at March 31, 2020, the management has assessed the impact of the Covid 19 on the operations and forecasted cash flows. The following inputs have been used for arriving the said recoverable amount.

Restaurant outlets

Particulars	As at 31-Mar-20	As at 31-Mar-19
Input considered		
Discount rate	18.00%	13.00%
Growth rate	2.00%	4.00%

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.

In respect of restaurant outlets operating with the brand name "Toscano" and "Café Toscano", the above assessment has resulted in impairment of goodwill amounting ₹50.

As explained in note 36, given the uncertainty regarding the duration, extent and ultimate impact of the COVID-19 pandemic, the Group cannot estimate with any precision the impact on its prospective financial performance and accordingly the impact may be different from that estimated as at the date of approval of these financial statements.

7. Loans

(Classified under non-current assets)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Carried at amortised cost		
Security deposits		
- Unsecured, considered good	289.15	232.39
- Doubtful	30.94	-
Less : Allowance for bad and doubtful deposits pursuant to closure of outlets	(30.94)	-
Total	289.15	232.39

Note: 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 33.

8. Other financial assets

(Classified under non-current assets)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Financial assets at amortised cost		
Deposit with related parties	-	0.21
Balances held as margin money or security	21.59	15.04
Total	21.59	15.25

Notes to the Consolidated Financial Statement

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

9. Other non-current assets

Particulars	As at 31-Mar-20	As at 31-Mar-19
Unsecured, considered good:		
Capital advances	-	6.24
Amounts paid to statutory authorities under protest	29.77	10.62
Other security deposits	27.47	16.44
Total	57.24	33.30

10. Inventories

Particulars	As at 31-Mar-20	As at 31-Mar-19
(At lower of cost and net realisable value)		
Food and beverages	133.79	139.82
Stores and consumables	15.46	52.91
Total	149.25	192.73

The cost of inventories recognised as an expense includes ₹36.67 (FY 2018-19: ₹Nil) in respect of write-downs of inventory to net realisable value pursuant to temporary lockdown of restaurant outlets on account of COVID-19 pandemic.

11. Trade Receivables

Particulars	As at 31-Mar-20	As at 31-Mar-19
Trade receivables (unsecured) consist of following		
considered good	21.51	48.99
credit impaired	1.65	14.68
	23.16	63.67
Less: Allowance for credit loss	(1.65)	(14.68)
Total	21.51	48.99

The Group's business is predominantly retail in nature on 'cash and carry' basis which is largely through cash and credit card collections. The credit risk on such credit card collections is minimal, since they are primarily owned by card issuing banks. The Group also has certain receivables from corporates on credit terms ranging upto 60 days.

The Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

Movement in allowance for credit loss is as follows:

Particulars	As at 31-Mar-20	As at 31-Mar-19
Opening balance	14.68	2.52
Movement in expected credit loss (ECL) allowance on trade receivables at lifetime ECL	-	12.16
Written-off during the year	(13.03)	-
Closing balance	1.65	14.68

12. Cash and cash equivalents

Particulars	As at 31-Mar-20	As at 31-Mar-19
Balances with banks		
In current accounts	144.46	101.42
Cash in hand	2.50	18.39
Cash and cash equivalents	146.96	119.81

Notes to the Consolidated Financial Statement

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

13. Other financial assets

(Classified under current assets)

Particulars	As at	As at
	31-Mar-20	31-Mar-19
Balances held as margin money or security	36.10	6.21
Interest accrued on fixed deposits	5.79	3.87
Total	41.89	10.08

14. Other current assets

Particulars	As at	As at
	31-Mar-20	31-Mar-19
Advance to employees	27.69	5.97
Prepaid expenses	72.54	115.48
Advances paid for supply of materials / rendering of services		
Unsecured, considered good	65.95	50.40
Doubtful	9.93	9.96
	75.88	60.36
Less: Allowance for bad and doubtful advances	(9.93)	(9.96)
	65.95	50.40
Balance with Government authorities	10.95	4.75
Unamortised share issue expenses (Refer note below)	136.18	75.08
Total	313.31	251.68

Note: The Company has incurred expenses towards proposed Initial Public Offering of its equity shares. The Company expects to recover certain amounts from the shareholders and the balance amount would be charged-off to securities premium account in accordance with Section 52 of the Companies Act, 2013 upon the shares being issued.

Movement in allowance for bad and doubtful advances

Particulars	As at	As at
	31-Mar-20	31-Mar-19
Opening balance	9.96	9.96
Additional provision during the year	5.95	-
Written-off during the year	(5.98)	-
Closing balance	9.93	9.96

15. Equity Share capital

Particulars	As at	As at
	31-Mar-20	31-Mar-19
Authorised		
60,000,000 equity shares of ₹5/- each (as at 31-Mar-19 60,000,000 equity shares of ₹5/- each)	300.00	300.00
Issued, subscribed and fully paid up capital		
27,991,788 equity shares of ₹5/- each (as at 31-Mar-19 27,984,014 equity shares of ₹5/- each)	139.96	139.92
Total	139.96	139.92

(a) Reconciliation of the number of shares and amount outstanding as at the beginning and at the end of the year

Particulars	As at 31-Mar-20		As at 31-Mar-19	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹5/- each:				
Opening balance	2,79,84,014	139.92	2,75,99,014	138.00
Add: Issued during the year #	7,774	0.04	3,85,000	1.92
Closing balance	2,79,91,788	139.96	2,79,84,014	139.92

Notes to the Consolidated Financial Statement

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

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- (i) 7,774 equity shares of ₹5 each were issued to employees pursuant to Employee stock options scheme
- (ii) 385,000 equity shares of ₹5 each were issued to Partner Reinsurance Europe SE at a premium of ₹827 per share on April 11, 2018.

(b) Details of shares held by each shareholder holding more than 5% shares

Particulars	As at 31-Mar-20		As at 31-Mar-19	
	No. of Shares	% holding	No. of Shares	% holding
Sayaji Housekeeping Services Limited	1,26,21,116	45.09%	1,26,21,116	45.10%
Tamara Private Limited	60,78,402	21.71%	60,78,402	21.72%
Pace Private Limited	31,82,964	11.37%	31,82,964	11.37%
Kayum Razak Dhanani	12,98,684	4.64%	13,98,684	5.00%

(c) Number of equity shares reserved for issuance

Particulars	As at 31-Mar-20	As at 31-Mar-19
Equity shares of ₹5/- each to eligible employees under Employee Stock Option Scheme	9,24,706	5,32,480

- (d) The Company has only one class of equity share having a par value of ₹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.

16. Other equity

Particulars	As at 31-Mar-20	As at 31-Mar-19
Securities premium	1,631.01	1,628.42
Share based payment reserve	47.31	35.98
Foreign currency translation reserve	(44.05)	(23.32)
Retained earnings	(1,715.07)	(464.72)
Total	(80.80)	1,176.36

Particulars	As at 31-Mar-20	As at 31-Mar-19
(A) Reserves & Surplus		
Securities premium		
Opening balance	1,628.42	1,330.43
Add: Premium on shares issued during the year	2.59	318.39
Less : Share issue expenses	-	(20.40)
Closing balance	1,631.01	1,628.42
Share based payment reserve		
Opening balance	35.98	28.58
Add: Charge for the year	13.12	7.40
Less: Transfer to securities premium on account of exercise	(1.61)	-
Less: Transfer to retained earnings on account of forfeiture	(0.18)	-
Closing balance	47.31	35.98
Retained earnings		
Opening balance	(464.72)	(43.88)
Add: Transfer on forfeiture of options	0.18	-
Less: Gross obligation towards put option given to non-controlling interests (Refer note 38)	(887.13)	-
Add: Profit/(loss) for the year	(323.91)	(383.86)
Less : Remeasurement loss recognised in Other comprehensive Income (net of tax)	(5.76)	(3.25)

Notes to the Consolidated Financial Statement

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

Particulars	As at 31-Mar-20	As at 31-Mar-19
Less: Dividend on equity shares (Refer note below)	(27.98)	(27.98)
Less :Tax on dividend above (Refer note below)	(5.75)	(5.75)
Closing balance	(1,715.07)	(464.72)
(B) Items of other comprehensive income		
Foreign currency translation reserve		
Opening balance	(23.32)	(3.24)
Add: Additions during the year	(20.73)	(20.08)
Closing balance	(44.05)	(23.32)

Note:

Particulars	As at 31-Mar-20	As at 31-Mar-19
The amount of dividends proposed before the financial statements were approved for issue but not recognised as a distribution to owners during the year	-	27.98
Tax on dividend above	-	5.75

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 share 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-20	As at 31-Mar-19
Balance at beginning of year	-	-
Non-controlling interests arising on the acquisition of Red Apple Kitchen Consultancy Private Limited (Refer note 38)	57.68	-
Share of profit / (loss)	(5.37)	-
Balance at end of year	52.31	-

18. Borrowings

(Classified under non-current liabilities)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Secured at amortised cost:		
(For details of terms and security, refer notes)		
Term loans		
(i) from banks	1,267.18	1,091.97
(ii) from non-banking financial institutions	382.14	-
Vehicle loans	1.32	0.99
Total	1,650.64	1,092.96

Notes to the Consolidated Financial Statement

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

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

Terms of repayment and security	As at 31-Mar-20	As at 31-Mar-19
Term loans from banks		
(i) Term loan 1:		
Non - Current portion	291.73	154.92
Current maturities of long-term debt	45.77	60.00
Repayment terms:		
Repayable in 60 monthly instalments after a moratorium of 6 months and carries an interest rate of 1 Year MCLR + 0.40% 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.		
(ii) Term loan 2:		
Non - Current portion	11.77	23.35
Current maturities of long-term debt	13.69	21.53
Repayment terms:		
USD loan - Repayable in 60 defined monthly instalments and carries an interest rate of 6 months LIBOR + 450 base points		
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.		
(iii) Term loan 3:		
Non - Current portion		
Current maturities of long-term debt	52.51	63.00
Repayment terms:	10.51	18.00
Repayable in 60 equal monthly instalments 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.		
(iv) Term loan 4:		
Non - Current portion	11.56	20.00
Current maturities of long-term debt	8.26	14.40

Notes to the Consolidated Financial Statement

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

Terms of repayment and security	As at 31-Mar-20	As at 31-Mar-19
Repayment terms:		
Repayable in 42 defined monthly instalments 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.		
(v) Term loan 5:		
Non -Current portion	207.24	-
Current maturities of long-term debt	39.41	-
Repayment terms:		
Repayable in 54 defined installments and carries an interest rate of 1 year MCLR plus 0.85% 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.		
(vi) Term loan 6:		
Non -Current portion	254.96	297.88
Current maturities of long-term debt	48.38	82.56
Repayment terms:		
Repayable in 60 monthly instalments and carries interest rate at 1 year MCLR plus 0.60% p.a.		
Security :		
1) First paripassu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future		
2) First paripassu charge over the Brand of the Company		
(vii) Term loan 7:		
Non -Current portion	17.92	22.23
Current maturities of long-term debt	4.79	10.00
Repayment terms:		
Repayable in 20 equal quarterly instalments and carries an interest at 1 year MCLR + 155 base points p.a.		
Security :		
1) First paripassu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future		
2) First paripassu charge over the Brand of the Company		
(viii) Term loan 8:		
Non -Current portion	18.67	29.73
Current maturities of long-term debt	5.08	10.53

Notes to the Consolidated Financial Statement

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

Terms of repayment and security	As at 31-Mar-20	As at 31-Mar-19
Repayment terms:		
Repayable in 19 equal quarterly instalments and carries an interest at 1 year MCLR + 155 base points p.a.		
Security :		
1) First paripassu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future		
2) First paripassu charge over the Brand of the Company		
(ix) Term loan 9:		
Non - Current portion	-	-
Current maturities of long-term debt	-	6.97
Repayment terms:		
Repayable in 9 quarterly instalments and carries an interest at 1 year MCLR + 155 base points p.a.		
Security :		
1) First paripassu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future		
2) First paripassu charge over the Brand of the Company		
(x) Term loan 10:		
Non-current portion	187.00	-
Current maturities of long-term debt	39.20	-
Repayment terms:		
Repayable in 36 defined monthly installments and carries an interest rate of 14% p.a		
Security :		
1) Second ranking pari-passu charge over all current and moveable fixed assets and security deposits of the Company, both present and future.		
2) Exclusive pledge over the shares of Red Apple Kitchen Consultancy Private Limited.		
(xi) Term loan 11:		
Non-current portion	195.14	-
Current maturities of long-term debt	51.26	-
Repayment terms:		
Repayable in 33 defined monthly installments and carries an interest rate of 14% p.a		
Security :		
1) Second paripassu charge over all current assets and security deposits of the Company, both present and future		
2) Exclusive pledge over 35% of the aggregate share capital of Red Apple Kitchen Consultancy Private Limited (on a fully diluted basis) acquired by the Company		
(xii) Term loan 12:		
Non - Current portion	0.89	-
Current maturities of long-term debt	2.92	-
Repayment terms:		
Repayable in 18 equated monthly instalments and carries an interest of 12% p.a		
Security :		
First paripassu charge on all current assets of Red Apple Kitchen Consultancy Private Limited		

Notes to the Consolidated Financial Statement

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

Terms of repayment and security	As at 31-Mar-20	As at 31-Mar-19
(xiii) Term loan 13:		
Non -Current portion	32.19	42.15
Current maturities of long-term debt	14.31	11.51
Repayment terms:		
USD loan - Repayable in 11 unequal half yearly installments after a moratorium of 12 months and carries an interest rate of 6-month LIBOR plus 450 bps		
Security :		
1) First paripassu charge on all current assets, movable fixed assets (present & future) including security deposits of the Company		
2) First paripassu charge on brand and other intangible assets of Company		
3) Corporate guarantee by Barbeque Nation Hospitality Limited, Parent Company		
(xiv) Term loan 14:		
Non -Current portion	367.74	438.71
Current maturities of long-term debt	97.75	92.22
Repayment terms:		
USD loan - Repayable in 24 equal quarterly installments after a moratorium of 12 months and carries an interest rate of 6 months LIBOR plus 300 bps p.a.p.m		
Security :		
1) First paripassu charge on all the current assets, movable fixed assets (present and future) including security deposits of the Company		
2) First paripassu charge over the Brand and other intangible assets of the Company		
3) Corporate guarantee by Barbeque Nation Hospitality Limited, Parent Company		
(xv) Vehicle loan 1:		
Non -Current portion	0.27	0.55
Current maturities of long-term debt	0.33	0.30
Repayment terms:		
AED loan - Repayable in 48 equated monthly installments and carries an interest rate of 3.25% p.a		
Security :		
1) Undated security cheques for the entire loan amount		
2) Personal guarantee of Mr. Mansoor Mohmed Ismail Memon, Director		
(xvi) Vehicle loan 2:		
Non -Current portion	-	0.44
Current maturities of long-term debt	0.47	0.48
Repayment terms:		
AED loan - Repayable in 36 equated monthly installments and carries an interest rate of 3.25% p.a		
Security :		
1) Undated security cheques for the entire loan amount		
2) Personal guarantee of Mr. Mansoor Mohmed Ismail Memon, Director		
(xvii) Vehicle loan 3:		
Non -Current portion	1.05	-
Current maturities of long-term debt	2.20	-

Notes to the Consolidated Financial Statement

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

Terms of repayment and security	As at 31-Mar-20	As at 31-Mar-19
Repayment terms:		
Repayable in 36 equated monthly installments and carries an interest rate of 8.5% p.a		
Security :		
Hypothecation of underlying vehicle in favor of lender		
Total	2,034.97	1,421.46
Non-current portion	1,650.64	1,092.96
Current maturities of long-term debt	384.33	328.50

19. Lease liabilities

Particulars	As at 31-Mar-20	As at 31-Mar-19
Opening balance	4,199.67	3,507.34
Additions	1,016.77	1,168.80
Acquired on business combination	216.67	-
Adjustment due to modification	(45.04)	-
Accretion of interest	481.29	398.93
Payments	(874.72)	(710.18)
Deletions	(211.39)	(190.64)
Effect of foreign currency exchange differences	32.48	25.42
Closing balance	4,815.73	4,199.67
Current	487.74	431.59
Non-Current	4,327.99	3,768.08
Maturity Analysis - contractual undiscounted cash flows		
Less than one year	969.09	842.82
One to five years	4,063.70	3,345.09
More than five years	2,417.59	3,435.75
Total Undiscounted Lease Liability as at	7,450.38	7,623.66

20. Other financial liabilities

(Classified under non-current liabilities)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Gross obligation towards put option given to non-controlling interests	887.13	-
Add: Accretion of interest	23.29	-
Less: Write back of gross obligation (Refer note below)	(236.17)	-
Total	674.25	-

Refer note 38 for details of acquisition of Red Apple Kitchen Consultancy Private Limited ("Red Apple")

Note:

The non-controlling interests in Red Apple are entitled for put options to sell their equity shares in accordance with the terms of underlying agreement with shareholders. Should the option be exercised, the Company has to settle such liability by payment of cash. As at the acquisition date, the amount that may become payable on the exercise of option is recognised as a financial liability at its present value with a corresponding charge directly to the shareholders' equity. The amount so recognised on acquisition date was determined by the management based on information available as at such date. The finance cost on such gross obligation recognised as financial liability is computed at 10.5% per annum from the date of acquisition.

As at March 31, 2020, the management has re-estimated the gross obligation that may become payable due to significant changes in the business and economic conditions pursuant to COVID-19 pandemic. Based on such revised estimate, the carrying value of gross obligations required reduction by ₹236.17 which has been recognised under exceptional items.

Notes to the Consolidated Financial Statement

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

21. Provisions

(Classified under non-current liabilities)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Provision for employee benefits:		
Compensated absences	7.95	20.95
Gratuity	38.65	35.01
Provision for asset retirement obligations	38.72	58.11
Total	85.32	114.07

22. Borrowings

Particulars	As at 31-Mar-20	As at 31-Mar-19
Secured loans repayable on demand from banks:		
(i) Working capital loan	50.00	19.00
The rate of interest is 1 month MCLR plus 65 bps		
Security		
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		
(ii) Overdraft facility	99.42	31.06
The rate of interest is 6 month MCLR plus 25 bps		
Security		
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		
Unsecured		
(i) Overdraft facility	158.74	85.01
Repayable on demand and carries and interest rate of 1 year MCLR plus 15 bps		
(ii) CC - A Treds	71.80	22.03
Repayable on demand and the rate of financing depends on the bidding by various banks on the platform.		
(iii) Axis bank credit card	34.70	-
Repayable in fifty two days credit period		
Total	414.66	157.10

23. Trade payables

Particulars	As at 31-Mar-20	As at 31-Mar-19
Other than Acceptances		
Total outstanding dues of micro enterprises and small enterprises	8.67	1.03
Total outstanding dues of creditors other than micro enterprises	1,116.46	767.27
Total	1,125.13	768.30

Notes to the Consolidated Financial Statement

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

Disclosure required under section 22 of the micro, small and Medium Enterprises Development Act, 2006:

Particulars	As at 31-Mar-20	As at 31-Mar-19
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	8.67	1.03
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(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	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(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	-	-

24. Other financial liabilities (classified under current)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Current maturities of long-term borrowings		
From banks	293.87	328.50
From non banking financial institutions	90.46	-
Interest accrued but not due on borrowings	8.26	3.39
Other payables		
Payables on purchase of property, plant and equipment	95.88	57.40
Total	488.47	389.29

25. Other current liabilities

Particulars	As at 31-Mar-20	As at 31-Mar-19
Payable towards statutory remittances	81.53	60.26
Contract Liability		
Gift card liability (Refer note below)	34.06	19.68
Total	115.59	79.94

Note: The Company recognised revenue from contractual liability in the statement of profit and loss in the following year.

26. Provisions

(Classified under current liabilities)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Provision for employee benefits:		
Compensated absences	22.44	15.73
Gratuity	34.01	14.81
Provision for asset retirement obligations	6.26	3.00
Total	62.71	33.54

Notes to the Consolidated Financial Statement

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

27. Current tax liabilities (Net)

Particulars	As at 31-Mar-20	As at 31-Mar-19
Provision - Others:		
Income Tax (net of advance income tax)	10.61	39.70
Total	10.61	39.70

28. Revenue from operations

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Sale of food & beverages	8,453.34	7,358.90
Other operating revenues (net of expenses directly attributable to such income) (Refer note (i) below)	16.36	31.26
Total	8,469.70	7,390.16

Refer Note 43 for disaggregated revenues by geography.

(i) Other operating revenue

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Revenue from displays and sponsorships	2.43	6.56
Share of profits and income from royalty	5.31	16.09
Sale of scrap	2.23	3.07
Other receipts from outdoor catering	1.96	-
Others	4.43	5.54
Total	16.36	31.26

29. Other income

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Interest income on		
fixed deposits with banks	5.14	3.15
financial assets at amortised cost	17.07	14.81
Others	0.70	-
Income from government grant	-	4.71
Provision no longer required	9.00	-
Foreign exchange gain (net)	6.33	12.58
Total	38.24	35.25

30. Cost of food and beverages consumed

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Opening stock (excluding figures relating to discontinued operations)	139.82	148.35
Opening stock of acquisition during the year	11.09	-
Add: Purchases	2,904.87	2,467.72
	3,055.78	2,616.07
Less Closing stock	(133.79)	(139.82)
Total	2,921.99	2,476.25

Notes to the Consolidated Financial Statement

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

31. Employee benefits expenses

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Salaries and wages	1,415.11	1,189.19
Contributions to provident and other funds	77.13	50.41
Gratuity expenses	18.11	11.72
Expense on employee stock option scheme	13.12	7.40
Staff welfare expenses	451.61	421.08
Total	1,975.08	1,679.80

32. Other operating expenses

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Consumption of stores & operating supplies	181.49	138.50
Power and fuel	659.38	584.99
Rent including lease rentals	162.03	146.87
Repairs and maintenance:		
Buildings	4.74	8.31
Machinery	33.51	30.39
Others	31.16	36.27
House keeping services	140.72	180.42
Water charges	45.33	38.10
Insurance	15.19	16.02
Rates and taxes	90.02	70.32
Communication	42.99	42.69
Travelling and conveyance	53.79	39.91
Printing and stationery	41.65	36.42
Laundry expenses	18.45	17.37
Security service charges	19.86	23.87
Recruitment expenses	2.35	4.19
Business promotion	174.28	174.37
Vehicle hiring charges	11.31	11.05
Legal and professional	50.98	55.09
Payments to auditors (Refer note below)	7.67	7.40
Parking Charges	7.31	8.29
Corporate social responsibility	0.20	5.60
Loss on sale of fixed assets	1.85	-
Provision for doubtful receivables and advances	10.86	12.16
Miscellaneous expenses	123.36	86.89
Total	1,930.48	1,775.49

Note: Payment to auditors

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
(Excluding ₹8.85 (₹2.60 for the year ended March 31, 2019) which are considered as unamortised share issue expenses under other current assets)		
For statutory audit and quarterly reviews	4.50	3.50
For statutory audit of subsidiaries (paid to other auditor)	1.86	2.92
Reimbursement of expenses	0.50	0.30
Taxes thereon	0.81	0.68
Total	7.67	7.40

Notes to the Consolidated Financial Statement

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

33. Finance costs

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Interest expense on:		
Borrowings	172.77	98.12
Provision for asset retirement obligations	3.56	4.12
Lease liabilities	481.33	394.32
Gross obligation	23.29	-
Delayed payment of statutory dues	0.33	0.82
Receivable discounting charges	57.35	54.10
Other bank charges	17.29	12.53
Total	755.92	564.01

34. Depreciation and amortisation expense

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Depreciation on Property, plant and equipment (Refer note 4(a))	742.41	512.75
Depreciation on Lease right of use assets (Refer note 5)	587.12	483.59
Amortisation on Intangible assets (Refer note 4(b))	10.10	25.29
Total	1,339.63	1,021.63
- from continuing operations	1,339.63	895.36
- from discontinued operations	-	126.27

35. Exceptional items

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Net loss relating to restaurant units closed / relocated	22.37	102.72
Write back of gross obligation to acquire non-controlling interests in Red Apple (Refer note 20)	(236.17)	-
Impairment of goodwill (Refer note 6)	50.00	
Total	(163.80)	102.72

36 As explained in Note 2.2, the impact of the COVID-19 pandemic and the measures put in place to control the spread of virus, have triggered significant disruptions to the Group's operations and has resulted in material uncertainty that cast significant doubt on the Group's ability to continue as a going concern. The management has considered external and internal information in assessing the impact of COVID - 19 pandemic on its financial statements, including recoverability of its assets as at the Balance Sheet date. Given the uncertainty regarding the duration, extent and ultimate impact of the COVID-19 pandemic, the Group cannot estimate with any precision the impact on its prospective financial performance and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Group will continue to closely monitor any material changes to future economic conditions.

37 Tax expense / (benefit):

Tax expenses recognised in Statement of Profit and Loss

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Continuing operations		
Current tax	49.35	184.36
Deferred tax	(56.63)	(40.56)
Deferred tax impact due to change in tax rate	85.20	-
Tax expenses for continuing operations	77.92	143.80
Discontinued operations:		

Notes to the Consolidated Financial Statement

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

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Current tax expense	-	(54.86)
Tax expenses for continuing operations	-	(54.86)
Total tax expense	77.92	88.94

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-20	For the year ended 31-Mar-19
Profit before tax		
- from continuing operations	(251.36)	(68.22)
- from discontinuing operations	-	(226.70)
- from total operations	(251.36)	(294.92)
Add: Losses of foreign subsidiaries in non-taxable jurisdictions	323.46	455.61
Profit before tax of Indian Group Companies subject to Income Tax	72.10	160.69
Enacted income tax rate in India	25.17%	34.94%
Computed expected tax expense	18.15	56.15
Income tax effect on:		
Tax impact on account of change in effective tax rate (Refer note below)	85.20	-
Tax impact on account of change in WDV	6.12	-
Deduction u/s 80JJAA of Income tax Act, 1961	(12.42)	-
Disallowance of loss on disposal of investments in subsidiary	-	31.28
Tax impact on write back of gross obligation to acquire non-controlling interests in Red Apple	(59.44)	-
Tax impact on finance cost relating to gross obligation to acquire non-controlling interests in Red Apple	5.86	-
Impairment of goodwill	12.58	-
Expenses relating to closed outlets	8.95	-
Other non-deductible expenses under income tax	4.87	5.27
Others	8.05	(3.76)
Income tax expense recognised in Statement of profit and loss	77.92	88.94

Note:

The Government of India vide ordinance No 15 of 2019 dated September 20, 2019 amended the income tax provision by inserting section 115BAA. As per amended provisions, the Company has opted to pay tax at rate of 22% plus applicable surcharge and cess subject to the condition mentioned under the amendment provisions and recognised the effect of change by revising the annual effective income tax rate. Due to the reduced tax rate, the Company has re-measured its Net Deferred Tax Assets as at April 01, 2019 and the impact of this change has been recognized in the Statement of Profit and Loss for the year ended March 31, 2020 under "Tax Expense".

Movement in deferred tax balances

Particulars	For the year ended March 31, 2020				
	Opening balance	Impact due to change in tax rate	Recognised in profit and Loss	Recognised in Other Comprehensive Income	Closing balance
Tax effect of items constituting deferred tax liabilities					
Property, Plant and Equipment	(32.37)	9.06	27.25	-	3.94
Tax effect of items constituting deferred tax assets					
Lease liability (net of right-of-use asset)	262.96	(73.57)	21.21	-	210.60

Notes to the Consolidated Financial Statement

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

Particulars	For the year ended March 31, 2020				Closing balance
	Opening balance	Impact due to change in tax rate	Recognised in profit and Loss	Recognised in Other Comprehensive Income	
Provision towards asset retirement obligations	19.76	(5.53)	(2.90)	-	11.33
Employee Benefits and other provisions	46.13	(12.91)	0.44	1.94	35.60
Others	8.05	(2.25)	10.63	-	16.43
Net deferred tax asset / (liabilities)	304.53	(85.20)	56.63	1.94	277.90

Movement in deferred tax balances

Particulars	For the year ended March 31, 2019			
	Opening balance*	Recognised in profit and Loss	Recognised in Other Comprehensive Income	Closing balance
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(20.44)	(11.93)	-	(32.37)
Tax effect of items constituting deferred tax assets				
Lease liability (net of right-of-use asset)	223.70	39.26	-	262.96
Provision towards asset retirement obligations	14.73	5.03	-	19.76
Employee Benefits and other provisions	37.85	6.54	1.74	46.13
Others	6.39	1.66	-	8.05
Net deferred tax asset / (liabilities)	262.23	40.56	1.74	304.53

*Restated pursuant to retrospective adoption of Ind AS 116, Leases (Refer note 47)

38 Business combination

I Subsidiary acquired during the financial year 2019-20

On October 31, 2019, the Company entered into a Securities Purchase Agreement ("SPA") with Samar Retail Private Limited, a related party which is controlled by the Managing Director of the Company, to purchase securities of Red Apple Kitchen Consultancy Private Limited ("Red Apple") representing 61.35% stake on a fully diluted basis and additional acquisition rights in Red Apple, for a total consideration of ₹674.87 towards 2,964 equity shares of face value of ₹100 each of Red Apple. Red Apple is engaged in the business of operating restaurants in India under the brand names "Toscano" and "Café Toscano". Pursuant to the approval of the Company's board of directors, shareholders and audit committee, this acquisition was completed on December 31, 2019. The Group has consolidated this subsidiary in these consolidated financial statements with effect from January 1, 2020.

(a) The fair value of assets acquired and the liabilities assumed are given below:

Particulars	Amount
Non-current assets	390.97
Current assets	58.46
Total assets	449.43
Non-current liabilities	187.43
Current liabilities	112.76
Total liabilities	300.19

The Group also has an obligation for further payment of consideration in respect of the above acquisition to the extent the EBITDA of Red Apple for financial year ended March 31, 2020 exceeds ₹110 Million. As the EBITDA of Red Apple as per the draft financial statements for the year ended March 31, 2020 has not exceeded the threshold, no such consideration is required to be paid and accordingly, no contingent consideration has been recorded.

Notes to the Consolidated Financial Statement

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

(b) Goodwill arising on acquisition

Particulars	Amount
As at April 01, 2018	674.87
Additions	57.68
Effect of foreign currency exchange differences	(149.24)
As at March 31, 2020	583.31

(c) Non-controlling interests

On the date of acquisition, non-controlling interest held stake of 38.65% in Red Apple. The group has recognised non-controlling interests in Red Apple at the non controlling interest's proportionate share of the acquired entity's net identifiable assets. The non-controlling interests in Red Apple are entitled for put options to sell their equity shares in accordance with the terms of underlying agreement with shareholders. Should the option be exercised, the Company has to settle such liability by payment of cash. As at the acquisition date, the amount that may become payable on the exercise of option is recognised as a financial liability at its present value with a corresponding charge directly to the shareholders' equity. The amount so recognised on acquisition date was determined by the management based on information available as at such date. Details of initial recognition of such gross obligation has been given in the below table:

Particulars	Amount
Consolidated Balance sheet	
Initial recognition of gross obligation under Other financial liabilities (non-current) with a corresponding debit to shareholders' equity	887.13

(d) Net cash outflow on acquisition

Particulars	Amount
Consideration paid in cash	674.87
Less: Cash and cash equivalents acquired	(10.99)
Net cash outflow on acquisition	663.88

(e) Impact of acquisitions on the results of the Group

Results from continuing operations for the year ended March 31, 2020 includes the following revenue and loss from the acquisition of Red Apple:

Particulars	Amount
Revenue	112.34
Loss for the period	(15.50)

The above excludes impact of unwinding of discount on gross obligation towards written put options given to non controlling interests.

Had these business combinations been effected at April 1, 2019, the proforma revenue and the profit for the year from the respective businesses acquired would have been as below:

Particulars	Amount
Revenue	460.68
Profit for the year	8.17

II Discontinued operations:

PGPL was operating Johnny Rockets Restaurants pursuant to the terms of International Master Development Agreement (IMDA) with Johnny Rockets Licensing LLC. During the year ended March 31, 2019, the parties terminated the IMDA. The Board of Directors of the Company, in their meeting held on November 19, 2018 approved for disposal of its investments in PGPL. The disposal was completed on November 30, 2018 on which date control passed to the acquirer.

The details of assets and liabilities disposed off, and the resultant profit or loss on disposal, are as below:

Notes to the Consolidated Financial Statement

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

a) Carrying value of assets (other than goodwill) and liabilities as at November 30, 2018:

Particulars	Amount
Non-current assets	2.18
Current assets	0.51
Total assets (A)	2.69
Non-current liabilities	-
Current liabilities	7.19
Total liabilities (B)	7.19
Net assets /(liabilities) [C=(A) – (B)]	(4.50)

(b) Loss on disposal:

Particulars	(₹ in Million)
Consideration received	0.50
Net liabilities disposed off	4.50
Goodwill	(40.31)
Write-down of balances recoverable from disposed entity	(73.50)
Loss on disposal	(108.81)

(c) Net cash on disposal

Particulars	Amount
Consideration received in cash and cash equivalents	0.50
Less: Cash and cash equivalents balances disposed off	(0.50)
Net cash inflow on disposal	-

(d) Impact of the above disposal on the results of the Company:

Particulars	For the year ended 31-Mar-19
Revenue from operations	40.42
Other income	-
Total revenue [A]	40.42
Cost of food and beverages consumed	11.85
Employee benefits expenses	12.55
Other operating expenses	17.20
Total [B]	41.60
Loss before exceptional items, finance costs, depreciation and amortisation [C] = [A-B]	(1.18)
Finance costs [D]	9.57
Depreciation and amortisation expense [E]	126.27
Loss before exceptional items and tax [F] = [C-D-E]	(137.02)
Exceptional Items [G]	-
Loss before tax [H] = [F-G]	(137.02)
Loss on disposal [I] (Refer note (b) above)	89.68
Loss from discontinued operations before tax [J] = [H-I]	(226.70)

(e) Cash flows from discontinued operations:

Particulars	Amount
Net cash inflows / (outflows) from operating activities	(217.04)
Net cash inflows / (outflows) from investing activities	-
Net cash inflows / (outflows) from financing activities	207.26
Total	(9.78)

Notes to the Consolidated Financial Statement

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

39. Contingent liabilities and commitments (to the extent not provided for)

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Contingent liabilities		
Claims against the Company not acknowledged as debt on account of:		
Indirect tax matters (Sales tax, VAT and GST)	493.78	18.56
Direct tax matters	420.36	1.42
Customs duties saved against imports under EPCG scheme	-	0.65
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for tangible assets	102.60	75.92

40 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-20	As at 31-Mar-19
Contribution to Provident Fund and Employee State Insurance Scheme	103.65	78.39

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.

Gratuity: The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at 31-Mar-20	As at 31-Mar-19
Discount rate	5.00%	6.80%
Salary escalation	5.00%	8.00%
Attrition rate	53.00%	40.00%
Retirement age	58 years	58 years
Mortality	As per IALM (2012-14) ultimate	As per IALM (2006-08) ultimate

Notes to the Consolidated Financial Statement

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

Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:

Particulars	As at 31-Mar-20	As at 31-Mar-19
Service cost		
Current service cost	14.66	7.16
Net interest on net defined benefit liability / (asset)	3.45	2.32
Components of defined benefit costs recognised in profit or loss	18.11	9.48
Remeasurement on the net defined benefit liability:		
Return on plan assets [excluding amounts included in net interest expense] (excess) / short return	(0.02)	(0.02)
Actuarial (gains) / losses arising from changes in demographic assumptions	(2.62)	-
Actuarial (gains) / losses arising from changes in financial assumptions	(2.45)	0.22
Actuarial (gains) / losses arising from experience adjustments	12.79	4.79
Components of defined benefit costs recognised in other comprehensive income	7.70	4.99
Total	25.81	14.47

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-20	As at 31-Mar-19
Present value of funded defined benefit obligation	70.43	48.83
Fair value of plan assets	(2.25)	(2.09)
Funded status	68.18	46.74
Restrictions on asset recognised	-	-
Net liability arising from defined benefit obligation	68.18	46.74
Current	34.01	14.81
Non-current	34.17	31.93

Movements in the present value of the defined benefit obligation are as follows:

Particulars	As at 31-Mar-20	As at 31-Mar-19
Opening defined benefit obligation	48.83	38.34
Add/(Less) on account of acquisitions /business transfers	3.49	(0.56)
Expenses recognised in the statement of profit and loss		
Current service cost	14.66	7.16
Interest cost	3.45	2.45
Remeasurement (gains)/losses recognised in other comprehensive income:		
Actuarial gains and losses arising from changes in demographic assumptions	(2.62)	-
Actuarial gains and losses arising from changes in financial assumptions	(2.45)	0.22
Actuarial gains and losses arising from experience adjustments	12.79	4.79
Benefits paid	(7.72)	(3.57)
Closing defined benefit obligation	70.43	48.83

Particulars	As at 31-Mar-20	As at 31-Mar-19
Opening fair value of the assets	2.09	1.94
Interest income on plan assets	0.14	0.13
Return of plan assets greater / (lesser) than discount rate	0.02	0.02
Benefits paid	-	-
Closing fair value of assets	2.25	2.09

Notes to the Consolidated Financial Statement

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

Significant actuarial assumptions for the determination of the defined obligation 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-20	As at 31-Mar-19
Discount Rate		
1 Effect on defined benefit obligation due to 100 bps increase in Discount Rate	68.33	47.78
2 Effect on defined benefit obligation due to 100 bps decrease in Discount Rate	72.82	49.93

Particulars	As at 31-Mar-20	As at 31-Mar-19
Salary escalation rate		
1 Effect on defined benefit obligation due to 100 bps increase in salary escalation rate	72.78	49.92
2 Effect on defined benefit obligation due to 100 bps decrease in salary escalation rate	68.32	47.78

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:

Financial year	As at 31-Mar-20	As at 31-Mar-19
1 year	34.02	17.45
2 to 5 year	35.81	49.57
6 to 10 year	3.03	25.13

41 Employee Stock Option Scheme

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 ₹10/- each per option) under the Scheme titled “ Employee Stock Option Scheme 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 ₹10 each into 2 equity shares of ₹5 each during the year ended March 31, 2017, the scheme comprise of 532,480 options (underlying equity share of face value of ₹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.

As per the Scheme, the Remuneration committee grants the options to the employees deemed eligible. 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 twenty four months from the vesting date or at the time of liquidity event, as approved by the Board, whichever is later. However, in respect of resigned employees, vested options shall stand forfeited unless such options are exercised by the employees during his/her notice period before the last working day and in respect of terminated employees, vested options shall be exercised within one month from the notice of termination.

On April 1, 2016, July 10, 2017, August 5, 2017, October 1, 2019 and January 14, 2020, the Company granted options under said scheme for eligible personnel. 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.

Notes to the Consolidated Financial Statement

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

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	01-Apr-16	01-Apr-16	01-Apr-16	01-Apr-16	01-Apr-16	01-Apr-16	01-Apr-16
Fair market value of option at grant date (₹)	232.44	207.98	184.64	162.87	142.94	108.96	94.82
Fair market value of shares per option at grant date (₹)	310.00	310.00	310.00	310.00	310.00	310.00	310.00
Vesting period	3 years	3 years	3 years	3 years	3 years	3 years	3 years
Exercise price (₹)	93.00	124.00	155.00	186.00	217.00	279.00	310.00

Date of grant	05-Aug-17	10-Jul-17	05-Aug-17	05-Aug-17	05-Aug-17	05-Aug-17	05-Aug-17
Fair market value of option at grant date (₹)	375.54	357.15	294.11	253.39	212.67	131.23	90.52
Fair market value of shares per option at grant date (₹)	500	500	500	500	500	500	500
Vesting period	3 years	1.75 years	3 years	3 years	3 years	3 years	3 years
Exercise price (₹)	150	155	250	300	350	450	500

Date of grant	05-Aug-17	05-Aug-17	05-Aug-17
Fair market value of option at grant date (₹)	21.45	51.40	79.65
Fair market value of shares per option at grant date (₹)	500	500	500
Vesting period	1 year	2 years	3 years
Exercise price (₹)	500	500	500

Date of grant	01-Oct-19	01-Oct-19	01-Oct-19	01-Oct-19	01-Oct-19	01-Oct-19
Fair market value of option at grant date (₹)	350.89	294.40	241.47	201.39	179.26	163.80
Fair market value of shares per option at grant date (₹)	635	635	635	635	635	635
Vesting period	3 years	3 years	3 years	3 years	3 years	3 years
Exercise price (₹)	350	420	490	560	630	700

Date of grant	14-Jan-20	14-Jan-20	14-Jan-20	14-Jan-20
Fair market value of option at grant date (₹)	350.89	241.47	179.26	163.80
Fair market value of shares per option at grant date (₹)	635	635	635	635
Vesting period	3 years	3 years	3 years	3 years
Exercise price (₹)	350	490	630	700

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 (₹)
Options outstanding at the beginning of April 01, 2018	4,30,235	339.98
Granted during the year	-	-
Lapsed during the year	86,524	254.84
Options outstanding at the end of March 31, 2019	3,43,711	361.41
Options available for grant as at March 31, 2019	1,88,769	
Options outstanding at the beginning of April 01, 2019	3,43,711	361.41
Granted during the year	2,32,807	575.00

Notes to the Consolidated Financial Statement

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

Particulars	Options (Numbers)	Weighted average exercise price per option (₹)
Exercised during the year	7,774	132.48
Lapsed/forfeited the year	40,789	472.43
Options outstanding at the end of March 31, 2020	5,27,955	450.34
Options available for grant as at March 31, 2020	4,02,875	

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	01-Apr-16	10-Jul-17	05-Aug-17	05-Aug-17	05-Aug-17	01-Oct-19	14-Jan-20
Risk Free Interest Rate	6.60%	6.68%	6.68%	6.68%	6.68%	6.76%	6.76%
Expected Life	3.5 years	1.75 years	1 year	2 years	3 years	3 years	3 years
Expected Annual Volatility of Shares	33.33%	3.02%	3.02%	3.02%	3.02%	31.30%	31.30%
Expected Dividend Yield	0.24%	0.15%	0.15%	0.15%	0.15%	0.20%	0.20%

4.2 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 Consolidated Statement of Profit and Loss

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Depreciation on Right-of-use assets		
- from continuing operations	587.12	473.85
- from discontinued operation	-	9.74
Finance cost: Interest on lease liabilities		
- from continuing operations	481.33	394.32
- from discontinued operation	-	4.61
Exceptional items: Profit/(loss) on early termination of lease contracts		
- from continuing operations	(40.98)	(3.78)
- from discontinued operation	-	9.57
Short term and variable lease payments	162.03	146.87

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	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Cash outflows for leases		
interest portion of lease liabilities	(481.29)	398.93
principal portion of lease liabilities	(393.43)	(311.25)
Additional information:		
Non-cash changes to lease liabilities	1,009.49	1,003.58

Notes to the Consolidated Financial Statement

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

43 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-20	For the year ended 31-Mar-19
India		
- from continuing operations	7,999.20	7,023.24
- from discontinued operations	-	40.42
Others (Overseas)	508.74	366.92

Non-current assets

Country	As at 31-Mar-20	As at 31-Mar-19
India	7,714.87	6,090.03
Others	578.15	925.36

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.

44 Earnings per share:

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Basic Earnings Per Share (Basic EPS)		
From continuing operations	(11.77)	(8.31)
From discontinuing operations	-	(6.14)
Total Basic earnings per share	(11.77)	(14.45)
Diluted Earnings Per Share (Diluted EPS)		
From continuing operations	(11.77)	(8.31)
From discontinuing operations	-	(6.14)
Total Basic earnings per share	(11.77)	(14.45)
Earnings used in computing basic and diluted earnings per share		
Profit/loss after tax attributable to the equity holders of the Company		
From continuing operations	(329.28)	(212.02)
Less: Share issue expenses debited to securities premium	-	(20.40)
From continuing operations	(329.28)	(232.42)
From discontinuing operations	-	(171.84)
Total operations	(329.28)	(404.26)
Weighted average number of shares used in computing basic and diluted earnings per share		
Weighted average number of shares used for calculating Basic EPS	2,79,86,203	2,79,73,466
Add: Effect of ESOPs and share warrants which are dilutive*	-	-
Weighted average number of shares considered for calculating Diluted EPS	2,79,86,203	2,79,73,466
Face value in ₹	5.00	5.00

*The effect of ESOPs outstanding is anti-dilutive and hence ignored for the purpose of computing Diluted EPS.

Notes to the Consolidated Financial Statement

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

45 Restated Consolidated Statement of Transactions with Related Parties and Balances

List of related parties:

Description of relationship	Names of related parties
Subsidiaries	Prime Gourmet Private Limited (from 29 August, 2016 and upto 5 December 2018)
	Barbeque Nation MENA Holdings Limited, Dubai (from 27 December, 2016) (formerly known as Barbeque Nation Holdings Limited)
	Barbeque Nation Restaurant LLC, Dubai (from 25 February, 2017)
	Barbeque Nation Holdings Private Limited, Mauritius (from 15 September, 2017)
	Barbeque Holdings Private Limited, Mauritius (from 27 September, 2017)
	Barbeque Nation (Malaysia) SDN. BHD. (from 3 October, 2017)
	Barbeque Nation International LLC, Oman (from February 18, 2018)
	Red Apple Kitchen Consultancy Private Limited (from December 31, 2019)
Investing party for which the Company is an Associate	Red Apple Kitchen Consultancy Private Limited (from December 31, 2019)
	Sayaji Hotels Limited
	Sayaji Housekeeping Services Limited
Key Management Personnel (KMP)	Tamara Private Limited
	Kayum Dhanani (Managing Director)
	Amit V Betala (Chief Financial Officer - from January 14, 2020)
	Rahul Agrawal (Chief Financial Officer - from May 21, 2018 to January 13, 2020)
	Rahul Agrawal (Chief Executive Officer - from January 14, 2020)
	Mohan Kumar Ramamurthy (Chief Financial Officer, w.e.f June 15, 2017 till May 01, 2018)
	Sameer Bhasin (Chief Executive Officer till 22 May 2018)
	Nagamani CY (Company Secretary)
	Non - Executive Directors
	T Narayanan Unni
	Raooof Razak Dhanani
	Suchitra Dhanani
	Tarun Khanna
Abhay Chintaman Chaudhary	
Relatives of KMP	Gulshanbanu Memon
	Sanya Dhanani
Entities in which KMP / Relatives of KMP can exercise significant influence	Sara Soule Private Limited
	Samar Retail Private Limited
	Samar Lifestyle Private Limited
	Sana Reality Private Limited

45 Restated Consolidated Statement of Transactions with Related Parties and Balances

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Transactions with related parties during the period / year ended		
Services rendered		
Investing party for which the Company is an Associate :		
Sayaji Hotels Limited	11.95	17.47
Entity in which KMP / Relatives of KMP can exercise significant influence		
Sara Soule Private Limited	-	-

Notes to the Consolidated Financial Statement

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

Particulars	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Samar Lifestyle Private Limited	-	0.60
Services received		
Investing party for which the Company is an Associate :		
Sayaji Hotels Limited	0.08	1.85
Entity in which KMP / Relatives of KMP can exercise significant influence		
Sara Soule Private Limited	1.57	-
Samar Lifestyle Private Limited	0.26	0.50
Purchase of consumables		
Entity in which KMP / Relatives of KMP can exercise significant influence		
Sara Soule Private Limited	0.08	6.00
Rent and maintenance charges		
Entity in which KMP / Relatives of KMP can exercise significant influence		
Sara Soule Private Limited	0.56	-
Sana Reality Private Limited	14.99	10.30
Samar Retail Private Limited	5.66	-
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	0.57	0.89
Relatives of KMP		
Gulshanbanu Memon	4.56	5.04
Remuneration		
Relatives of KMP		
Sanya Dhanani	0.74	0.52
Security deposit paid		
Entities in which KMP / relatives of KMP have significant influence:		
Sara Soule Private Limited	3.13	-
Samar Retail Private Limited	2.50	-
Relatives of KMP		
Gulshanbanu Memon	0.51	5.00

Balances with related parties

Particulars	As at 31-Mar-20	As at 31-Mar-19
Trade receivables		
Entities in which KMP / relatives of KMP have significant influence:		
Sara Soule Private Limited	-	-
Security deposits (refundable) with		
Entities in which KMP / relatives of KMP have significant influence:		
Sara Soule Private Limited	3.13	0.21
Samar Retail Private Limited	2.50	-
Sana Reality Private Limited	3.00	3.00
Relatives of KMP		
Gulshanbanu Memon	7.46	6.94
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	5.10	5.10
Trade Payables		
Entities in which KMP / relatives of KMP have significant influence:		
Sara Soule Private Limited	0.69	0.28
Samar Retail Private Limited	-	-

Notes to the Consolidated Financial Statement

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

Particulars	As at 31-Mar-20	As at 31-Mar-19
Samar Lifestyle Private Limited	0.04	-
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	2.61	4.54
Other current assets		
Advances paid for supply of materials / rendering of services		
Samar Lifestyle Private Limited	-	0.11

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-20	For the year ended 31-Mar-19
Short-term benefits	17.33	17.61
Share-based payments	4.69	5.08
Total	22.02	22.69

The above compensation excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by actuary.

All the related party transactions entered during the period / year were in ordinary course of business and are on arm's length price.

46 Financial instruments

The carrying value and fair value of financial instruments by categories as at

Particulars	Carrying value		Fair value	
	As at 31- Mar-20	As at 31- Mar-19	As at 31- Mar-20	As at 31- Mar-19
Financial assets				
Amortised cost				
Loans	289.15	232.39	289.15	232.39
Trade receivables	21.51	48.99	21.51	48.99
Cash and cash equivalents	146.96	119.81	146.96	119.81
Other financial assets	63.48	25.33	63.48	25.33
Total assets	521.10	426.52	521.10	426.52
Financial liabilities				
Amortised cost				
Borrowings	2,449.63	1,578.56	2,449.63	1,578.56
Lease liability	4,815.73	4,199.67	4,815.73	4,199.67
Trade payables	1,125.13	768.30	1,125.13	768.30
Other financial liabilities	104.14	60.79	104.14	60.79
Total liabilities	8,494.63	6,607.32	8,494.63	6,607.32

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 to the Consolidated Financial Statement

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

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis

Particulars	Year ended	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value	31-Mar-20	-	-	-	-
Financial assets measured at fair value	31-Mar-19	-	-	-	-
Financial liabilities measured at fair value	31-Mar-20	-	-	-	-
Financial liabilities measured at fair value	31-Mar-19	-	-	-	-

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.

46 Financial instruments

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:

Non-current assets

Country	As at 31-Mar-20	As at 31-Mar-19
Cash and cash equivalents	146.96	119.81
Total	146.96	119.81

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.

The table below provides details regarding the contractual maturities of significant financial liabilities

Particulars	As at 31-March, 2020			Total	Carrying value
	< 1 year	1-3 years	> 3 years		
Borrowings	798.99	1,484.83	165.81	2,449.63	2,449.63
Trade payables	1,125.13	-	-	1,125.13	1,125.13
Other financial liabilities	104.14	-	-	104.14	104.14
Total	2,028.26	1,484.83	165.81	3,678.90	3,678.90

Notes to the Consolidated Financial Statement

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

Particulars	As at 31-March, 2019				Carrying value
	< 1 year	1-3 years	> 3 years	Total	
Borrowings	485.60	655.05	444.23	1,584.88	1,578.56
Trade payables	768.30	-	-	768.30	768.30
Other financial liabilities	60.79	-	-	60.79	60.79
Total	1,314.69	655.05	444.23	2,413.97	2,407.65

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	As at 31-Mar-20	As at 31-Mar-19
Borrowings in USD	537.45	629.47

Foreign currency rate sensitivity analysis

Particulars	Impact on profit after tax for the year ended	
	31-Mar-20 USD	31-Mar-19 USD
Depreciation by 5%		
Increase in profit	20.11	20.48
Appreciation by 5%		
Decrease in profit	(20.11)	(20.48)

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-20 USD	31-Mar-19 USD
Decrease in interest rate by 1%		
Increase in profit/Decrease in loss	18.33	10.31
Increase in interest rate by 1%		
Decrease in profit/Increase in loss	(18.33)	(10.31)

Capital management

The Group manages its capital to ensure that entities in the Group 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.

Notes to the Consolidated Financial Statement

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

The capital structure is as follows:

Particulars	As at	As at
	31-Mar-20	31-Mar-19
Equity attributable to the equity share holders of the Group	59.16	1,316.28
Equity as a percentage of total capital	3%	47%
Current borrowings	798.99	485.60
Non-current borrowings	1,650.64	1,099.28
Total borrowings	2,449.63	1,584.88
Less: Cash and cash equivalents	146.96	119.81
Net borrowings	2,302.67	1,465.07
Net borrowings as a percentage of total capital	97%	53%
Total capital (borrowings and equity)	2,361.83	2,781.35

47 Adoption of Ind As 116 - Leases

Effective April 1, 2019, the Group adopted Ind AS 116 - "Leases", which sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires Lessees to account for leases in a manner similar to accounting for finance leases under erstwhile Ind AS 17. The Group adopted Ind AS 116 using the full retrospective method. Accordingly the comparative figures for each of the years presented in these consolidated financial statements have been adjusted in accordance with the policy mentioned in Note 2.19 of Notes to Consolidated Financial Statements. The cumulative adjustment on application of this Standard has been adjusted to retained earnings as at April 1, 2018.

The following is the summary of practical expedients elected by the Group on the initial application:

- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly Ind AS 116 is applied to all the lease contracts entered before 1st April, 2018 on the initial date of application of Ind AS 116.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- 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.

For the year ended March 31, 2020, the Company has not applied the practical expedient which permits lessees not to account for COVID-19 related rent concessions as a lease modification.

A Reconciliation of profit after tax as per audited financial statements

Particulars	For the year ended March 31, 2019		
	Continuing operations	Discontinued operations	Total
As per audited financial statements	(109.66)	(189.00)	(298.66)
Impact of Ind AS 116			
Reversal of rent expenses recognised under Other operating expenses	716.56	12.38	728.94
Finance cost (interest) on lease liability	(394.32)	(4.61)	(398.93)
Depreciation on Right-of-use assets	(473.85)	(9.74)	(483.59)
Decrease in depreciation of leasehold improvements pursuant to reclassification of the same to Depreciation on Right-of-use assets	7.18		7.18
Profit on early termination of lease contracts recognised under exceptional items	2.81	-	2.81
Decrease in loss on disposal of subsidiary due to changes in assets and liabilities disposed-off	-	19.13	19.13
Tax impact on the above	39.26	-	39.26
As per consolidated financial statements	(212.02)	(171.84)	(383.86)

Notes to the Consolidated Financial Statement

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

B Reconciliation of Equity

Particulars	As at 01 April, 2018					
	Equity share capital	Securities premium	Share option outstanding account	Foreign currency translation reserve	Retained earnings	Total Equity
Equity as per audited financial statements	138.00	1,330.43	28.58	(3.04)	447.46	1,941.43
Cumulative impact on account of adoption of Ind AS 116 (net of deferred tax)	-	-	-	(0.20)	(491.34)	(491.54)
Total equity	138.00	1,330.43	28.58	(3.24)	(43.88)	1,449.89

Particulars	As at 31 Mar, 2019					
	Equity share capital	Securities premium	Share option outstanding account	Foreign currency translation reserve	Retained earnings	Total Equity
Equity as per audited financial statements	139.92	1,628.42	35.98	(19.40)	111.82	1,896.74
Cumulative impact on account of adoption of Ind AS 116 (net of deferred tax)	-	-	-	(3.92)	(576.54)	(580.46)
Total equity	139.92	1,628.42	35.98	(23.32)	(464.72)	1,316.28

C Statement showing impact of cashflows for the year ended

Particulars	Year ended 31 Mar, 2019		
	As per audited financials	Impact of Ind AS 116	As per consolidated financial statements
Cashflow from operating activities	493.60	728.94	1,222.54
Cashflow from investing activities	(1,272.26)	(18.76)	(1,291.02)
Cashflow from financing activities	462.74	(710.18)	(247.44)
Net impact	(315.92)	-	(315.92)

48 Additional information as required by Paragraph 2 of the General Instructions for Preparation of consolidated financial statements to Schedule III to the Companies Act, 2013

As on and for the year ended 31 March 2020

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
Parent - Barbeque-Nation Hospitality Limited (including consolidation adjustments)	571.67%	338.20	-2.94%	9.68	100.00%	(26.49)	4.73%	(16.81)
Foreign Subsidiary								
Barbeque Nation Holdings Limited, Dubai	306.87%	181.54	-6.49%	21.37	0.00%	-	-6.01%	21.37
Barbeque-Nation Restaurant LLC, Dubai	-969%	(572.98)	95.59%	(314.76)	0.00%	-	88.47%	(314.76)
Barbeque Nation (Malaysia) Sdn. Bhd.	-76%	(44.83)	6.86%	(22.58)	0.00%	-	6.35%	(22.58)
Barbeque Nation International LLC, Oman	26%	15.30	1.94%	(6.39)	0.00%	-	1.80%	(6.39)
Barbeque Nation Holdings Pvt Ltd, Mauritius	-3%	(1.58)	0.33%	(1.10)	0.00%	-	0.31%	(1.10)
Red Apple Kitchen Consultancy Private Limited	242.56%	143.50	4.71%	(15.50)	0.00%	-	4.36%	(15.50)
	100.00%	59.16	100.00%	(329.28)	100.00%	(26.49)	100.00%	(355.77)

Notes to the Consolidated Financial Statement

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

As on and for the year ended 31 March 2019

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
Parent - Barbeque-Nation Hospitality Limited (including consolidation adjustments)	107.51%	1,415.14	11.68%	(44.82)	100.00%	(23.33)	16.74%	(68.15)
Indian Subsidiary								
Prime Gourmet Private Limited	0.00%	-	35.69%	(137.02)	0.00%	-	33.65%	(137.02)
Foreign Subsidiary								
Barbeque Nation Holdings Limited, Dubai	12.05%	158.64	12.58%	(48.29)	0.00%	-	11.86%	(48.29)
Barbeque-Nation Restaurant LLC, Dubai	-19.62%	(258.22)	29.58%	(113.56)	0.00%	-	27.89%	(113.56)
Barbeque Nation (Malaysia) Sdn. Bhd.	-1.69%	(22.25)	8.66%	(33.25)	0.00%	-	8.17%	(33.25)
Barbeque Nation International LLC, Oman	1.65%	21.69	1.35%	(5.16)	0.00%	-	1.27%	(5.16)
Barbeque Nation Holdings Pvt Ltd, Mauritius	0.05%	0.64	0.23%	(0.88)	0.00%	-	0.22%	(0.88)
Barbeque Nation Pvt Ltd, Mauritius	0.05%	0.64	0.23%	(0.88)	0.00%	-	0.22%	(0.88)
Red Apple Kitchen Consultancy Private Limited	100.00%	1,316.28	100.00%	(383.86)	100.00%	(23.33)	100.00%	(407.19)
	100.00%	59.16	100.00%	(329.28)	100.00%	(26.49)	100.00%	(355.77)

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Sathya P Koushik

Partner

Place : Bengaluru,

Date : November 3rd, 2020

For and on behalf of the Board of Directors

Kayum Dhanani

Managing Director

Din No:- 00987597

Rahul Agrawal

Chief Executive Officer

Place : Bengaluru,

Date : November 3rd, 2020

T.N Unni

Director

Din No:- 00079237

Amit V Betala

Chief Financial Officer

Nagamani C Y

Company Secretary



Registered Office: Sy. No. 62, Site No. 13, 6th Cross, NS Palya, BTM Layout, Bengaluru- 560 076, Karnataka, India