TOGETHER

for everyone, everyday!

BARBEQUE NATION

Annual Report 2018-19

TOGETHER

we are creating personalised dining experiences for our customers. We are listening to the feedback of our patrons and embracing menu innovation that align with their diverse tastes and palettes. Energising our teams to ensure that they serve our customer needs better, we are also working with our stakeholders in the food chain to ensure fresh quality ingredients, while also minimising wastages. Together, we are creating better experiences **for everyone, everyday!**

Pages

2-3

Our impact

Barbeque-Nation Hospitality Limited is India's leading casual dining restaurant chain that creates positive customer experiences, leading to delight.

Pages

4-5

Managing Director's report

Our Managing Director, Kayum Dhanani, reflects on the evolving consumer demands and how brand Barbeque Nation is aligning closely with changing preferences to stay relevant in a competitive market.

Pages

22-23

Our food festivals

Leading the celebrations around food, we are bringing the rich and diverse cuisine of the country right to our customers' plate across our restaurant network.

WELCOME TO BARBEQUE-NATION!

CONTENTS – 2018-19

PERFORMANCE

STATUTORY REPORTS

Visit our website:
www.barbeque-nation.com

OUR BUSINESS AND IMPACT

Barbeque-Nation Hospitality Limited is among India's largest and fastest-growing casual dining chains with the trusted and well-recognised **Barbeque Nation** brand. The company represents a strong and stable career platform for employees, scalable and sustainable growth partner for vendors-suppliers and a secure and solid tenant for landlords.

Barbeque-Nation pioneered the live grill-on-the-table concept, enabling customers to grill their own barbeque and enjoy the dining experience at their own pace with family and friends.

25,000
Customers served per day

131
Restaurants globally

24
New restaurants launched in India in FY19

3
New restaurants established outside India in FY19

5,500+
Total team strength

27 years
Average employee age

1,100+
Employee addition across our network

Great Place To Work. Certified INDIA

Declared third time in a row and placed at the 17th rank

Our vendor-partners

6,000+
Vendor base

2,000+
New vendors enlisted (FY19)

UBQ BY BARBEQUE NATION

Launch of our new and exciting food delivery platform in FY19

Managing Director's REPORT

It gives me immense pleasure to present our Annual Report for the financial year ended March 31, 2019, and I feel proud to be leading the company at an exciting time in its journey.

During the year under review, we delivered a turnover of over ₹742 crore at a consolidated level, representing a 23% YoY growth. This performance was achieved because of our customers, and I would like to thank them for choosing us as their preferred dining option. I deeply acknowledge the role of our employees too, whose passion, commitment and dedication to customer service is appreciable. Going into the future, we will continue to build on our capabilities to meet our targets, while staying true to our ethos of providing our customers with a high-quality dining experience across our restaurant network in India and abroad.

Staying relevant in changing times

Lives have become hectic, especially for millennials who are busy managing their careers and personal commitments.

Consider a typical double-income household with the couple working and building their careers and hardly getting time to unwind. Amidst this fast pace of life, when they do get the time to relax, they often visit our restaurant together to catch up and bond. So, as a company, we are aware of the fact that these 1-2 hours represent precious time for our customers, and we do everything possible to ensure that they enjoy their time and experience with us.

Also, over the past decade, food patterns of the millennial population have changed, with the youth desiring convenience and customisation, affordability and also healthy food with new ingredients. They are willing to experiment and want easy and fast service. In the context of this reality, our elaborate menu at fixed prices and live on-the-table grill setting provides a unique dining experience to our customers, helping build repeat visits.

Fostering a friendly environment

At Barbeque Nation, we believe that our customer is our friend who is coming to our restaurants to dine with us and have a great experience. So, how we make their visit memorable is important to the culture of our company, and takes into account a number of things, including the food and dining experience we provide, the friendly nature of our hosts, and convenience in terms of our service. This overall package creates a favourable impression and encourages our customers to visit us time and again. Also, we always try to do something special for our customers, including organising exciting food festivals, which helps sustain a buzz around our brand.

We take guest feedback seriously because their comments are a great source of new ideas. We have institutionalised our feedback mechanism under the GSI (Guest Service Index).

It was in this feedback that our guests suggested that we establish restaurants in Dubai and elsewhere abroad, because the brand recognition was growing. Engaging in comprehensive market study, we found opportunity waiting to be tapped. So we launched three new restaurants outside India in 2018-19, two in the GCC and one in Malaysia.

Providing memorable food experiences

At Barbeque Nation, our cuisine is based on the rich Indian culinary heritage and in the discovery of regional cuisine that we offer to our customers across our restaurants. Our food festivals, anchored on specific regional culinary themes, are a big hit with our guests as they feed on their desire to experiment with a diverse menu.

Our menu has been curated to offer a wide choice of vegetarian and non-vegetarian options, with each dish enjoyable both in taste and presentation. Also, our mocktails selection plays an important role in enhancing the overall dining experience of our patrons, and our teams work closely to ensure that we have the right beverage accompaniment for our dishes.

With a focus on using only the finest and freshest ingredients, we ensure that our customers become well-versed with flavours from across the country and even the globe. They also appreciate the unique experiences we bring to their city. In this sense, Barbeque Nation is definitely a part of the food movement where we offer wider food choices complemented by an informal, yet exciting dining ambience. This is indeed a wonderful source of encouragement.

Our employees – a valuable asset

Our employees are our true assets and our success is the outcome of their hard work and focus over the last many years. It is true happiness to see shy teenagers blossom into expert professionals. The future of our company is being built by these young and energetic men and women who bring commitment, passion and pride to our company. My team and I endeavour to create a platform where our people can thrive and find purpose in their work.

We have always believed that staff empowerment is vital for our business. Empowerment means handing them greater responsibilities and deciding on important issues together, which lead to improved morale, enthusiasm and loyalty. Also, encouraging our people to put in their best, defining clear career progression opportunities, supporting their views, allowing workplace flexibility and inspiring creative thinking are some of the other important drivers that enable staff empowerment.

In a validation of our HR practices, Barbeque-Nation was ranked in India's 'Best Workplaces in Retail' in 2019 by the Great Place to Work survey for the third time in a row, even as we notched a higher rank of 17.

In closing, I would like to mention that our table is set, our food is delectable, our customer base is growing and our appetite for growth remains intact, even as we intend to keep up with our pace of domestic expansion in India, while focusing on enhancing our operations and unit economics across our restaurants abroad.

Our country has immense opportunity for all organised retail food service operators and our journey has just begin.

Thank you for your continued support and cooperation.

Kayum Dhanani
Managing Director

Financial HIGHLIGHTS

Powered by momentum, the year 2018-19 was a strong one for Barbeque-Nation. Aided by encouraging performance of our new restaurants, paired with the continued strong performance of our existing base, our revenue expanded 23% to ₹708 crore in 2018-19. Bolstered by strong revenue growth and our organisation-wide cost containment initiatives, our operating profit rose by 12% to ₹101 crore during the year.

Revenue
708 ₹/cr

Gross profit
474 ₹/cr

Gross profit margin, % of sales
67%

EBIDTA
101 ₹/cr

EBIDTA margin, % of sales
14%

Return on capital employed
24%

Figures mentioned here are on standalone basis

Restaurant network in India

Restaurant network outside India

Covers (million)

APC (₹)

Employees

Food delivery TOGETHER for everyone, everyday!

Opening up an exciting new food delivery channel under brand UBQ, we will enhance value by offering food choice, convenience and affordability to our customers!

Under the food delivery brand UBQ, Barbeque-Nation has associated with all the top food aggregators of the country to ensure the delivery of food to the customers' doorstep.

UBQ represents a robust business case as it is scalable, enables higher levels of customer engagement and facilitates better utilisation of resources.

100-dish menu TOGETHER for everyone, everyday!

In celebration of our 100th restaurant launch in India in April 2018, we launched 100 dish varieties across a few of our outlets!

100 DISHES

In addition to creating diner excitement around the large 100-dish menu, a key digital initiative was also undertaken, in which customers could view the menu on a tablet app placed on the table. The entire restaurant was connected digitally, right from the restaurant manager taking orders on a mobile app, to the kitchen staff informed of the orders on the kitchen display system, to the cashier having web access for billing.

This unique culinary as well as digital experience was appreciated by all our customers.

Digital Nation TOGETHER for everyone, everyday!

We launched a number of exciting and innovative customer access channels that simplified table-booking and rescheduling, thereby enhancing customer convenience!

Our automated speech recognition (ASR) process leverages cutting-edge speech recognition and natural language processing technologies, allowing us to understand the caller's query and resolving through conversations. With over 10% calls handled by our ASR, we expect the full-scale launch of voice-bots for all inbound queries in the near future.

Our customers can also reserve a table using 'Reserve with Google', which is directly connected to our CRS system through API, with real-time booking information available to all our restaurants. Furthermore, a digital conversational bot on our website and Facebook page also enables corporate lead generation, table reservation and consumer enquiry resolution related to booking, rescheduling, etc.

Our

LEADERSHIP

The Board's diverse range of skills and experiences support effective governance and decision-making. The Board possesses extensive experience across the key desired areas of hospitality and restaurants, finance, strategy, etc.

T. Narayanan Unni

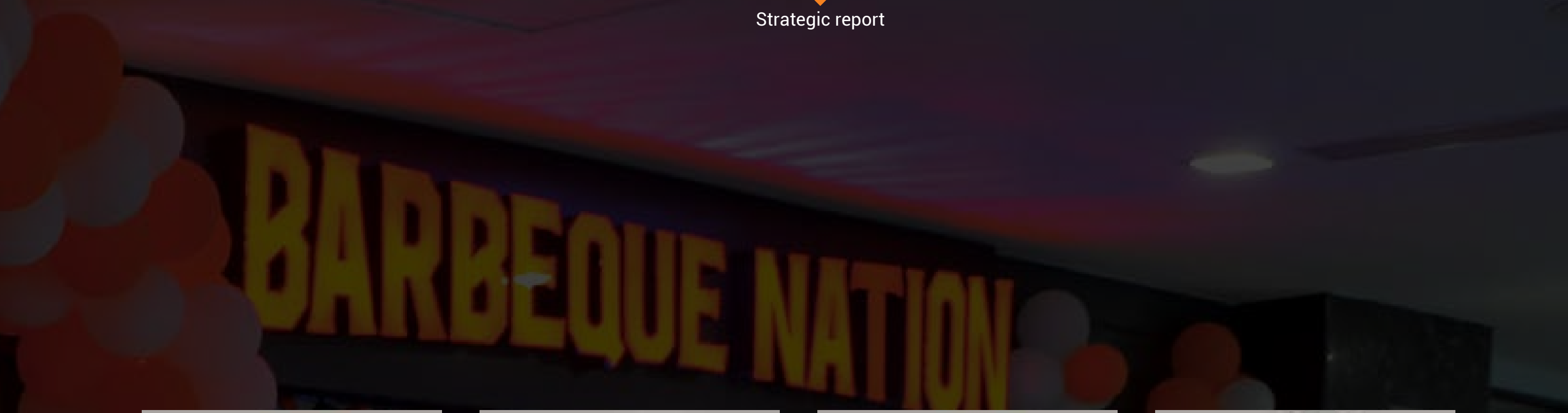
Chairman, Non-Executive Director and Independent Director

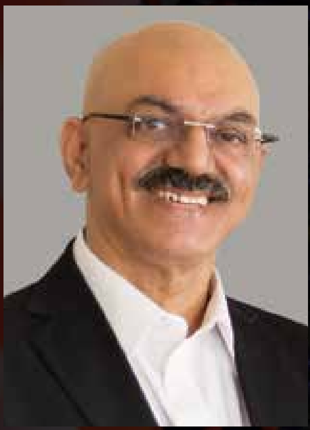
Mr. T. Narayanan Unni has been a Director of the Company since February 9, 2009. He holds a Bachelor's degree in Commerce from Vikram University, Ujjain, and a Bachelor's degree in Law from the University of Indore. He is a member of the Institute of Chartered Accountants of India and has been a practising Chartered Accountant since July 1, 1975.

Kayum Dhanani

Managing Director

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





Raoof Dhanani

Non-Executive Director

Mr. Raoof Razak 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 the year 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. Suchitra Dhanani holds a Bachelor's degree in Home Science with a Major in Clothing and Textiles from Maharaja Sayajirao University, Baroda, and a Master's in Social Work from the same university. She was a Director of the Company from November 2, 2006 till March 28, 2008. Thereafter, she was appointed as a consultant from January 2012 to March 2012 and later as an employee till March 2013, 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. Tarun 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 a Master's in Business Administration from the University of Baltimore. He was previously associated with Citibank NA for a period of five years and with YES Bank for over three years. He has also worked with GE Capital Transportation Financial Services in the past. He joined CX Advisors LLP in February 2009 in the capacity of an investment principal and was inducted as a Partner of the firm in March 2013. He is currently a Partner of CX Advisors LLP.

Abhay Chaudhari

Non-Executive, Independent Director

Mr. Abhay Chaudhari has been a Director of the Company since February 28, 2017. He holds a Master's degree in Science (Chemistry) from Nagpur University and a Diploma in Business Management from the same university. He is a certified associate of the Indian Institute of Bankers. He joined State Bank of India in October 29, 1979. He was promoted to Chief General Manager and was deputed to SBI Capital Markets, Mumbai, from State Bank of India. He held the position of President and Chief Operating Officer of SBI Capital Markets, Mumbai, from October 21, 2013 till January 31, 2016 and was involved with merger and advisory, private equity, equity and debt markets and credit and project advisory during his tenure at the company.

Restaurant industry PROSPECTS

Indian economy review

The Indian economy, which had picked up momentum to reach a peak of 8.2% GDP growth in 2016-17, slid to 6.8% in 2018-19, following two years of slowdown and a slump in the fourth quarter 2018-19 GDP growth to 5.8%.

One of the biggest contributors to the slowdown was the investment rate, defined by the share of gross fixed capital formation in GDP. This metric levelled at 3.6% in Q4 FY19, falling sharply from 11.7% recorded in the previous quarter. Furthermore, agriculture and manufacturing also showed continued slowdown along the four quarters of FY19. Also, private consumption contributed substantially less to the economy in Q4 FY19 than in the previous quarter. In the face of these developments, the size of government expenditure at a tenth of GDP remained nearly the same.

Over the longer horizon however, economic growth prospects in India remain intact. The 2020s are set to be the Asian decade with the continent dominating an exclusive list of economies expected to sustain growth rates of around 7%.

For India, which is a part of this elite list, this growth rate means the doubling of GDP every 10 years. With continuity in the government after the national elections of May 2019, further reforms can be expected to revive the economy, with the central bank supporting growth through likely policy rate cuts.

Furthermore, with consistently high economic growth rates, India is expected to surpass the UK and France to become the fifth largest economy by 2023.

With such economic momentum, one of the significant opportunities in the consumption space in India is the large and growing working-age population, causing an additional 2% GDP growth rate with high consumption expenditure.

Source: Central Statistical Organisation (CSO)

Indian restaurant industry

The food services industry is evolving rapidly, with India being the youngest country with a tech-savvy consumer base having a high disposable income with little time to cook indoors. This is clearly reflected in the eating-out frequency, which is at an average of 6.6x per month, providing the sector with exciting and continued growth opportunities.

Eating-out is the new way for a large number of Indians to spend quality time with friends and family. Millennials, who make up to 65% of India's population, spend 13% of their total food expenses on eating-out. Additionally, demand for global and regional delicacies, healthy food and beverage options, locally-sourced organic ingredients, visually appetising dishes and willingness to experiment is further expanding the appeal for eating-out.

According to NRAI India Food Services Report 2019, the Indian food service industry's market size was pegged at ₹4,23,865 crore in 2018-19, and is expected to grow at a 9% CAGR to reach ₹5,99,782 crore by 2022-23.

By virtue of its sheer size, food services is the largest industry in the services sector in India, after retail and insurance. It is 20x the size of the Indian film industry, 4.7x of hotels and 1.5x of the pharmaceutical sector.

Moreover, the organised food services sector, which is only 35% of the total market, contributed a substantial ₹18,000 crore by way of taxes in 2018-19. With the shift from the unorganised to the organised sector, the tax base is expected to more than double with this transition.

Furthermore, the undeniable impact of the country's food services industry is reflected in the fact that restaurants directly employ 7.3 million unskilled, fully-skilled and differently-abled people.

Within the organised food services market in India, the affordable casual dining restaurant (ACDR) segment is the fastest growing format in the organised food services market with 41%, followed by QSR with a 22% share.

The organised food services market is subdivided into the following:

Format	Market size (2018-19)
Quick service restaurant (QSR)	₹32,880 crore
Affordable casual dining restaurant (ACDR)	₹60,255 crore
Premium casual dining restaurant (PCDR)	₹19,948 crore
Fine dining restaurant (FDR)	₹2,872 crore
Dessert and ice cream (D&IC)	₹4,121 crore
Café	₹9,370 crore
Pub, bar, café and lounge (PBCL)	₹17,979 crore
Cloud kitchen	₹928 crore

Industry drivers

The key drivers of the Indian food services industry include the following:

1. Changing demographic landscape

By 2020, India is expected to become the world's youngest country with a mean age of 29 years. As per the World Bank, 64% of India's current population falls in the working-age group. With such a demographic, India's consumption space is poised for sustainable growth in the years to come, boosting the prospects of the food services industry.

> One-fifth of the world's working-age population will be Indian by 2025, representing a robust opportunity for consumption-centric businesses!

2. Urbanisation

In India, about 33.5% of the population is estimated to be settled in urban areas in 2017, up 3% over the 2010-level. Considering over 60% of India's GDP is generated from urban areas, the statistic demonstrates growth in consumption power. By 2050, about 60% of the population is expected to live in cities.

3. Consumption profile

India's consumption expenditure is on the rise, representing one of the major drivers of the food services industry. The proportion of households earning less than ₹5 lakh annually dropped sharply from 95% in 2004-05 to 83% in 2017-18. Concurrently, the proportion of households in the income classes of ₹5-10 lakh and greater than ₹10 lakh is growing fast – from 5% to 17% during the same period. Rising income levels typically lead to change in consumption behaviour, eventually driving growth of food services.

Some of the other key industry growth drivers include:

- Growing travel and tourism - both inbound and outbound
- Increasing number of Indian food services brands going global
- Restaurants increasingly becoming preferred locations for people to socialise during weekdays as well
- Increasing consumer willingness to experiment with different cuisines, formats and themes
- Increasing internet penetration driving food ordering and delivery

Affordable casual dining restaurants overview

Affordable casual dining restaurants (ACDRs) are the most preferred in the food services industry on account of:

- Multiple cuisine choice
- Satisfactory and affordable price range
- Focus on dining experiences – ambience, service, food quality, etc.
- Easily-accessible locations
- Substantial penetration

The organised ACDR segment's size in India was estimated at ₹60,225 crore in 2018-19. While standalone restaurants contribute 86% (₹51,855 crore), chain restaurants contribute 14% (₹8,400 crore) in the overall organised ACDR format.

Outlook

The Indian market for non-home cooked food has grown rapidly during the last several years. India has one of the highest millennial population pools (people aged 18-35 years) whose food habits and tastes are very different from those of previous generations. Also, many of the millennials are tech-savvy, independent, career-driven individuals with global exposure and possess a higher spending capacity. It is this segment of the population that is responsible for the burgeoning market of non-home cooked with increased frequency (6.6x a month) and more spends on a monthly basis (₹2,500 a month). Moreover, eating non-home cooked food on weekdays has become common, as opposed to it being a weekend activity.

Furthermore, with factors such as urbanisation, rising income levels and improved investment climate, the food services sector holds huge opportunity. The sector has witnessed tremendous development over the past few years, growing at 11% CAGR during the period between 2015-16 and 2018-19.

Within the overall space, organised food services segment is estimated to grow at a 15% CAGR to reach a size of ₹2,57,907 crore in 2022-23.

2015-16	2018-19	2022-23 (P)
₹1,01,475 crore	₹1,48,353 crore	₹2,57,907 crore

Our food
FESTIVALS

MA Road Ki Masti – June 2018

Mohammed Ali Road is a popular destination in Mumbai, renowned for its traditional Ramadan street food. The main attraction at the MA Road Ki Masti festival was the live counter, set up specially for the festival.

Some of the mouth-watering delicacies comprised shammi kabab, shikampur kabab, baida paratha layered with egg batter and stuffed with chicken kheema, kheema pav, gurda kaleji, zam zam pulav, sikandari raan biryani, gosht nihari, malpua with rabri, sheer kurma, kesari phirnee, kulfi, khaja, etc.

Greek Food Festival – August 2018

Re-creating one of the oldest civilisations of the world, the Greek Food Festival enthralled customers with food of Zeus, Hercules and Athena.

The menu comprised delicious dishes like mutton sticks with pita and veggies, chicken spanakorizo, Greek-style shrimp salad, sesame honey pasteli and many more.

Jatt Set Go – September 2018

Jatt Set Go is a festival that celebrates fun, food and frolic. A character called Makkhan Singh was especially created for this festival, which was adored by a famous food blogger from Delhi, Mr. Gurpreet Tikku. The festival was all about connecting sumptuous Punjabi food with the best of music, dance and fun.

Some of the famous dishes included palak di tikki, punjabi paneer tikka, hariyali tandoori khumb, pears and pineapple seekh, aachari baby seekh, tandoori kukkad di chaat, macchi de tikke, Peshawari jhinga, bhatti da murgh, kadak mutton seekh kebab, fish amritsari, punjabi pankuri, egg tikka, pinni nabha di, red rabri velvet, kesari phirnee, badami moong dal halwa, punjabi special barfi, gulab jamun, etc.

Moplah Food Festival – March 2019

One of the hidden treasures of Kerala is the Moplah cuisine, which is a derivative of Arabic influence infused into Kerala cuisine by the Arabs who travelled to south India. The Moplah Food Festival brought unique flavours and traditional recipes from India's culturally-rich state of Kerala. Interestingly, the recipes found their roots several centuries ago when Arab spice merchants frequented the northern coast of Kerala.

Some of the dishes that were a fascinating blend of traditional Kerala and Arab food with distinctive tastes and aromas comprised mutton alias, thalassery chicken biryani, kozhi kaal roast, chicken shish tawook, meen pollichathu, chemmeen porichathu, thayir vadai, idiyappam kadala curry, pachakai kurma, mamsum varutharacha curry, malabar mutta roast elaneer payasam, date pudding, ada pradaman, etc.

Board's Report

Dear Members

Your Directors have pleasure in presenting their 13th Annual Report on the business and operations of the Company, together with the audited financial statements for the financial year ended 31st March, 2019.

1. Financial summary or highlights

(₹ in million)

Particulars	Standalone		Consolidated	
	Year ended 31/03/2019	Year ended 31/03/2018	Year ended 31/03/2019	Year ended 31/03/2018
Continuing Operations				
Revenue from Operations	7,034.55	5,711.66	7,390.16	5,863.37
Other Income	41.74	51.38	35.25	41.11
Total Income	7,076.29	5,763.04	7,425.41	5,904.48
Operating Expenses	6,065.07	4,858.59	6,648.10	5,080.54
EBITDA	1,011.22	904.45	777.31	823.94
Finance Costs	125.38	173.45	168.72	184.36
Depreciation	369.37	318.62	428.69	328.04
Profit before Exceptional Items and Tax	516.47	412.38	179.90	311.54
Exceptional Items	691.53	13.77	106.50	13.77
Current Tax Expense	129.50	154.46	184.36	154.46
Deferred Tax (Income)	1.30	5.10	1.30	5.10
Net Profit	(303.26)	249.25	(109.66)	148.41
Proposed Dividend	(27.98)	(27.02)	-	-
Tax on Proposed Dividend	(5.75)	(5.50)	-	-
Transfer to General Reserve				
Discontinued Operations				
Loss from Discontinued Operations	-	-	(243.86)	(113.07)
Tax Benefit / (Expense) of Discontinued Operations	-	-	54.86	-
Profit/(loss) after Tax from Discontinued Operations	-	-	(189)	(113.07)
Surplus Carried to Balance Sheet	(303.26)	249.25	(298.66)	(35.34)

2. Company's affairs and business prospects

Your Board is pleased to report that the FY2019 journey started with 104 (102 in India and 2 overseas) stores. During the year, your Company opened 27 (24 stores in India and 3 stores overseas).

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

Your Board is pleased to recommend a dividend at the rate of ₹1/- per Equity Share of ₹5/- each (20%) on Equity Share Capital of the Company, subject to the approval of the members.

5. 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 https://www.barbequenation.com/annual-return-2019/

6. Board meetings

During the year under review, your Board met 7 (Seven) times, as per details below. The intervening gap between any two meetings was within the prescribed period, as per the Companies Act, 2013.

Number of meetings of the Board of Directors

Date of meeting held	No. of Directors attended
10th April, 2018	3
12th April, 2018 at 10.00 A.M.	3
12th April, 2018 at 3.30 P.M.	3
21st May, 2018	5
07th September, 2018	6
19th November, 2018	6
04th February, 2019	6

7. Formal annual evaluation

Your Company has devised a policy for selection of Directors, determining independence of Directors and for performance evaluation of Independent Directors, Boards, Committees and other individual Directors, which include criteria for performance evaluation of the non-executive Directors and executive Directors.

8. Directors' responsibility statement

To the best of the Board's knowledge and belief, and according to the 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.

9. 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.

10. 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 31.03.2019, the Board consists of 6 members, one of whom is an Executive Director and two are Independent Directors, one is Nominee Director of investors and two are 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.

11. 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

12. 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 form part of the notes to the financial statements.

13. 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.

14. Changes in share capital

The paid-up share capital of the Company was increased from ₹13,79,95,070 to ₹13,99,20,070 upon allotment of 3,85,000 Equity Shares of ₹5/- each at a premium of ₹827/-, aggregating to ₹32,03,20,000 through Private Placement for cash as approved in the shareholders' meeting held on 11th April, 2018 to Partner Reinsurance Europe SE. There were no other allotments during the year.

15. Events occurring after the Balance Sheet date

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

16. 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 15 above.

After careful consideration and duly reviewed and recommended by the Audit Committee, your Board has decided to write-off loan of ₹27,37,18,471 granted to Barbeque Nation Mena Holding Limited, after the prior approval of Reserve Bank of India.

17. Employee stock option scheme

Your Company has an Employee Stock Option Plan under 'ESOP Scheme 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, 2019 are as follows:

Options at the beginning of the period (1 April 2018)	4,30,235
Options granted during the period	NIL
Price per share (₹)	5
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
Options vested	Only 16,000 options of total options granted to Mr. Rahul Agrawal, President and CFO, got vested on 4th August 2018. Options of other employees got vested on 1st April 2019
Options lapsed	86,524
Options available for exercise	3,43,711
Options exercised	0
Total number of shares arising as a result of exercise of options	3,43,711
Variations of terms of options	Vesting period of an employee varies between one and three years
Money realised by exercise of options	0
Total number of options in force	**3,43,711**

Options granted to key managerial personnel/employees of the company during the year: Nil

Variation of terms of options:
Scheme got modified during the financial year as hereunder:

In the Extra ordinary General meeting held on 28th March 2019 the Members resolved to increase the exercise period from 12 months to 24 months.

Money realized by exercise of options: Nil

18. 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. The Company is using LED lighting system to ensure that consumption of energy is at minimal levels across its operations. The Company has not taken any steps for alternative source of energy. The Company has installed timers for exhaust & fresh air system and energy management system to save energy.

Technology absorption: Not applicable to the Company.

Foreign exchange income

(₹ in lakhs)

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Sale of food and beverages	1,428.64	916.58

CIF value of imports and expenditure

(₹ in lakhs)

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Capital imports	98.04	89.59
Fish import	1,439.87	949.11

19. 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 Company-level and also separately for different business segments. The Company has identified various risks and also has mitigation plans for each risk identified.

20. 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.

21. 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 accounting records and timely preparation of reliable financial disclosures.

22. Directors, key managerial personnel (KMP)

The composition of the Board of Directors, KMP and changes in the composition of the Board of Directors and KMP as on 31.03.2019 is exhibited below:

SN.	Name/Messrs	Designation	Date of appointment
1	Kayum Razak Dhanani	Managing Director	30/11/2012
2	Suchitra Dhanani	Director	01/07/2015
3	Tarun Khanna	Nominee Director	12/04/2013
4	T N Unni	Independent Director	09/02/2009
5	Raoof Razak Dhanani	Director	01/07/2015
6	Abhay Chintaman Chaudhari	Independent Director	28/02/2017
7	Rahul Agrawal	Chief Financial Officer	21/05/2018
8	Nagamani CY	Company Secretary	21/07/2014

Mr. Mohan Kumar R resigned from the position of Chief Financial Officer with effect from 1st May 2018 and Mr. Sameer Bhasin resigned from the position of Chief Executive Officer with effect from 22nd May 2018.¬

Mr. Rahul Agrawal has been appointed as Chief Financial Officer with effect from 21st May 2018.

23. Committees of the Board

As on 31.3.2019, 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 Messrs	Highlights of duties, responsibilities and activities
Audit Committee	1. T N Unni, Chairman 2. Abhay Chaudhari 3. 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: • 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. T N Unni, Chairman 2. Tarun Khanna 3. Abhay Chaudhari	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. T N Unni, Chairman 2. Tarun Khanna 3. Kayum Razak Dhanani 4. Suchitra Dhanani 5. 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
IPO Committee	1. Kayum Razak Dhanani 2. Tarun Khanna 3. Abhay Chaudhari	a) To finalise, 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

Name of the Committee	Composition Messrs	Highlights of duties, responsibilities and activities
IPO Committee (contd.)		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 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, finalisation, execution and, if required, amendment of the offer agreement with the BRLMs 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 afore stated documents
Shareholders' Relationship Committee	1. Kayum Razak Dhanani 2. Tarun Khanna 3. Abhay Chaudhari 4. 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 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.

24. 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 (INR)		Nature of employment	Qualification & experience	Date of commence-ment of employment	Previous employment	% of shares held in the company	Whether relative of any directors or manager
			Monthly	Yearly						
Rahul Agrawal	37 yrs	Chief Financial Officer	11,18,461	1,34,21,533	Chief Financial 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%	No
*Sameer Bhasin	43 yrs	Chief Executive Officer	9,10,260	16,27,154	Chief Executive Officer	Bachelor of Hotel Management	05-Apr-16	Paradise Food Court Pvt. Ltd	NIL	No
**Mansoor Memon	44 yrs	Head-Projects	10,27,255	10,27,255	Head -Projects	BE in Civil Engineering; 16 years of experience	01-March 19	Own business	0	Not relatives as per Companies Act, 2013

*Resigned in the month of May 2018 **Appointed in the month of March 2019

25. 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

26. 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.

a) The Company is not a subsidiary of any company.

b) The Company has wholly-owned subsidiary in Dubai and Mauritius, viz.:

1. Barbeque Nation Mena Holding Limited, registered with Jebel Ali Authority (100%)
2. Barbeque Nation Holdings Private Limited (100%)
3. Barbeque Holdings Private Limited (100%)
4. Prime Gourmet Private Limited (100%) till 5th December 2018

c) The Company has the following step-down subsidiaries/associates viz.:

1. Barbeque Nation Restaurant LLC (Barbeque Nation Mena Holdings Limited holds 49%)
2. Barbeque Nation (Malaysia) SDN. BHD (Barbeque Nation Mena Holdings Limited holds 100%)
3. Barbeque Nation International LLC - Oman (Barbeque Nation Mena Holdings Limited holds 49%)

27. Cash flow statement

The Cash flow statement for the year ended 31st March, 2019 is attached to the Balance Sheet.

28. Statutory auditors and their 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 in the 12th Annual General Meeting held on 4th June, 2018 and they shall hold office until the conclusion of the 17th Annual General Meeting.

29. 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 the period 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.

30. Secretarial auditor

Mr. Vijayakrishna KT, Company Secretary, Bengaluru has been appointed as Secretarial Auditor of the Company by the Board in its meeting held on 4th February, 2019. The Secretarial Audit Report in the prescribed form, MR-3, is enclosed as Annexure-3.

The qualifications in Secretarial Audit Report and Board comments:

a. The Company has not spent the stipulated amount in pursuance of the provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility during the financial year.

   Board Comment: The Company is in the process of identifying more projects for the CSR contribution. Suitable explanation has been exhibited in Annexure-6.

b. The Company has not filed Annual Returns required to be submitted under some of the above mentioned general laws and also has not maintained certain registers required to be maintained and further, has not displayed various documents required to be displayed in the notice boards under the above mentioned general laws.

   Board Comment: The observations have been noted and necessary actions will be taken to do necessary compliances

31. Details in respect of adequacy of internal financial controls with reference to the financial statements

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

32. 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.

33. 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

34. 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 the Company's operations in the future.

35. Secretarial Standards

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

36. Acknowledgements

The Directors place on record their appreciation of the cooperation 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

	Kayum Razak Dhanani	**T N Unni**
Place: Bangalore	*Managing Director*	*Director*
Date: 28th May 2019	DIN: 00987597	DIN: 00079237

Annexure-1

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31/03/2019

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	**PRESTIGE ZEENATH, 3RD FLOOR, MUNICIPAL NO. 8/1 RESIDENCY ROAD, RICHMOND TOWN BANGALORE-560025**
6.	Whether listed company	**NO**
7.	Name, address and contact details of the registrar and share transfer agent, if any	**NOT APPLICABLE**

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)

SN.	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

SN.	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.	** Prime Gourmet Private Limited	U74140DL2012PTC241588	Wholly-owned subsidiary	100%	2(87) (ii)

*Step down subsidiary/Associate **Prime Gourmet Private Limited was a wholly owned subsidiary of the Company till 5th December 2018

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 31/03/2018]				No. of shares held at the end of the year [As on 31/03/2019]				% 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	15.70	43,32,774	0	43,32,774	15.48	0.22
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	1,26,21,116	0	1,26,21,116	45.73	1,26,21,116	0	1,26,21,116	45.10	0.63
e) Banks/FIs									
f) Any other									
Sub-total (A)(1)	**1,69,53,890**	**0**	**1,69,53,890**	**61.43**	**1,69,53,890**	**0**	**1,69,53,890**	**60.58**	**0.85**

Category of shareholders	No. of shares held at the beginning of the year [As on 31/03/2018]				No. of shares held at the end of the year [As on 31/03/2019]				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(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**	**61.43**	**1,69,53,890**	**0**	**1,69,53,890**	**60.58**	**0.85**
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)	5,75,000	0	5,75,000	2.08	9,60,000	0	9,60,000	3.43	1.35
Sub-total (B)(1):-	**5,75,000**	**0**	**5,75,000**	**2.08**	**9,60,000**	**0**	**9,60,000**	**3.43**	**1.35**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	97,93,470	0	97,93,470	35.48	97,93,470	0	97,93,470	34.99	0.49
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	0	0	0	0	53,262	0	53,262	0.19	0.19
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	78,262	0	78,262	0.28	25,000	0	25,000	0.09	0.19
c) Others (specify)									
i) AAJV Investment Trust	1,98,392	0	1,98,392	0.72	1,98,392	0	1,98,392	0.71	0.01
Sub-total (B)(2):-	**1,00,70,124**	**0**	**1,00,70,124**	**36.48**	**1,00,70,124**	**0**	**1,00,70,124**	**35.98**	**0.5**
Total public shareholding (B) = (B)(1) + (B)(2)	**1,06,45,124**	**0**	**1,06,45,124**	**38.57**	**1,10,30,124**	**0**	**1,10,30,124**	**39.41**	**0.84**
C. Shares held by custodian for GDRs and ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand total (A+B+C)	**2,75,99,014**	**0**	**2,75,99,014**	**100**	**2,79,84,014**	**0**	**2,79,84,014**	**100**	**1.69**

(ii) Shareholding of promoters

Shareholder's 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	5.07	NIL	13,98,684	5.00	NIL	0.07
2.	Sayaji Housekeeping Services Limited	1,26,21,116	45.73	NIL	1,26,21,116	45.10	NIL	0.63
3.	Suchitra Dhanani	6	0.00	NIL	6	0.00	NIL	0
4.	Sayaji Hotels Limited	0	0	0	0	0	0	0
5.	Raoof Dhanani	0	0	0	0	0	0	0

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

S.N.	Name of the 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	5.07	-	-
		Date-wise increase/ decrease in Promoters' shareholding during the year specifying the reasons for increase/ decrease (Eg: allotment/transfer/ bonus/sweat equity etc):	-	-	0.00	0.00
		At the end of the year	-	-	13,98,684	5.00
2.	Sayaji Housekeeping Services Limited	At the beginning of the year	1,26,21,116	45.73	-	-
		Date-wise increase/ decrease in Promoters' shareholding during the year specifying the reasons for increase/ decrease (Eg: allotment/transfer/ bonus/sweat equity etc):	-	-	0	0
		At the end of the year	-	-	1,26,21,116	45.10
3.	Suchitra Dhanani	At the beginning of the year	6	0	-	-
		Date-wise increase/ decrease in Promoters' shareholding during the year specifying the reasons for increase/ decrease (Eg: allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
		At the end of the year	-	-	6	0
4.	Raoof Dhanani	At the beginning of the year	0	0	-	-
		Date-wise increase/ decrease in Promoters' shareholding during the year specifying the reasons for increase/ decrease (Eg: allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
		At the end of the year	-	-	0	0
5.	Sayaji Hotels Limited	At the beginning of the year	0	0	-	-
		Date-wise increase/ decrease in Promoters' shareholding during the year specifying the reasons for increase/ decrease (Eg: allotment/transfer/ bonus/sweat equity etc):	-	-	-	-
		At the end of the year	-	-	0	0

(iv) Shareholding pattern of top-10 shareholders (other than directors, promoters and holders of GDRs and ADRs)

SN.	For each of the top 10 shareholders	Shareholding at the beginning of the year		Increase/ decrease during the year	Cumulative shareholding during the year		At the end of the year	
		No. of shares	% of total shares of the Company	No. of shares allotted/ transferred	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	22.02	-	60,78,402	21.72	60,78,402	21.72
2.	Pace Private Limited	31,82,964	11.53	-	31,82,964	11.37	31,82,964	11.37
3.	Alchemy India Long Term Fund Limited	5,75,000	2.08	-	5,75,000	2.05	5,75,000	2.05
4.	Menu Private Limited	5,32,104	1.93	-	5,32,104	1.90	5,32,104	1.90
5	Sanya Dhanani*	4,97,893	1.80	-	4,97,893	1.78	4,97,893	1.78
6.	Azhar Dhanani*	4,97,890	1.80	-	4,97,890	1.78	4,97,890	1.78
7.	Zuber Dhanani*	4,97,890	1.80	-	4,97,890	1.78	4,97,890	1.78
8.	Saba Dhanani*	4,97,890	1.80	-	4,97,890	1.78	4,97,890	1.78
9.	Sadiya Dhanani*	4,97,890	1.80	-	4,97,890	1.78	4,97,890	1.78
10.	Zoya Dhanani*	4,44,631	1.61	-	4,44,631	1.59	4,44,631	1.59

*Promoters group

v. Shareholding of Directors and Key Managerial Personnel:

SN.	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**				
	At the beginning of the year	13,98,684	5.07	-	-
	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	13,98,684	5.00	13,98,684	5.00
2.	**Suchitra Dhanani**				
	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**				
	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	634.32	35.12	150.00	-	819.44
ii) Interest due but not paid	-	-	-	-	-
iii) Interest accrued but not due	2.84	-	-	-	2.84
Total (i+ii+iii)	**637.16**	**35.12**	**150.00**	**-**	**822.28**
Change in Indebtedness during the financial year					
* Addition	614.30	50.06	107.04	-	771.40
* Reduction	413.52	35.12	150.00	-	598.64
Net change	**200.78**	**14.94**	**(42.96)**	**-**	**172.76**

Particulars	Secured loans excluding deposits	Overdraft facilities that are Secured	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the end of the financial year					
i) Principal amount	835.10	50.06	107.04		992.20
ii) Interest due but not paid	-	-	-		-
iii) Interest accrued but not due	3.39	-	-		3.39
Total (i+ii+iii)	**838.49**	**50.06**	**107.04**	**-**	**995.59**

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: (₹)

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	1,75,000	1,75,000	3,50,000
	Commission	0	0	0
	Others, please specify	0	0	0
	Total (1)	**1,75,000**	**1,75,000**	**3,50,000**
2	**Other Non-Executive Directors**	**Suchitra Dhanani**	**Raoof Razak Dhanani**	
	Fee for attending board committee meetings	1,50,000	1,00,000	2,50,000
	Commission	0	0	0
	Others, please specify	0	0	0
	Total (2)	**1,50,000**	**1,00,000**	**2,50,000**
	Total (B)=(1+2)	**3,25,000**	**2,75,000**	**6,00,000**
	Total Managerial Remuneration	**-**	**-**	**0**
	Overall Ceiling	**-**	**-**	**-**

*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	CS	CFO*	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	13,14,504	1,34,21,533	1,47,36,037
	(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)	1,942	2,00,000	2,01,942
3	Sweat equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	Others, specify	-	-	-
5	Others, (Equity shares of ₹5/- each)	-	25,000	25,000
	Total	**13,14,504**	**1,34,21,533**	**1,47,36,037**

*ESOP and number of shares are not added to the total

Mr. Rahul Agrawal was appointed as Chief Financial Officer on 21st May 2018. But the remuneration stated aforesaid is for the whole year since he was in the company as a president.
Mr. Mohan Kumar R resigned w.e.f 1st May 2018 and the remuneration paid to him was ₹8,87,245. Unvested options got cancelled.
Mr. Sameer Bhasin resigned w.e.f 22nd May 2018 and the remuneration paid to him was ₹16,27,154. Unvested options got cancelled

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

Kayum Razak Dhanani
Managing Director
DIN: 00987597

T N Unni
Director
DIN: 00079237

Place: Bangalore
Date: 28th May 2019

Annexure-2

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 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 (vi) 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.

Annexure-3

Form No. - MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2019
[Pursuant to Section 204(1) of the Companies Act, 2013
and Rule No.9 of the Companies (Appointment and
Remuneration of Managerial 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 31.03.2019 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 31.03.2019 according to the provisions of:

(i). The Companies Act, 2013 (the Act) and the rules made there under;

(ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv). Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v). The Industry specific laws applicable to the Company are as follows:

- Prevention of Food Adulteration Act, 1954
- Food Safety and Standards Act, 2006
- The Legal Metrology Act, 2009
- The Narcotic Drugs and Psychotropic Substances (Karnataka) Rules 1985
- The Karnataka Excise Act, 1965
- The Trade Marks Act, 1999

(vi). 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

(vii). 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 and Labour Laws were noted which have been communicated to the Company.

Following two observations were made during the audit:

1. The Company has not spent the stipulated amount in pursuance of the provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility during the financial year.
2. The Company has not filed Annual Returns required to be submitted under some of the above mentioned General Laws and also has not maintained certain registers required to be maintained and further, has not displayed various documents required to be displayed in the Notice Boards under the above mentioned General Laws.

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 at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

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

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

(Vijayakrishna KT)
FCS No.: 1788
CP No.: 980

Place: Bangalore
Date: 28.05.2019

Note: This report is to be read with our 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, Central and State Sales 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.

(Vijayakrishna KT)
FCS No.: 1788
CP No.: 980

Place: Bangalore
Date: 28.05.2019

Annexure-4

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 to be presented with amounts in INR)

1	Name of the subsidiary	PRIME GOURMET 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 HOLDINGS PVT LTD,COUNTRY-MAURITIUS	BABEQUE NATION INTER-NATIONAL LLC -OMAN
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period is same 1st April to 31st March 2019	Reporting period is same 1st April to 31st March 2019	Reporting period is same 1st April to 31st March 2019	Reporting period is same 1st April to 31st March 2019	Reporting period is same 1st April to 31st March 2019	Reporting period is same 1st April to 31st March 2019	Reporting period is same 1st April to 31st March 2019
3	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR March 2019	AED March 2019 Rate 18.85	AED March 2019 Rate 18.85	RM March 2019 Rate 16.59	$ March 2019 Rate 69.44	$ March 2019 Rate 69.44	OMR March 2019 Rate 180.04
4	Share capital	244.63	264.89	5.66	16.59	1.39	1.39	27.01
5	Reserves and surplus	-251.41	-72.49	-184.43	-33.02	-1.80	-1.80	-1.20
6	Total assets	0.11	814.78	560.13	52.39	0.64	0.64	79.78
7	Total Equity and liabilities	0.11	814.78	560.13	52.39	0.64	0.64	79.78
8	Investments	-	33.75	-	-	-	-	-
9	Turnover/Revenue	40.42	56.58	362.16	15.09	-	-	-
10	Profit before taxation	-29.27	-49.76	-87.42	-31.26	-0.88	-0.88	-1.20
11	Provision for taxation	-	-	-	-	-	-	
12	Profit after taxation	-29.27	-49.76	-87.42	-31.26	-0.88	-0.88	-1.20
13	Proposed dividend	-	-	-	-	-	-	
14	% of shareholding	100%	100%	49%	100%	100%	100%	49%

** The shares held in Prime Gourmet Private Limited were sold on 5th December 2018 to Salim Sheikh and his Daughter Sabiya Sheikh.
One of the step-down subsidiaries, Barbeque Nation Kitchen LLC, incorporated on 9th January 2019 situated in Dubai, is yet to commence 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

Kayum Razak Dhanani
Managing Director
DIN: 00987597

T.N Unni
Director
DIN: 00079237

Place: Bangalore
Date: 28th May 2019

Annexure-5

Form No. 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)

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

(Amount in ₹)

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.	A.R Hospitality	Purchase of Barbeque division of A.R Hospitality	One Time	3,36,10,079	As per the agreement	19th November, 2018	10,00,000
2.	Sayaji Hotels Limited	Leave and license/ Rental agreement Rent and Maintenance Charges	15 years from October 2015	2,02,10,000	As per the agreement	1st December 2015	----
3.	Sara Suole Private limited, Samar Retail Private limited, Samar Lifestyle Private limited	Sharing of Common Area Maintenance Charges	8 years 11 months	Actual expenses	As per the agreement	04th February, 2019	----
4.	Sanya Dhanani	Daughter of Mrs. Suchitra Dhanani, Director. Appointed as Manger-Operational & Sales	Employment	5,18,316	Based on HR Policy	19th September 2017	----
5.	Sara Suole Private limited	Purchase of Consumables	On Demand	60,00,000	As per the agreement		
6.	Gulshan Mohammed Ismail Memon	Lease Deed	9 Years commencing from 25th March 2019	47,96,211	Rent of ₹4,09,094 per month, with the escalation of 15% on every 3 years. And other terms and conditions are as per the lease deed	29th June, 2017 and 4th February 2019	Nil

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: 28th May 2019

Annexure-6

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	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. (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, agro-forestry, 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, Paralympics 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	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.	₹29,76,17,745/-
4	Prescribed C S R Expenditure (two per cent of the amount as in item 3 above)	₹59,52,355/-
5	Details of CSR Expenditure during the financial year	Christel House India - ₹2,00,000 Helpage India - ₹25,00,000 Akshaya Patra - ₹3,00,000 Deseeya Sevabharathi, Keralam - ₹2,00,000 Society for the Training and Vocational Rehabilitation of the Disabled - ₹3,50,000 Habitat for Humanity Trust – ₹15,00,000 Hope Foundation - ₹3,79,000
6	Details of Amount Unspent	₹523,355/-
7	Reason for unspent amount	Company is in the process of identifying more projects

For and on behalf of the Board of Directors

	Kayum Razak Dhanani	**T.N Unni**
Place: Bangalore	*Managing Director*	*Director*
Date: 28th May 2019	DIN: 00987597	DIN: 00079237

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	Total
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, and providing education to underprivileged children	₹2,00,000	-	-	-	Christel House India	₹2,00,000
2.	Helpage India	In raising awareness on the urgent concerns of the ageing population in India	Others		Donated ₹25,00,000 to Helpage India, for an initiative called as Mobile Health Unit (MHU), MHU addresses the problems of un-affordability inaccessibility and non-availability of basic essential healthcare to poor elderly people	₹25,00,000	-	-	-	Helpage India	₹25,00,000
3.	Akshaya Patra	Unusual and torrential rains flooded the entire state of Kerala since August 8, 2018. Its actively involved in flood relief activities in Kerala and also started flood relief activities in Madikeri, Karnataka	Others	Allepey and Madikeri	Donated ₹3,00,000 to unusual and torrential rains that flooded the state of Kerala since August 8, 2018. It is actively involved in flood relief activities in Kerala and also started flood relief activities in Madikeri, Karnataka	₹3,00,000	-	-	-	Akshaya Patra	₹3,00,000
4.	Deseeya Sevabharathi Keralam	Kerala is facing unprecedented natural calamities	Others	Kerala	Donated ₹2,00,000 to unprecedented natural calamities which occurred in Kerala	₹2,00,000	-	-	-	Deseeya Sevabharathi, Keralam	₹2,00,000
5.	Society for the Training and Vocational Rehabilitation of the Disabled	Society for the Training and Vocational Rehabilitation of the Disabled is working for all categories PWDs/Divyangs, right from their identification, health care, aids, appliances, support, education, training and employment to live with dignity in mainstream society/ enable community-based rehabilitation	Others	Vadodara-Gujarat	Donated ₹3,50,000 to Society for the Training and Vocational Rehabilitation of the Disabled that is working for all categories PWDs/Divyangs, right from their identification, health care, aids, appliances, support, education, training and employment to live with dignity in mainstream society/ enable community-based rehabilitation	₹3,50,000	-	-	-	Society for the Training and Vocational Rehabilitation of the Disabled	₹3,50,000
6	Habitat for Humanity India Trust, Mumbai	Slum area development	Others	Delhi		₹15,00,000	-	-	-	Habitat for Humanity India Trust	₹15,00,000
7.	Hope Foundation	Enhancing vocational skills, especially among children and women and livelihood enhancement projects for women empowerment	Others	Vadodara-Gujarat	Donated ₹3,79,000 to Hope Foundation for the education of slum children	₹3,79,000	-	-	-	Hope Foundation	₹3,79,000

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

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: 28th May 2019

Details of Penalties/Punishment/Compounding of Offences:

SN.	Name of the company	Name of the concerned Authority	Date of Order	Name of the Act and section under which penalised / 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, Delhi	08/12/2017	Section 33 of Delhi Value Added Tax Act, 2004	6,42,490	Filed the appeal dated 15/09/2018	Assessing Authority of Vat Officer W-205 passed notice of assessment of penalty U Sec- 86(12) of Delhi VAT Act 2004 for non-reversal of ITC-on stock transfer out for the F. Year 2014-15 of ₹642490/-. We have filed the appeal against the order for wavier of imposed penalty amount. (Date of Appeal 15/09/2018)
2	Barbeque-Nation Hospitality Limited	Commercial Tax Department, Delhi	05/01/2018	Section 33 of Delhi Value Added Tax Act, 2004	6,43,774	Filed the appeal dated 15/09/2018	Assessing Authority of Vat Officer W-205 passed notice of assessment of penalty U Sec- 86(12) of Delhi VAT Act 2004 for non-reversal of ITC-on stock transfer out for the F. Year 2015-16 of ₹643774/-. We have filed the appeal against the order for wavier of imposed penalty amount. (Date of Appeal 15/09/2018)
3	Barbeque-Nation Hospitality Limited	Commercial Tax Department, Gujarat	18/09/2018	Section 34 of Gujarat Value Added Tax Act, 2003	11,57,797	Filed Appeal dated 10/10/2018	Authority asked to pay the Penalty Amount. We have filed the appeal against the order for waiver of imposed penalty amount.
4	Barbeque-Nation Hospitality Limited	Service Tax	18/06/2018	Section 65 (Service Tax Division Indore)	9,72,530	Filed the appeal dated 19/9/17	Authority asked to pay the Penalty Amount. We have filed the appeal against the order for waiver of imposed penalty amount. But department is agreed reduced the penalty amount and we have paid the penalty of ₹4,86,265/- & case is closed.
5	Barbeque-Nation Hospitality Limited	District Excise officer, Udaipur	22/03/2019	The Rajasthan Excise Act, 1950	30,000	Penalty has been paid and the case is closed	Company failed to submit liquor sale and liquor stock details online due technical error in the system.
6	Barbeque-Nation Hospitality Limited	Chandigarh Excise Department	21/09/2018	Section 80(2) of Punjab Excise Act, 1914	1,00,000	Penalty has been paid and the case is closed	During the course of inspection, it was found that BBQN was serving liquor to the customer below the age of 25yrs.
7	Barbeque-Nation Hospitality Limited	Police department, Panjagutta Hyderabad	01/12/2017	Cr no.720/2017 U/S 188,336 Indian Penal Code & 66G of City Police Act	350	Penalty has been paid and the case is closed	Following lapses and irregularities noticed by the police department: 1) Fire safety and security measures not maintained in the premise 2) no security guards posted at the entrance to check the visitors 3) no scanners and surveillance equipment available in the entrance, 4) Barbeque Nation Bar & Restaurant not displayed in the name board 5) liquor served to minor and no proper liquor signage board stating that no liquor will be served to customers below the age of 21 years 6) no spacious accommodation, no sufficient fire extinguisher are installed in case of emergency 7) every table has grill oven at the time of serving liquor which is inflammable 8) No first-aid box, 9) No exhaust fan in the kitchen 10) One for the entry and exit for the customers 11) Not maintained the register to collect the details of the customers along with ID proof 12) CCTV should in IVR and cameras not as per the specifications mentioned in AP Public Safety (measures) Enforcement Act, 2014
8	Barbeque-Nation Hospitality Limited	Legal Metrology Visakhapatnam	17/02/2019	Section14 2009, Rule 14 of APLM/enforcement	15,000	Penalty has been paid and the case is closed	Seal on weighing machine not available at the time of inspection
9	Barbeque-Nation Hospitality Limited	Excise Department	10/05/2018	Mumbai Foreign Liquor Act 1969, Section 7 Condition (1),(2),(3),(4) and 15 A of Liquor License RULE 9.	40,000	Penalty has been paid and the case is closed	Infringement of license condition Excise department made case for 1)Not maintaining FLR registers, 2) Not destroyed the expired (Breezer & Beer) liquor. It got deducted from FLR registers.

SN.	Name of the company	Name of the concerned Authority	Date of Order	Name of the Act and section under which penalised / punished	Details of penalty/ punishment (in ₹)	Details of appeal (if any) including present status	Brief description and facts of the case
10	Barbeque-Nation Hospitality Limited	Municipal Corporation (Health department)	21/07/2018	U/S 471 of the Mumbai Municipal Corporation Act, read with section 394(1) e(i)/471.	10,000	Penalty has been paid and the case is closed	MCGM Made case for not shown the license at the time of inspection
11	Barbeque-Nation Hospitality Limited	Municipal Corporation (Health department)	15/10/2018	U/S 471 of the Mumbai Municipal Corporation Act, read with section 394(1) e(i)/471.	14,000	Penalty has been paid and the case is closed	MCGM Made case for not producing fire compliance certificate at the time of inspection
12	Barbeque-Nation Hospitality Limited	Excise Department	22/02/2019	Foreign Liquor Act 1953, under Rule 49(1),50,(1),53(1)58 and Liquor License rule 9	35,000	Penalty has been paid and the case is closed	Excise dept. made case for 1)not maintaining FLR registers, 2)stock not matched with FLR, 3)Nokarnama not present at the time of visit 4)Imported liquor bottle without brand roll
13	Barbeque-Nation Hospitality Limited	Commercial Tax Department, Gujarat	18/09/2018	Section 34 of Gujarat Value Added Tax Act, 2003	8,76,564	Filed Appeal dated 10/10/2018	Authority asked to pay the Penalty Amount. We have filed the appeal against the order for waver of imposed penalty amount.

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: 28th May 2019

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, 2019, 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, 2019, 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.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 its standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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 Registration No. 008072S

S. Sundaresan
Partner
(Membership No. 025776)

BENGALURU
May 28, 2019

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, 2019 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 (The "Guidance Note") 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 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 issued by the ICAI 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, 2019, 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 issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm Registration No. 008072S

S. Sundaresan
Partner
(Membership No. 025776)

BENGALURU
May 28, 2019

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 during the year by the Management at reasonable intervals 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.

(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, 2019 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, 2019 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 disputed (₹ in Million)
Punjab Value Added Tax Act, 2005	Value Added Tax	Commercial Tax Officer, Chandigarh	2011-2014	1.25
Maharashtra Value Added Tax, 2002	Value Added Tax	Commercial Tax Officer, Maharashtra	2011-2014	0.91
Gujarat Value Added Tax Act, 2005	Value Added Tax	Commercial Tax Officer, Gujarat	January 2013 to December 2016	2.67
Gujarat Value Added Tax Act, 2005	Value Added Tax	Commercial Tax Officer, Gujarat	2014-16	1.53
Delhi Value Added Tax Act, 2005	Value Added Tax	Commercial Tax Officer, Delhi	2014-16	2.48
Income Tax Act, 1961	Income tax	Assistant Commissioner of Income tax, Indore	2013-2014	1.42

(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 has disclosed the details of related party transactions in the standalone financial statements etc. as required by the applicable accounting standard

(xiv) According to the information and explanations given to us, the Company has made preferential allotment or private placement of shares during the year under review.

In respect of the above issue, we further report that:

a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and

b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.

(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 Registration No. 008072S

S. Sundaresan
Partner
(Membership No. 025776)

BENGALURU
May 28, 2019

Standalone Balance Sheet

as at 31 March, 2019

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

Particulars	Note No	As at 31-Mar-19	As at 31-Mar-18
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	2,634.52	2,065.00
Capital work-in-progress		90.13	119.67
Goodwill	5	189.66	189.66
Other Intangible assets	4(b)	54.44	44.37
Financial Assets			
Investments	6	279.04	275.66
Loans	7	193.28	166.28
Other financial assets	8	15.25	11.60
Deferred tax assets (net)	35	41.57	38.53
Other non-current assets	9	130.98	102.23
Total Non-current assets [A]		**3,628.87**	**3,013.00**
Current assets			
Inventories	10	182.63	175.01
Financial assets			
Investments	11	-	0.01
Trade receivables	12	56.31	65.41
Cash and cash equivalents	13	67.68	355.83
Loans	14	-	149.10
Other financial assets	15	37.38	52.82
Other current assets	16	200.12	172.00
Total current assets [B]		**544.12**	**970.18**
Total assets [A+B]		**4,172.99**	**3,983.18**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	17	139.92	138.00
Other equity	18	2,059.47	2,094.32
Equity attributable to owners of the Company [C]		**2,199.39**	**2,232.32**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	19	611.11	469.32
Provisions	20	103.43	76.98
Other non-current liabilities	21	-	1.71
Total Non-current liabilities [D]		**714.54**	**548.01**
Current liabilities			
Financial Liabilities			
Borrowings	22	157.10	185.12
Trade payables	23		
- total outstanding dues of micro enterprises and small enterprises		1.03	-
- total outstanding dues of creditors other than micro enterprises		670.21	628.13
Other financial liabilities	24	277.54	239.01
Other current liabilities	25	79.94	65.25
Provisions	26	33.54	32.20
Current tax liabilities (Net)	27	39.70	53.14
Total current liabilities [E]		**1,259.06**	**1,202.85**
Total liabilities [F= [D+E]]		**1,973.60**	**1,750.86**
Total equity and liabilities [F+C]		**4,172.99**	**3,983.18**

See accompanying notes to the Standalone Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 008072S)

S. Sundaresan
Partner
(Membership No. 025776)

Bengaluru, May 28, 2019

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
President &
Chief Financial Officer

Nagamani C Y
Company Secretary

Bengaluru, May 28, 2019

Standalone Statement of Profit & Loss

for the year ended 31 March, 2019

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

Particulars	Note No	For the year ended 31-Mar-19	For the year ended 31-Mar-18
REVENUE			
Revenue from operations	28	7,034.55	5,711.66
Other income	29	41.74	51.38
Total (A)		**7,076.29**	**5,763.04**
Expenses			
Cost of food and beverages consumed	30	2,366.30	1,925.82
Employee benefits expenses	31	1,451.52	1,182.34
Occupancy cost and other operating expenses	32	2,247.25	1,750.43
Total (B)		**6,065.07**	**4,858.59**
Earnings before exceptional items, finance costs, depreciation and amortisation (EBITDA) (C) = (A-B)		**1,011.22**	**904.45**
Finance costs (D)	33	125.38	173.45
Depreciation and amortisation expense (E)	4	369.37	318.62
Profit before tax and exceptional items (F) = (C-D-E)		**516.47**	**412.38**
Exceptional items (G)	34	691.53	13.77
Profit before tax (H) = (F-G)		**(175.06)**	**398.61**
Tax expense / (benefit):	35		
Current tax		129.50	154.46
Deferred tax		(1.30)	(5.10)
Net tax expense / (benefit) (I)		**128.20**	**149.36**
Net Profit for the year (J) = (H-I)		**(303.26)**	**249.25**
Other Comprehensive Income / (Losses) (K)	37		
Items that will not be reclassified to Statement of profit and loss			
Remeasurements of the defined benefit plans		(4.99)	(6.51)
Income tax on the above		1.74	2.25
Total comprehensive income for the year (J + K)		**(306.51)**	**244.99**
Earnings per share	42		
Basic (in ₹) (Face value of ₹5 each)		(10.84)	9.22
Diluted (in ₹) (Face value of ₹5 each)		(10.84)	9.16

See accompanying notes to the Standalone Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 008072S)

S. Sundaresan
Partner
(Membership No. 025776)

Bengaluru, May 28, 2019

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
President &
Chief Financial Officer

Nagamani C Y
Company Secretary

Bengaluru, May 28, 2019

Standalone Cash Flow Statement

for the year ended 31 March, 2019

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

Particulars		For the year ended 31-Mar-19	For the year ended 31-Mar-18
A.	**Cash flow from operating activities**		
	Profit / (loss) before tax	**(175.06)**	**398.61**
	Adjustments for:		
	Loss on disposal of subsidiary	413.60	-
	Provision against loan given to Barbeque-Nation Mena Holding Limited	274.86	-
	Depreciation and amortisation	369.37	318.62
	Net loss relating to relocation of restaurant units during the year	3.07	13.77
	Interest expense	66.46	103.94
	Interest income	(33.85)	(23.12)
	Income from government grant	(4.71)	(2.07)
	Profit on sale/fair value of investments in mutual funds	-	(2.83)
	Expense on employee stock option scheme	7.40	18.96
	Expense on phantom option scheme	-	17.17
	Provision no longer required written back	-	(20.50)
	Provision for doubtful receivables and advances	12.16	2.50
	Operating profit before working capital changes	**933.30**	**825.05**
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	(7.62)	(24.94)
	Trade receivables	(3.06)	(27.23)
	Other assets	(49.76)	(68.33)
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade payables	43.11	231.36
	Other liabilities	17.69	(8.80)
	Non-current provisions	10.43	0.84
	Current provisions	1.34	0.86
	Cash generated from operations	**945.43**	**928.81**
	Net income tax (paid) / refunds	(142.94)	(144.67)
	Net cash flow from / (used in) operating activities (A)	**802.49**	**784.14**
B.	**Cash flow from investing activities**		
	Capital expenditure on property plant and equipment, Capital work in progress, intangible assets	(933.50)	(630.38)
	Proceeds from sale of fixed assets	1.03	1.22
	Proceeds from disposal of investments in Prime Gourmet Private Limited (Refer note 34(i))	0.50	-
	Investment in subsidiaries	(260.43)	(50.35)
	Loan given to subsidiaries	(199.26)	(218.22)
	Receipt towards repayment of loan from subsidiary	-	69.35
	Deposits placed for margin money	(9.86)	-
	Deposits held as margin money released	-	13.69
	Interest received	23.69	2.57
	Sale of investment in mutual fund	0.01	2.83
	Net cash flow from / (used in) investing activities (B)	**(1,377.82)**	**(809.29)**

Standalone Cash Flow Statement

for the year ended 31 March, 2019

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

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
C. Cash flow from financing activities		
Proceeds from issue of equity shares	320.31	478.41
Share issue expenses/Expenses towards offer for sale of shares	(22.70)	(67.39)
Proceeds from longterm borrowings	614.30	390.00
Repayment of longterm borrowings	(497.08)	(534.52)
Net increase / (decrease) in working capital borrowings	(28.02)	170.86
Dividend paid (inlcuding tax on dividend)	(33.73)	(32.52)
Interest paid	(65.91)	(96.09)
Net cash flow from financing activities (C)	**287.17**	**308.75**
Net increase in cash and cash equivalents (A+B+C)	**(288.16)**	**283.60**
Cash and cash equivalents at the beginning of the year	355.84	72.24
Cash and cash equivalents at the end of the year	**67.68**	**355.84**
Reconciliation of cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet	67.68	355.83
Add: Current investments considered as part of Cash and cash equivalents in the Cash Flow Statements.	-	0.01
Cash and cash equivalents at the end of the year	**67.68**	**355.84**

See accompanying notes to the Standalone Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 008072S)

S. Sundaresan
Partner
(Membership No. 025776)

Bengaluru, May 28, 2019

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
President &
Chief Financial Officer

Nagamani C Y
Company Secretary

Bengaluru, May 28, 2019

Standalone Statement of Changes in Equity

as at 31 March, 2019

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

(a) Equity share capital

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Opening balance	138.00	135.12
Changes in equity share capital during the year		
Issue of the equity shares during the year	1.92	2.88
Closing balance	**139.92**	**138.00**

(b) Other Equity

Particulars	Reserves and Surplus			Total Other Equity
	Securities premium	Share options outstanding account	Retained earnings	
Balance as at 01 April 2017	864.80	9.62	522.84	1,397.26
Profit /(loss) for the year	-	-	249.25	249.25
Remeasurements of the defined benefit plans (net of tax)	-	-	(4.26)	(4.26)
Total comprehensive income/(loss)	**-**	**-**	**244.99**	**244.99**
Premium received on shares issued during the year	475.53	-	-	475.53
Share issue expenses	(9.90)			(9.90)
Amounts recorded on grant of employee stock options during the year	-	18.96	-	18.96
Dividend and tax thereon	-	-	(32.52)	(32.52)
Balance as at 31 March 2018	**1,330.43**	**28.58**	**735.31**	**2,094.32**
Balance as at 01 April 2018	1,330.43	28.58	735.31	2,094.32
Profit /(loss) for the year	-	-	(303.26)	(303.26)
Remeasurements of the defined benefit plans (net of tax)	-	-	(3.25)	(3.25)
Total comprehensive income/(loss)	**-**	**-**	**(306.51)**	**(306.51)**
Premium received on shares issued during the year	318.39	-	-	318.39
Share issue expenses	(20.40)	-	-	(20.40)
Deferred stock compensation expense for the year	-	7.40	-	7.40
Dividend and tax thereon	-	-	(33.73)	(33.73)
Balance as at 31 March 2019	**1,628.42**	**35.98**	**395.07**	**2,059.47**

See accompanying notes to the Standalone Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 008072S)

S. Sundaresan
Partner
(Membership No. 025776)

Bengaluru, May 28, 2019

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
President &
Chief Financial Officer

Nagamani C Y
Company Secretary

Bengaluru, May 28, 2019

Notes to 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 Prestige Zeenath, Municipal No. 8/1, Residency Road, Richmond Town, Bengaluru 560 025, Karnataka, India.

2 Basis of preparation and presentation and summary of 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.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value as described in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange of assets.

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.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.3 Summary of significant accounting policies

Revenue Recognition

Revenue from sale of food and beverages is recognized at the time of underlying sale. 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 percentage of redemption in the past. Customer payments are generally due at the time of sale. 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.

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. Dividend income is accounted for when the right to receive payment has been established.

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 interests 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.

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.

Notes to the Standalone Financial Statement

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

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.

Investments in subsidiary

Investment in subsidiaries are measured at cost less impairment.

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.

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.

Notes to the Standalone Financial Statement

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 group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured though a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

Derecognition of financial assets
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of profit and loss if such gain or loss would have otherwise been recognised in Statement of profit and loss on disposal of that financial asset.

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of profit and loss.

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.

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.

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;

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 enitling 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 comprehensivve 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.

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 excercise 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.

Borrowing Costs

Borrowing costs include:
(i) interest expense calculated using the effective interest rate method,
(ii) finance charges in respect of finance leases, and
(iii) 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.

Leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially capitalised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

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 Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Notes to the Standalone Financial Statement

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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 year

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.

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.

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 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

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.

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.

Notes to the Standalone Financial Statement

3 Use of estimates and judgements

In the application of the Company's accounting policies, which are described in note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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.

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.

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 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-18	Additions	Deletions	Balance as at 31-Mar-19	Balance as at 01-Apr-18	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31-Mar-19	Balance as at 31-Mar-19
4(a) Property, plant and equipment (owned)									
Lease hold improvements	855.39	313.80	0.99	1,168.20	191.32	128.77	0.43	319.66	848.54
Furniture and fixtures	722.89	229.96	0.41	952.44	145.05	91.59	0.20	236.44	716.00
Plant & machinery	519.64	180.13	2.86	696.91	59.06	45.54	1.04	103.56	593.35
Service equipments	511.55	148.68	3.62	656.61	185.36	72.28	2.11	255.53	401.08
Computer equipments	64.48	62.75	-	127.23	31.90	23.27	-	55.17	72.06
Vehicles	4.75	0.44	-	5.19	1.01	0.69	-	1.70	3.49
Total	**2,678.70**	**935.76**	**7.88**	**3,606.58**	**613.70**	**362.14**	**3.78**	**972.06**	**2,634.52**
4(b) Intangible assets (others)									
Liquor licenses	7.41	-	-	7.41	4.62	1.22	-	5.84	1.57
Software and licenses	17.69	11.46	-	29.15	7.83	6.02	-	13.85	15.30
Brand name	31.72	5.85	-	37.57	-	-	-	-	37.57
Total	**56.82**	**17.31**	**-**	**74.13**	**12.45**	**7.24**	**-**	**19.69**	**54.44**
Grand Total	**2,735.52**	**953.07**	**7.88**	**3,680.71**	**626.15**	**369.38**	**3.78**	**991.75**	**2,688.96**

Particulars	Cost				Accumulated depreciation/amortisation				Net Block
	Balance as at 01-Apr-17	Additions	Deletions	Balance as at 31-Mar-18	Balance as at 01-Apr-17	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31-Mar-18	Balance as at 31-Mar-18
4(a) Property, plant and equipment (owned)									
Lease hold improvements	589.39	267.26	1.26	855.39	87.34	104.63	0.65	191.32	664.07
Furniture and fixtures	578.97	144.12	0.20	722.89	69.51	75.58	0.04	145.05	577.84
Plant & machinery	366.98	157.77	5.11	519.64	25.29	34.74	0.97	59.06	460.58
Service equipments	388.06	123.80	0.31	511.55	105.24	80.31	0.19	185.36	326.19
Computer equipments	40.72	23.76	-	64.48	15.12	16.78	-	31.90	32.58
Vehicles	3.22	1.58	0.05	4.75	0.58	0.48	0.05	1.01	3.74
Total	**1,967.34**	**718.29**	**6.93**	**2,678.70**	**303.08**	**312.52**	**1.90**	**613.70**	**2,065.00**
4(b) Intangible assets (others)									
Liquor licenses	7.41	-	-	7.41	3.40	1.22	-	4.62	2.79
Software and licenses	11.89	5.80	-	17.69	2.95	4.88	-	7.83	9.86
Brand name	29.48	2.24	-	31.72	-	-	-	-	31.72
Total	**48.78**	**8.04**	**-**	**56.82**	**6.35**	**6.10**	**-**	**12.45**	**44.37**
Grand Total	**2,016.12**	**726.33**	**6.93**	**2,735.52**	**309.43**	**318.62**	**1.90**	**626.15**	**2,109.37**

Notes to the Standalone Financial Statement

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

5 Goodwill

Particulars	31-Mar-19	31-Mar-18
Goodwill allocated to the business of operating restaurant outlets	189.66	189.66

The carrying value of goodwill 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 5 years and terminal value. The terminal value of 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.

6 Investments

(Classified under non-current assets)

Particulars	31-Mar-19	31-Mar-18
Unquoted Investments in equity instruments of subsidiary (carried at cost):		
Prime Gourmet Private Limited (Nil (31 March 2018: 24,462,763) equity shares of ₹10 each) (Refer note 34(i))	-	257.05
Barbeque Nation Mena Holding Limited (formerly known as Barbeque Nation Holdings Limited) (140,525 (31 March 2018: 10,000) equity shares of AED 100 each) (Refer note 34(ii))	276.26	18.61
Barbeque Nation Holdings Pvt Ltd (19,980 (31 March 2018: Nil) equity shares of USD 1 each)	1.39	-
Barbeque Holdings Pvt Ltd (19,980 (31 March 2018: Nil) equity shares of USD 1 each)	1.39	-
Total	**279.04**	**275.66**
Aggregate amount of un-quoted investments	279.04	275.66

7 Loans

(Classified under non-current assets)

Particulars	31-Mar-19	31-Mar-18
Unsecured, good unless stated otherwise:		
Security deposits	193.28	166.28
Loans to related parties		
considered good	-	-
credit impaired	274.86	-
Less : Allowance for impairment (Refer note 34(ii))	(274.86)	-
Total	**193.28**	**166.28**

8 Other financial assets

(Classified under non-current assets)

Particulars	31-Mar-19	31-Mar-18
Deposit with Related Parties	0.21	0.21
Balances held as margin money or security	15.04	11.39
Total	**15.25**	**11.60**

9 Other non-current assets

Particulars	31-Mar-19	31-Mar-18
Unsecured, considered good:		
Amounts paid to statutory authorities under protest	10.62	9.62
Prepaid rent	103.92	80.98
Other security deposits	16.44	11.63
Total	**130.98**	**102.23**

Notes to the Standalone Financial Statement

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

10 Inventories

Particulars	31-Mar-19	31-Mar-18
(At lower of cost and net realisable value)		
Food & beverages	134.14	138.17
Stores & consumables	48.49	36.84
Total	**182.63**	**175.01**

11 Investments

(Classified under current assets)

Particulars	31-Mar-19	31-Mar-18
Investments carried at fair value through profit or loss:		
Investment in mutual funds		
SBI PLFReg Plan Daily dividend	-	0.01
Number of mutual fund units	-	2.46
Total	**-**	**0.01**
Aggregate net asset value of quoted investments in mutual funds	-	0.01

12 Trade receivables

Particulars	31-Mar-19	31-Mar-18
Trade receivables (unsecured) consist of following		
considered good	56.31	65.41
credit impaired	14.68	2.52
	70.99	**67.93**
Allowance for doubtful receivables (expected credit loss allowance)	(14.68)	(2.52)
Total	**56.31**	**65.41**

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	31-Mar-19	31-Mar-18
Opening balance	2.52	2.48
Add :Allowance for doubtful receivables	12.16	2.50
Less : Doubtful receivables written off	-	(2.46)
Closing balance	**14.68**	**2.52**

13 Cash and cash equivalents

Particulars	31-Mar-19	31-Mar-18
Balances with banks		
In current accounts	49.87	286.87
In deposit accounts	-	58.30
Cash on hand	17.81	10.66
Cash and cash equivalents as per balance sheet	**67.68**	**355.83**
Add: Investments in liquid mutual funds in the nature of "Cash and cash equivalents" (Refer note 11)	-	0.01
Cash and cash equivalents as per statement of cash flows	**67.68**	**355.84**

14 Loans

Particulars	31-Mar-19	31-Mar-18
Loan to related parties (Unsecured, considered good)		
Barbeque Nation MENA Holding Limited	-	125.80
Prime Gourmet Private Limited	-	23.30
Total	**-**	**149.10**

Notes to the Standalone Financial Statement

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

15 Other financial assets

(Classified under current assets)

Particulars	31-Mar-19	31-Mar-18
Balances held as margin money or security	6.21	-
Interest accrued on		
fixed deposits	3.87	3.03
loans given to related parties	-	5.49
Other receivables from subsidiaries		
Prime Gourmet Private Limited	-	19.59
Barbeque Nation MENA Holding Limited	20.65	21.81
Barbeque Nation Holdings Pvt Ltd, Mauritius	0.84	0.55
Barbeque Holdings Pvt. Ltd, Mauritius	0.83	0.55
Barbeque Nation Holdings LLC, Singapore	-	0.72
Barbeque Nation (Malaysia) Sdn. Bhd.	4.89	1.08
Barbeque Nation International LLC, Oman	0.09	-
Total	**37.38**	**52.82**

16 Other current assets

Particulars	31-Mar-19	31-Mar-18
Advance to employees	5.69	9.28
Prepaid expenses	82.95	61.82
Advances paid for supply of materials / rendering of services		
Unsecured, considered good	31.65	18.87
Doubtful	9.96	9.96
	41.61	**28.83**
Less: Allowance for bad and doubtful advances	(9.96)	(9.96)
	31.65	**18.87**
Balance with Government authorities	4.75	9.25
Unamortised share issue expenses (Refer note below)	75.08	72.78
Total	**200.12**	**172.00**

Note: The Company has incurred expenses of ₹75.08 as at 31 March 2019 (₹72.78 as at 31 March 2018) towards offer for sale of its equity shares by existing shareholders. These expenses will be recovered from the respective shareholders upon sale of their shares.

17 Equity share capital

Particulars	31-Mar-19	31-Mar-18
Authorised		
60,000,000 equity shares of ₹5/- each (as at 31-Mar-18 60,000,000 equity shares of ₹5/- each)	300.00	300.00
Issued, subscribed and fully paid up capital		
27,984,014 equity shares of ₹5/- each (as at 31-Mar-18 27,599,014 equity shares of ₹5/- each)	139.92	138.00
Total	**139.92**	**138.00**

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

Particulars	31-Mar-19		31-Mar-18	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹5/- each:				
Opening balance	2,75,99,014	138.00	2,70,24,014	135.12
Add: Issued during the year #	3,85,000	1.92	5,75,000	2.88
Closing balance	**2,79,84,014**	**139.92**	**2,75,99,014**	**138.00**

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 575,000 equity shares of ₹5 each were issued to Alchemy India Long-term Fund Ltd at a premium of ₹827 per share on March 29, 2018.

Notes to the Standalone Financial Statement

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

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

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	No. of shares	% holding	No. of shares	% holding
Sayaji Housekeeping Services Limited	1,26,21,116	45.10%	1,26,21,116	45.73%
Tamara Private Limited	60,78,402	21.72%	60,78,402	22.02%
Pace Private Limited	31,82,964	11.37%	31,82,964	11.53%
Kayum Razak Dhanani	13,98,684	5.00%	13,98,684	5.07%

(c) Number of equity shares reserved for issuance

Particulars	31-Mar-19	31-Mar-18
Equity shares of ₹5/- each		
to eligible employees under Employee Stock Option Scheme	5,32,480	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.

18 Other equity

Particulars	31-Mar-19	31-Mar-18
Securities premium	1,628.42	1,330.43
Share options outstanding account	35.98	28.58
Retained earnings	395.07	735.31
Total	**2,059.47**	**2,094.32**

Particulars	31-Mar-19	31-Mar-18
Securities premium		
Amounts received on issue of shares in excess of the par value has been classified as securities premium		
Opening balance	1,330.43	864.80
Add: Premium on shares issued during the year [Refer Note 17 (a)]	318.39	475.53
Less : Share issue expenses	(20.40)	(9.90)
Closing balance	**1,628.42**	**1,330.43**
Share options outstanding account		
The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account will be transferred to securities premium reserve upon exercise of stock options by employees.		
Opening balance	66.25	28.87
Add: Amounts recorded on grant/(lapses) of employee stock options during the year (Refer Note 38)	(18.80)	37.38
	47.45	66.25
Less : Deferred stock compensation expense	(11.47)	(37.67)
Closing balance	**35.98**	**28.58**
Retained earnings		
Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.		
Opening balance	735.31	522.84
Add: Profit /(loss) for the year	(303.26)	249.25
Less: Remeasurement loss recognised in Other comprehensive Income (net of tax)	(3.25)	(4.26)
Less: Dividend on equity shares (refer note below)	(27.98)	(27.02)
Less: Tax on dividend above (refer note below)	(5.75)	(5.50)
Closing balance	**395.07**	**735.31**

Particulars	31-Mar-19	31-Mar-18
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	27.98
Tax on dividend above	5.75	5.75

Notes to the Standalone Financial Statement

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

19 Borrowings

Particulars	31-Mar-19	31-Mar-18
Secured at amortised cost:		
Term loan from banks (Refer notes below)	611.11	469.32
Total	**611.11**	**469.32**

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

Terms of repayment and security	31-Mar-19	31-Mar-18
Term loans from banks		
(i) Term loan 1:		
Non-Current portion	154.92	-
Current maturities of long-term debt	60.00	-
Repayment terms:		
Repayable in 60 monthly instalments after a moratium of 6 months beginning from July 2019 to April 2021 and carries an interest rate of 1 Year MCLR + 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		
(ii) Term loan 2:		
Non-Current portion	23.35	43.73
Current maturities of long-term debt	21.53	18.73
Repayment terms:		
USD loan - Repayable in 60 defined monthly instalments from May 2016 to April 2021 and carries an interest rate of 6 months LIBOR + 375 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	63.00	81.00
Repayment terms:	18.00	9.00
Repayable in 60 equal monthly instalments from October 2018 to September 2023 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	20.00	34.40
Current maturities of long-term debt	14.40	14.40
Repayment terms:		
Repayable in 42 defined monthly instalments from March 2018 to May 2022 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		

Notes to the Standalone Financial Statement

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

19 Borrowings (contd.)

Terms of repayment and security	31-Mar-19	31-Mar-18
(v) Term loan 5:		
Non-Current portion	-	202.94
Current maturities of long-term debt	-	90.20
Repayment terms:		
Repayable in 54 equal monthly instalments from January 2017 to June 2021 and carries interest rate at 1 year MCLR plus 0.25% 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		
Note : This loan has been prepaid during the year		
(vi) Term loan 6:		
Non-Current portion	297.88	-
Current maturities of long-term debt	82.56	-
Repayment terms:		
Repayable in 60 monthly instalments from January 2019 to December 2023 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	22.23	38.83
Current maturities of long-term debt	10.00	11.62
Repayment terms:		
Repayable in 20 equal quarterly instalments from July 2017 to April 2022 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		
(viii) Term loan 8:		
Non-Current portion	29.73	34.21
Current maturities of long-term debt	10.53	10.52
Repayment terms:		
Repayable in 19 equal quarterly instalments from October 2017 to April 2022 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		
(ix) Term loan 9:		
Non-Current portion	-	34.21
Current maturities of long-term debt	6.97	10.53
Repayment terms:		
Repayable in 9 quarterly instalments from October 2017 to October 2019 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		
Total	**835.10**	**634.32**
Non-current portion	**611.11**	**469.32**
Current maturities of long-term debt	**223.99**	**165.00**

Notes to the Standalone Financial Statement

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

20 Provisions

Particulars	31-Mar-19	31-Mar-18
Provision for employee benefits:		
Compensated absences	20.95	12.23
Gratuity	31.93	25.23
Provision for asset retirement obligations	50.55	39.52
Total	**103.43**	**76.98**

21 Other non-current liabilities

Particulars	31-Mar-19	31-Mar-18
Deferred Government grant	-	1.71
Total	**-**	**1.71**

22 Borrowings

Particulars	31-Mar-19	31-Mar-18
Secured loans repayable on demand from banks:		
(i) Working capital loan 1	-	35.12
[Security for the above secured loan includes capital goods purchased / imported under LC and all other primary / collateral securities stipulated for long-term loans referred in Note 19 (ii)		
(ii) Working capital loan 2	19.00	-
The rate of interest is 1 month MCLR plus 65 base points		
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		
(iii) Overdraft facility	31.06	-
The rate of interst is 6 month MCLR plus 65 base points		
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		
Unsecured		
(i) Commercial paper with IndusInd Bank	-	150.00
Repayment terms for Commercial paper		
₹50 Million repayable by April 2018 and carried an interest rate of 8.25% p.a		
₹100 Million repayable by May 2018 and carried an interest rate of 8.15% p.a		
(ii) Overdraft facility	85.01	-
Repayable on demand and carries and interest rate of 1 month MCLR		-
(iii) CC - A Treds	22.03	-
Repayable on demand and the rate of financing depends on the bidding by various banks on the platform.		
Total	**157.10**	**185.12**

23 Trade payables

Particulars	31-Mar-19	31-Mar-18
Other than Acceptances		
Total outstanding dues of micro enterprises and small enterprises	1.03	-
Total outstanding dues of creditors other than micro enterprises	670.21	628.13
Total	**671.24**	**628.13**

Note: The information regarding micro enterprises and small enterprises has been determined to the extent such parties have been identified on the basis of information collected by the management.

Notes to the Standalone Financial Statement

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

23 Trade payables (contd.)

Particulars	As at 31-Mar-19	As at 31-Mar-18
a) (i) The principal amount remaining unpaid as at year end	1.03	-
(ii) Interest due thereon remaining unpaid as at beginning of the year	-	-
b) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
c) The amount of interest due and payable for the year	-	-
d) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

24 Other financial liabilities

Particulars	31-Mar-19	31-Mar-18
Current maturities of long-term borrowings		
From banks	223.99	165.00
Interest accrued but not due on borrowings	3.39	2.84
Payables on purchase of property, plant and equipment	50.16	71.17
Total	**277.54**	**239.01**

25 Other current liabilities

Particulars	31-Mar-19	31-Mar-18
Payable towards statutory remittances	60.26	42.77
Contract Liability		
Gift card liability	19.68	19.48
Deferred government grant	-	3.00
Total	**79.94**	**65.25**

26 Provisions

Particulars	31-Mar-19	31-Mar-18
Provision for employee benefits:		
Compensated absences	15.73	18.59
Gratuity	14.81	10.61
Provision for asset retirement obligations	3.00	3.00
Total	**33.54**	**32.20**

During the year ended March 31, 2019, the company recognized revenue of ₹19.48 arising from opening contract liability as of April 1, 2018.

27 Current tax liabilities (Net)

Particulars	31-Mar-19	31-Mar-18
Provision - Others:		
Income Tax (net of advance income tax)	39.70	53.14
Total	**39.70**	**53.14**

28 Revenue from operations

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Sale of food & beverages	6,995.03	5,652.92
Other operating revenues (net of expenses directly attributable to such income) (Refer note (i) below)	39.52	58.74
Total	**7,034.55**	**5,711.66**

(i) Other operating revenue

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Revenue from displays and sponsorships	6.56	24.27
Share of profits and income from royalty	23.42	24.52
Sale of scrap	3.07	2.49
Other receipts from outdoor catering	-	3.29
Guarentee commission	3.98	2.88
Others	2.49	1.29
Total	**39.52**	**58.74**

Notes to the Standalone Financial Statement

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

29 Other income

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Interest income on		
financial assets at amortised cost	14.81	12.83
fixed deposits and loans	19.04	10.29
Income from government grant	4.71	2.07
Net gain on fair value / sale of investments in mutual funds	-	2.83
Foreign exchange gain	1.77	-
Income from sublease of premises	1.41	2.86
Provision no longer required	-	20.50
Total	**41.74**	**51.38**

30 Cost of food and beverages consumed

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Opening stock	138.17	114.58
Add: Purchases	2,362.27	1,949.41
	2,500.44	**2,063.99**
Less Closing stock	(134.14)	(138.17)
Total	**2,366.30**	**1,925.82**

31 Employee benefits expenses

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Salaries and wages	1,032.85	851.54
Contributions to provident and other funds	49.75	42.35
Gratuity expenses	9.48	7.01
Expense on employee stock option scheme	7.40	18.96
Staff welfare expenses	352.04	262.48
Total	**1,451.52**	**1,182.34**

32 Occupancy cost and other operating expenses

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Consumption of stores & operating supplies	126.10	81.82
Power and fuel	545.59	437.70
Rent including lease rentals	787.72	589.53
Repairs and maintenance:		
Buildings	7.57	7.18
Machinery	29.50	23.52
Others	34.30	21.00
House keeping services	166.99	150.27
Water charges	36.34	28.79
Insurance	10.57	8.94
Rates and taxes	69.74	61.23
Communication	39.78	29.39
Travelling and conveyance	30.61	25.65
Printing and stationery	34.08	22.57
Laundry expenses	15.02	12.38
Security service charges	23.87	21.72
Recruitment expenses	4.05	2.14
Business promotion	143.90	93.13
Vehicle hiring charges	10.86	10.41

Notes to the Standalone Financial Statement

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

32 Occupancy cost and other operating expenses (contd.)

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Legal and professional	44.95	45.46
Expense on phantom stock option scheme	-	17.17
Payments to auditors (Refer note below)	4.48	3.84
Parking Charges	8.03	7.79
Expenses on Corporate social responsibility	5.60	2.16
Provision for doubtful receivables and advances	12.16	2.50
Miscellaneous expenses	55.44	44.14
Total	**2,247.25**	**1,750.43**

Payment to auditors

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
For statutory audit and quarterly reviews	3.50	3.05
Other services (including reimbursement of expenses)	0.30	0.20
Taxes thereon	0.68	0.59
Total	**4.48**	**3.84**

The above fee excludes fee of ₹1.18 (for the year ended March 31, 2018 - ₹8.26) including related GST, paid to auditors in connection with the services provided for proposed offer for sale of shares which has been included under unamortised share issue expenses.

33 Finance costs

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Interest expense on:		
Borrowings	63.31	100.89
Provision for asset retirement obligations	3.15	3.05
Others	0.82	-
Receivable discounting charges	48.13	59.35
Other bank charges	9.97	10.16
Total	**125.38**	**173.45**

34 Exceptional items

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Net loss on disposal of investments in PGPL (Refer note (i) below)	413.60	-
Provision against loan given to Barbeque-Nation Mena Holdings Limited (Refer note (ii))	274.86	-
Net loss relating to restaurant units closed / relocated during the year (Refer note (iii) below)	3.07	13.77
Total	**691.53**	**13.77**

(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 March 31, 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	For the year ended 31-Mar-19
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 guerantee given by the Company	83.56
Net loss on disposal of investments	**413.61**

Notes to the Standalone Financial Statement

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

34 Exceptional items (contd.)

(ii) Impairment assessment of investments made and loans and advances given to Barbeque Nation MENA Holding Limited, wholly owned subsidiary:

The Company has following exposure towards its subsidiary - Barbeque-Nation Mena Holdings Limited as at March 31, 2019:

Particulars	Amount (prior to impairment)	Carrying value (post impairment)
Investments	276.26	276.26
Loans and advances	274.86	-
Bank guarantee given towards loans taken by Barbeque-Nation Mena Holdings Limited	583.92	583.92
Total	**1,135.04**	**860.18**

The Directors of the Company have performed annual impairment assessment of the above exposure by determining the "value in use" of this subsidiary 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.

Considering the historical performance of this business since commencement of operations and based on the forward looking estimates, revisions were made to the cash flow projections and other key assumptions such as discount rate and the terminal growth rate. The cash flows are discounted using a post tax discount rate of 15%. The terminal value is arrived at by extrapolating cash flows of latest forecasted year to perpetuity using a constant long term growth rate of 2% p.a. which is consistent with the industry forecasts.

Pursuant to the above impairment assessment, the Company recognised provision for impairment of loans and advances of ₹274.86 under exceptional items.

The table below shows the percentage movement in key assumptions that (individually) would be required to reach the point at which the value in use approximates the carrying value (post impairment).

Particulars	Movement
Terminal growth rate	2% decrease
Post tax discount rate	1.1% increase

(iii) Pursuant to relocation of certain restaurant outlets, net losses incurred on account of disposal of certain fixed assets amounting ₹3.07 (during the year ended March 31, 2018 - ₹3.81) and write-down of lease deposits amounting ₹Nil (during the year ended March 31, 2018 - ₹9.96) due to termination of lease contracts have been considered under exceptional items.

35 Tax expense / (benefit):

Tax expenses recognised in Statement of Profit and Loss

Particulars for the quarter/year ended	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Current tax	129.50	154.46
Deferred tax	(1.30)	(5.10)
Total	**128.20**	**149.36**

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 quarter/year ended	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Profit before tax	**(175.06)**	**398.61**
Enacted income tax rate in India	34.9440%	34.6080%
Computed expected tax expense	**(61.17)**	**137.95**
Loss on disposal of investments in PGPL	89.65	-
Provision for loan given to Barbeque-Nation Mena Holding Limited	96.05	-
Effect on account of non-deductible expenses under income tax	5.27	6.73
Others	(1.60)	4.68
Income tax expense recognised in Statement of profit and loss	**128.20**	**149.36**

Notes to the Standalone Financial Statement

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

35 Tax expense / (benefit) (contd.)

Movement in deferred tax balances

Particulars	For the year ended 31 March 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				
Provision towards asset retirement obligations	13.68	5.03	-	18.71
Employee Benefits and other provisions	37.85	6.54	1.74	46.13
Others	7.44	1.66	-	9.10
Net deferred tax asset / (liabilities)	**38.53**	**1.30**	**1.74**	**41.57**

Particulars	For the year ended 31 March 2018			
	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	(18.97)	(1.47)	-	(20.44)
Tax effect of items constituting deferred tax assets				
Provision towards asset retirement obligations	10.02	3.66	-	13.68
Employee Benefits and other provisions	33.34	2.26	2.25	37.85
Others	6.79	0.65	-	7.44
Net deferred tax asset / (liabilities)	**31.18**	**5.10**	**2.25**	**38.53**

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

Particulars	31-Mar-19	31-Mar-18
A. Contingent liabilities		
Claims against the Company not acknowledged as debt (Sales Tax and VAT matters)	19.98	19.47
Customs duties saved against imports under EPCG scheme	0.65	0.65
Stand-by Letter of Credit given to bank on borrowings by subsidiary (to the extent of loans outstanding)	583.92	383.92
B. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for tangible assets	75.92	126.82

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	31-Mar-19	31-Mar-18
Contribution to Provident Fund and Employee State Insurance Scheme	78.39	66.21

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.

Notes to the Standalone Financial Statement

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

37 Employee benefit plans (contd.)

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	Valuation as at 31-Mar-19	Valuation as at 31-Mar-18
Discount rate	6.80%	6.80%
Salary escalation	8.00%	8.00%
Attrition rate	40.00%	40.00%
Retirement age	58 years	58 years
Mortality	As per IALM (2006-08) ultimate	

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

Particulars	31-Mar-19	31-Mar-18
Service cost:		
Current service cost	7.16	5.13
Net interest expense	2.32	1.88
Components of defined benefit costs recognised in profit or loss	**9.48**	**7.01**
Remeasurement on the net defined benefit liability:		
Return on plan assets [excluding amounts included in net interest expense] (excess) / Short return	(0.02)	-
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	0.22	1.00
Actuarial (gains) / losses arising from experience adjustments	4.79	5.51
Components of defined benefit costs recognised in other comprehensive income	**4.99**	**6.51**
Total	**14.47**	**13.52**

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 remeasurernent 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	31-Mar-19	31-Mar-18
Present value of funded defined benefit obligation	48.83	37.78
Fair value of plan assets	(2.09)	(1.94)
Funded status	**46.74**	**35.84**
Restrictions on asset recognised	-	-
Net liability arising from defined benefit obligation	**46.74**	**35.84**
Current	14.81	10.61
Non-current	31.93	25.23

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

Particulars	31-Mar-19	31-Mar-18
Opening defined benefit obligation	37.78	26.76
Expenses recognised in the statement of profit and loss		
Current service cost	7.16	5.13
Interest cost	2.45	2.03
Remeasurement (gains)/losses recognised in other comprehensive income:		
Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	0.22	1.00
Actuarial gains and losses arising from experience adjustments	4.79	5.51
Benefits paid	(3.57)	(2.65)
Closing defined benefit obligation	**48.83**	**37.78**

Notes to the Standalone Financial Statement

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

37 Employee benefit plans (contd.)

Particulars	31-Mar-19	31-Mar-18
Opening fair value of the asset	1.94	1.79
Acquisition adjustment	-	-
Interest income on plan assets	0.13	0.15
Employer contributions	-	-
Return of plan assets greater / (lesser) than discount rate	0.02	-
Benefits paid	-	-
Closing fair value of assets	**2.09**	**1.94**

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.

Discount Rate	31-Mar-19	31-Mar-18
1 Effect on defined benefit obligation due to 100 bps increase in Discount Rate	47.78	36.95
2 Effect on defined benefit obligation due to 100 bps decrease in Discount Rate	49.93	38.66

Salary escalation rate	31-Mar-19	31-Mar-18
1 Effect on defined benefit obligation due to 100 bps increase in salary escalation rate	49.92	38.65
2 Effect on defined benefit obligation due to 100 bps decrease in salary escalation rate	47.78	36.94

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	31-Mar-19	31-Mar-18
Year 1	17.45	12.96
Year 2	15.33	11.78
Year 3	13.41	10.68
Year 4	10.98	9.71
Year 5	9.86	8.28
Year 6 to 10	25.13	20.84

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).

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 twelve months from the vesting date or at the time of liquidity event, as approved by the Board, whichever is later.

On April 1, 2016, July 10, 2017 and August 5, 2017, 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 Standalone Financial Statement

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

38 Employee Stock Option Scheme (contd.)

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

Employee stock options details as on the Balance Sheet date (considering the effect of sub-division of shares) are as follows:

(₹ in Million)

Particulars	Options (Numbers)	Weighted average exercise price per option (₹)
Options outstanding at the beginning of 01 April 2017	1,53,918	140.97
Granted during the year ended 31 March 2018	3,02,859	435.73
Lapsed during the year ended 31 March 2018	26,542	278.47
Options outstanding at the end of 31 March 2018	4,30,235	339.98
Options available for grant as at 31 March 2018	1,02,245	
Options outstanding at the beginning of 01 April 2018	4,30,235	339.98
Granted during the year ended 31 March 2019	-	-
Lapsed during the year ended 31 March 2019	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	

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
Risk Free Interest Rate	6.60%	6.68%	6.68%	6.68%	6.68%
Expected Life	3.5 years	1.75 years	1 year	2 years	3 years
Expected Annual Volatility of Shares	33.33%	3.02%	3.02%	3.02%	3.02%
Expected Dividend Yield	0.24%	0.15%	0.15%	0.15%	0.15%

39 Phantom Stock Options Scheme

The Board of Directors in their meeting on December 1, 2015 approved the issue of 22,242 Phantom options under the Scheme titled "Phantom Option Scheme 2015 (POS 2015). The POS 2015 allows the issue of options to the consultants of the Company and its subsidiaries. The option holder is entitled for cash equal to the difference between market value of equity shares of face value ₹10/- and the exercise price of each option. On April 1, 2016, the Company granted 22,242 options under said scheme for eligible personnel. Pursuant to the sub-division of equity share of ₹10 each into 2 equity shares of ₹5 each, the Company had cancelled 22,242 options issued earlier and re-issued 44,484 Phantom options wherein the option holder is entitled for cash equal to the difference between market value of equity shares of face value ₹5/- and the exercise price of each option.

Notes to the Standalone Financial Statement

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

39 Phantom Stock Options Scheme (contd.)

Vesting period of each option is three years from the date of grant and all the vested options can be exercised by the option grantee within 60 days from the vesting date or at the time of liquidity event as approved by the Board.

Liability in respect of such options is measured as a difference between the fair value of market price of underlying shares and the exercise price of such options and is recognised over the vesting period on a straight-line basis.

Pursuant to the termination of retainer's agreement by way of mutual consent of the Company and retainers, "Phantom Option Scheme 2015" has been withdrawn with the approval of Board of Directors at the meeting dated February 15, 2018 and accordingly, the carrying amount of this liability as on February 15, 2018 amounting to ₹20.50 has been written-back.

40 Segment information

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

41 Disclosures in respect of Operating leases

Premises are taken on Lease for periods ranging from 3 to 15 years with a non- cancellable period at the beginning of the agreement ranging from 3 to 6 years. Contingent rent for certain restaurant outlets is payable in accordance with the leasing agreement at the higher of:

i) Fixed minimum guarantee amount and;

ii) Revenue share percentage

Future minimum lease payments in respect of non-cancellable leases are as follows:

Particulars	31-Mar-19	31-Mar-18	31-Mar-17
Future minimum lease payments:			
Upto One year	219.62	202.74	206.70
More than one year and upto five years	165.70	144.48	115.87
More than five years	-	-	-

42 Earnings per share

Financial year	31-Mar-19	31-Mar-18
Basic and Diluted Earnings Per Share (₹)		
Basic Earnings Per Share (Basic EPS)		
Net profit/(loss) after tax attributable to equity shareholders	(303.26)	249.25
Weighted average number of Equity Shares outstanding	2,79,73,466	2,70,28,740
Basic EPS in ₹	**(10.84)**	**9.22**
Face value in ₹	5.00	5.00
Diluted Earnings Per Share (Diluted EPS)		
Net profit/(loss) after tax attributable to equity shareholders	(303.26)	249.25
Weighted average number of Shares used for calculating Basic EPS	2,79,73,466	2,70,28,740
Add: Effect of ESOPs and share warrants which are dilutive*	-	1,74,023
Weighted average number of shares considered for calculating Diluted EPS	**2,79,73,466**	**2,72,02,763**
Diluted EPS in ₹	(10.84)	9.16
Face value in ₹	5.00	5.00

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

43 During the year ended 31 March 2018, the Company was subject to search under Section 132 of the Income Tax Act, 1961. The Company believes that there was no inconsistent information that was noted by the Income Tax authorities during the search and thereafter. As on date the Company has not received communication from the Income Tax authorities regarding the outcome of the search.

Notes to the Standalone Financial Statement

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

44 Financial instruments

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

Particulars	Carrying value		Fair value	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Financial assets				
Amortised cost				
Loans	193.28	315.38	193.28	315.38
Trade receivables	56.31	65.41	56.31	65.41
Cash and cash equivalents	67.68	355.83	67.68	355.83
Other financial assets	52.63	64.42	52.63	64.42
Fair value through profit and loss				
Investments in mutual fund (quoted)	-	0.01	-	0.01
Total assets	**369.90**	**801.05**	**369.90**	**801.05**
Financial liabilities				
Amortised cost				
Loans and borrowings	992.20	819.44	992.20	819.44
Trade payables	671.24	628.13	671.24	628.13
Other financial liabilities	53.55	74.01	53.55	74.01
Total liabilities	**1,716.99**	**1,521.58**	**1,716.99**	**1,521.58**

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).

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					
Investment in mutual funds (quoted)	31-Mar-19	-	-	-	-
	31-Mar-18	0.01	0.01	-	-

Financial risk management

The company's activities expose it to a variety of financial risks: credit risk, liquidity risk and price risks which may adversely impact the fair value of its financial instruments. The company has a risk management policy which covers risks associated with the financial assets and liabilities. The focus of risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the company.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilised credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

Notes to the Standalone Financial Statement

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

44 Financial instruments (contd.)

The working capital position of the Company is given below:

Particulars	31-Mar-19	31-Mar-18
Cash and cash equivalents	67.68	355.83
Investments in mutual funds (quoted)	-	0.01
Total	**67.68**	**355.84**

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

Particulars	31-Mar-19				
	< I year	1-3 years	> 3 years	Total	Carrying value
Borrowings	381.09	443.32	174.11	998.52	992.20
Trade payables	671.24	-	-	671.24	671.24
Other financial liabilities	53.55	-	-	53.55	53.55
Total	**1,105.88**	**443.32**	**174.11**	**1,723.31**	**1,716.99**

Particulars	31-Mar-18				
	< I year	1-3 years	> 3 years	Total	Carrying value
Borrowings	350.12	416.48	59.17	825.77	819.44
Trade payables	628.13	-	-	628.13	628.13
Other financial liabilities	74.01	-	-	74.01	74.01
Total	**1,052.26**	**416.48**	**59.17**	**1,527.91**	**1,521.58**

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	31-Mar-19	31-Mar-18
Borrowings in USD	44.88	62.78

Foreign currency rate sensitivity analysis

Particulars	After tax impact of profit for the year ended	
	31-Mar-19	31-Mar-18
Depreciation of USD by 5%		
Increase in profit	1.46	2.04
Appreciation of USD by 5%		
Decrease in profit	(1.46)	(2.04)

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	Impact on profit after tax for the year ended	
	31-Mar-19	31-Mar-18
Decrease in interest rate by 1%		
Increase in profit	6.50	2.85
Increase in interest rate by 1%		
Decrease in profit	(6.50)	(2.85)

Notes to the Standalone Financial Statement

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

44 Financial instruments (contd.)

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.

The capital structure is as follows:

Particulars	31-Mar-19	31-Mar-18
Equity attributable to the equity share holders of the company	2,199.39	2,232.32
Equity as a percentage of total capital	70%	83%
Current borrowings	381.09	350.12
Non-current borrowings	617.43	475.65
Total borrowings	**998.52**	**825.77**
Less: Cash and cash equivalents	67.68	355.84
Net borrowings	**930.84**	**469.93**
Net borrowings as a percentage of total capital	30%	17%
Total capital (borrowings and equity)	**3,130.23**	**2,702.25**

45 Related party transactions

Description of relationship		Names of related parties
(i)	Subsidiaries	Prime Gourmet Private Limited (till 5 December, 2018)
		Barbeque Nation MENA Holding 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 Pvt Ltd, Mauritius (from 15 September, 2017)
		Barbeque Holdings Pvt Ltd, Mauritius (from 27 September, 2017)
		Barbeque Nation (Malaysia) SDN. BHD. (from 3 October, 2017)
		Barbeque Nation International LLC, Oman (from February 18, 2018)
(ii)	Investing party for which the Company is an Associate	Sayaji Hotels Limited
		Sayaji Housekeeping Services Limited
		Tamara Private Limited
(iii)	Key Management Personnel (KMP)	**Managing Director**
		Kayum Dhanani (Managing Director)
		Mohan Kumar Ramamurthy (Chief Financial Officer - from June 15, 2017 till May 1, 2018)
		Rahul Agrawal (Chief Financial Officer - from May 21, 2018)
		Sameer Bhasin (Chief Executive Officer - till May 22, 2018)
		Nagamani CY (Company Secretary)
		Non-Executive Directors
		T Narayanan Unni
		Raoof Razak Dhanani
		Suchitra Dhanani
		Tarun Khanna
		Abhay Chintaman Chaudhary
(iv)	Entities in which KMP / Relatives of KMP can exercise control/significant influence	Sara Suole Private Limited

Notes to the Standalone Financial Statement

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

45A Transactions and Balances with Related Parties

Particulars of transactions with related parties as at	31-Mar-19	31-Mar-18
Reimbursement of expenses paid		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	33.60	21.81
Barbeque Nation Holdings Pvt Ltd- Mauritius	-	1.10
Barbeque Nation Holdings LLC- Singapore	-	0.72
Barbeque Nation (Malaysia) Sdn. Bhd.	3.81	1.08
Purchase of consumables		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	6.00	-
Purchase of fixed assets		
Subsidiary company:		
Prime Gourmet Private Limited	9.15	-
Sale of materials		
Subsidiary company:		
Prime Gourmet Private Limited	0.13	0.25
Services received		
Investing party for which the Company is an Associate :		
Sayaji Hotels Limited	1.85	1.25
Rental income		
Subsidiary company:		
Prime Gourmet Private Limited	2.38	2.86
Services rendered		
Investing party for which the Company is an Associate :		
Sayaji Hotels Limited	17.47	11.72
Royalty income		
Subsidiary company:		
Barbeque Nation Restaurant LLC	6.96	8.16
Barbeque Nation (Malaysia) SDN. BHD.	0.36	-
Guarentee commission		
Subsidiary company:		
Barbeque Nation MENA Holding Limited	3.98	2.88
Rent and maintenance charges		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	-	4.46
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	0.89	18.26
Security deposit paid		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	-	0.21
Refund received of security deposit paid		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	-	0.23
Investment made during the year in		
Subsidiaries:		
Prime Gourmet Private Limited	-	50.35
Barbeque Nation MENA Holding Limited	257.65	-
Loan granted		
Subsidiaries:		
Prime Gourmet Private Limited	50.20	31.11
Barbeque Nation MENA Holding Limited	149.06	187.11
Receipt towards repayment of loan granted		
Subsidiaries:		
Prime Gourmet Private Limited	-	8.04
Barbeque Nation MENA Holding Limited	-	61.31
Receipt towards interest on loan granted		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	20.81	2.98

Notes to the Standalone Financial Statement

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

45A Transactions and Balances with Related Parties (contd.)

Particulars of transactions with related parties as at	31-Mar-19	31-Mar-18
Write off of loan receivable		
Subsidiaries:		
Prime Gourmet Private Limited	73.50	-
Barbeque Nation MENA Holding Limited	274.86	-
Interest income on loan granted		
Subsidiaries:		
Prime Gourmet Private Limited	-	0.57
Barbeque Nation MENA Holding Limited	15.89	7.90
Trade receivables		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	3.98	11.04
Barbeque Nation Restaurant LLC	6.96	-
Barbeque Nation (Malaysia) SDN. BHD.	0.36	-
Inter corporate loans and advances		
Subsidiaries:		
Prime Gourmet Private Limited	-	23.30
Barbeque Nation MENA Holding Limited	-	125.80
Security deposits (refundable) with		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	0.21	0.21
Trade Payables		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	0.28	0.65
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	4.54	8.22
Other receivables		
Subsidiaries		
Prime Gourmet Private Limited	-	19.59
Barbeque Nation MENA Holding Limited	20.65	21.81
Barbeque Nation Holdings Pvt Ltd	0.84	1.10
Barbeque Holdings Pvt Ltd	0.83	
Barbeque Nation Holdings LLC- Singapore	-	0.72
Barbeque Nation (Malaysia) SDN. BHD.	4.89	1.08
Interest accrued on loan		
Subsidiaries:		
Prime Gourmet Private Limited	-	0.57
Barbeque Nation MENA Holding Limited	-	4.92

Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the period is as follows:

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Short-term benefits	17.61	18.41
Post-employment benefits	-	-
Other long-term benefits	-	-
Share-based payments	5.08	2.87
Termination benefits	-	-
Total	**22.69**	**21.28**

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

Notes to the Standalone Financial Statement

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

46 New accounting standards adopted by the Company

Ind AS 115 - Revenue from contract with customers

On April 1, 2018, the Group adopted Ind AS 115, "Revenue from Contracts with Customers" as of April 1, 2018 using the cumulative catch-up transition method. Refer note 2.4 for the accounting policies followed pursuant to adoption of Ind AS 115. Refer Note 2.3 "Summary of significant accounting policies" in the Company's Annual report for FY 2017-18 for the policies in effect for revenue prior to April 1, 2018. The adoption of Ind AS 115 did not have any impact.

47 Standards issued but not yet effective

Ind AS 116 Leases :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit & loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application either by:

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application

Certain practical expedients are available under both the methods.

The Company is currently assessing the impact on adoption of this standard on the Company's financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition -

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company does not expect any significant impact of the above amendment. The Company is currently assessing the impact on adoption of this standard on the Company's financial statements.

Amendment to Ind AS 12 – Income taxes :

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax

Notes to the Standalone Financial Statement

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

47 Standards issued but not yet effective (contd.)

consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019.

The Company is evaluating the effect of the above on its financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

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"/ "the Company") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement 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 auditors on separate financial statements of subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, 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 is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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 Annual report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or 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 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 entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent 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

(a) In respect of continuing operations, we did not audit the financial statements of 4 subsidiaries, whose financial statements reflect total assets of ₹703.47 Million as at March 31, 2019, total revenue of ₹366.92 Million and net cash outflows amounting to ₹25.02 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by the other auditors whose reports have been furnished to us by the Management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of such other auditors.

(b) In respect of discontinued operations, we did not audit the financial statements of 1 subsidiary, whose financial statements reflect total revenue of ₹40.42 Million and net cash outflows amounting to ₹9.78 Million for the year ended on that date, as considered in the consolidated financial statements for the year ended March 31, 2019. These financial statements have been audited by the other auditors whose reports have been furnished to us by the Management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of such other auditors.

(c) In respect of continuing operations, we did not audit the financial statements of 2 subsidiaries, whose financial statements reflect total assets of ₹1.28 Million as at March 31, 2019, total revenues of ₹Nil and net cash inflows amounting to ₹0.10 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, 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 and the reports of the other auditors.

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors of the Parent as on March 31, 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2019 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, which is the only Company of the Group incorporated in India as at March 31, 2019. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Parent.

    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;

        ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm Registration No. 008072S

S. Sundaresan
Partner
(Membership No. 025776)

BENGALURU
May 28, 2019

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, 2019, we have audited the internal financial controls over financial reporting of BARBEQUE-NATION HOSPITALITY LIMITED (hereinafter referred to as "Parent"), as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("the 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 Parent'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 Parent's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI 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 Parent'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 Parent, 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, 2019, based on the internal control over financial reporting criteria considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm Registration No. 008072S

S. Sundaresan
Partner
(Membership No. 025776)

BENGALURU
May 28, 2019

Consolidated Balance Sheet

as at 31 March, 2019

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

Particulars	Note No	As at 31-Mar-19	As at 31-Mar-18
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	3,087.77	2,291.55
Capital work-in-progress		158.86	185.18
Goodwill	5	189.66	229.97
Other intangible assets	4(b)	54.87	61.96
Financial Assets			
Loans	6	239.79	216.21
Other financial assets	7	15.25	11.60
Deferred tax assets (net)	34	41.57	38.53
Other non-current assets	8	137.22	259.87
Total Non-current assets [A]		**3,924.99**	**3,294.87**
Current assets			
Inventories	9	192.73	189.80
Financial assets			
Investments	10	-	0.01
Trade receivables	11	48.99	55.95
Cash and cash equivalents	12	119.81	436.22
Other financial assets	13	10.08	3.03
Other current assets	14	267.48	230.48
Total current assets [B]		**639.09**	**915.49**
Total assets [A+B]		**4,564.08**	**4,210.36**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	15	139.92	138.00
Other equity	16	1,756.82	1,803.43
Equity attributable to owners of the Company		**1,896.74**	**1,941.43**
Non-controlling interest		**-**	**-**
Total equity [C]		**1,896.74**	**1,941.43**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	17	1,092.96	854.35
Provisions	18	106.51	81.85
Other non-current liabilities	19	-	1.71
Total Non-current liabilities [D]		**1,199.47**	**937.91**
Current liabilities			
Financial Liabilities			
Borrowings	20	157.10	185.12
Trade payables	21		
- total outstanding dues of micro enterprises and small enterprises		1.03	-
- total outstanding dues of creditors other than micro enterprises		767.27	673.29
Other financial liabilities	22	389.29	320.38
Other current liabilities	23	79.94	66.84
Provisions	24	33.54	32.25
Current tax liabilities (Net)	25	39.70	53.14
Total current liabilities [E]		**1,467.87**	**1,331.02**
Total liabilities [F= [D+E]]		**2,667.34**	**2,268.93**
Total equity and liabilities [F+C]		**4,564.08**	**4,210.36**

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 008072S)

S. Sundaresan
Partner
(Membership No. 025776)

Bengaluru, May 28, 2019

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
President &
Chief Financial Officer

Nagamani C Y
Company Secretary

Bengaluru, May 28, 2019

Consolidated Statement of Profit & Loss

for the year ended 31 March, 2019

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

Particulars	Note No	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Continuing Operations			
Revenue from operations	26	7,390.16	5,863.37
Other Income	27	35.25	41.11
Total Revenue		**7,425.41**	**5,904.48**
EXPENSES			
Cost of food and beverages consumed	28	2,476.25	1,978.41
Employee benefits expenses	29	1,679.80	1,256.88
Occupancy cost and other operating expenses	30	2,492.05	1,845.25
Total		**6,648.10**	**5,080.54**
Earnings before exceptional items, finance costs, depreciation and amortisation (EBITDA)		**777.31**	**823.94**
Finance costs	31	168.72	184.36
Depreciation and amortisation expense	4	428.69	328.04
Profit/(loss) before exceptional items and tax		**179.90**	**311.54**
Exceptional Items	33	**106.50**	**13.77**
Profit/(loss) before tax		**73.40**	**297.77**
Tax expense / (benefit)	34		
(1) Current tax		184.36	154.46
(2) Deferred tax		-1.30	-5.10
Total tax expense		**183.06**	**149.36**
I Profit/(loss) after tax from continuing operations		**-109.66**	**148.41**
Discontinued Operations			
(1) Loss from discontinued operations	35	-243.86	-113.07
(2) Tax benefit / (expense) of discontinued operations		54.86	-
II Profit/(loss) after tax from discontinued operations		**-189.00**	**-113.07**
III Profit/(loss) for the period (I + II)		**-298.66**	**35.34**
Profit/(Loss) from continuing operations for the period attributable to:			
Owners of the Company		-109.66	148.41
Non controlling interests		-	-
Profit/(Loss) from discontinued operations for the period attributable to:			
Owners of the Company		-189.00	-113.07
Non controlling interests		-	-
Other comprehensive income			
A (i) Items that will not be recycled to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)		-4.99	-6.45
(ii) Income tax relating to items that will not be reclassified to profit or loss		1.74	2.25
B (i) Items that may be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		-16.36	-2.87
Total comprehensive income for the period (XV + XVIII)		**-318.27**	**28.27**
Total comprehensive income for the period attributable to:			
Owners of the Company		-318.27	28.27
Non controlling interests		-	-
Earnings per equity share (for continuing operation):			
(1) Basic	42	-3.92	5.49
(2) Diluted	42	-3.92	5.46
Earnings per equity share (for discontinued operation):			
(1) Basic	42	-6.76	-4.18
(2) Diluted	42	-6.76	-4.16
Earnings per equity share (for continuing and discontinued operations):			
(1) Basic	42	-10.68	1.31
(2) Diluted	42	-10.68	1.30

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 008072S)

S. Sundaresan
Partner
(Membership No. 025776)

Bengaluru, May 28, 2019

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
President &
Chief Financial Officer

Nagamani C Y
Company Secretary

Bengaluru, May 28, 2019

Consolidated Cash Flow Statement

for the year ended 31 March, 2019 **(Amount in Rupees Millions except for share data or as otherwise stated)**

Particulars for the year ended 31 March, 2019	For the year ended 31-Mar-19	For the year ended 31-Mar-18
A. Cash flow from operating activities		
Profit / (loss) before tax		
from continuing operations	**73.40**	**297.77**
from discontinuing operations	**(243.86)**	**(113.07)**
Adjustments for:		
Depreciation and amortisation	545.22	351.52
Net loss relating to relocation of restaurant units during the year	106.50	32.99
Interest expense	103.08	118.98
Interest income	(17.96)	(16.17)
Income from Government grant	(4.71)	(2.07)
Profit on sale of investments in mutual funds	-	(2.83)
Expense on employee stock option scheme	7.40	18.96
Expense on phantom option scheme	-	17.17
Provision for doubtful receivables and advances	12.16	3.77
Provision no longer required written back	-	(20.50)
Net unrealised exchange (gain) / loss		0.63
Operating profit before working capital changes	**581.23**	**687.15**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(2.93)	(29.08)
Trade receivables	(5.20)	(19.00)
Other assets (financial & non-financial)	(68.09)	(77.82)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	98.10	243.09
Non-current provisions	15.95	(1.59)
Current provisions	1.29	5.54
Other liabilities	16.19	0.48
Cash generated from operations	**636.54**	**808.77**
Net income tax (paid) / refunds	(142.94)	(144.64)
Net cash flow from / (used in) operating activities (A)	**493.60**	**664.13**
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment including capital advances	(1,281.06)	(995.88)
Proceeds from sale of property, plant and equipment	1.03	1.22
Disposal of subsidiary	0.50	-
Deposits placed for margin money	(9.86)	-
Deposits held as margin money released	-	13.69
Interest received	17.12	0.17
Sale of investment in mutual fund	0.01	2.83
Net cash flow from / (used in) investing activities (B)	**(1,272.26)**	**(977.97)**

Consolidated Cash Flow Statement

for the year ended 31 March, 2019

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

Particulars for the year ended 31 March, 2019	For the year ended 31-Mar-19	For the year ended 31-Mar-18
C. Cash flow from financing activities		
Proceeds from issue of equity shares	320.31	478.41
Share issue expenses/Expenses towards offer for sale of shares	(22.70)	(67.39)
Proceeds from long-term borrowings	891.03	791.70
Repayment of long-term borrowings	(561.02)	(536.93)
Net increase / (decrease) in working capital borrowings	(28.02)	150.67
Dividend paid and tax on dividend	(33.73)	(32.52)
Interest paid	(103.13)	(114.47)
Net cash flow from financing activities (C)	**462.74**	**669.47**
Net increase in cash and cash equivalents (A+B+C)	**(315.92)**	**355.63**
Cash and cash equivalents at the beginning of the year	436.23	80.60
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	**119.81**	**436.23**
Reconciliation of cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet	119.81	436.22
Add: Current investments considered as part of Cash and cash equivalents in the Cash Flow Statements.	-	0.01
Cash and cash equivalents at the end of the year	**119.81**	**436.23**

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 008072S)

S. Sundaresan
Partner
(Membership No. 025776)

Bengaluru, May 28, 2019

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
President &
Chief Financial Officer

Nagamani C Y
Company Secretary

Bengaluru, May 28, 2019

Consolidated Statement of Changes in Equity

as at 31 March, 2019

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

(a) Equity share capital

Particulars	As at 31-Mar-19	AS at 31-Mar-18
Opening balance	138.00	135.12
Changes in equity share capital during the year		
Issue of the equity shares during the year	1.92	2.88
Closing balance	**139.92**	**138.00**

(b) Other Equity

Particulars	Reserves and Surplus				Total Other Equity
	Securities premium	Share options outstanding account	Retained earnings	Other comprehensive income - Foreign currency translation	
Balance as at 01 April 2017	864.80	9.62	448.84	(0.17)	1,323.09
Profit /(loss) for the year	-	-	35.34	-	35.34
Foreign currency translation	-	-	-	(2.87)	(2.87)
Other comprehensive income for the year (net of tax)	-	-	(4.20)	-	(4.20)
Total comprehensive income/(loss)	**-**	**-**	**31.14**	**(2.87)**	**28.27**
Premium received on shares issued during the year	475.53	-	-	-	475.53
Share issue expenses	(9.90)	-	-	-	(9.90)
Amounts recorded on grant of employee stock options during the year	-	18.96	-	-	18.96
Dividend and tax thereon	-	-	(32.52)	-	(32.52)
Balance as at 31 March 2018	**1,330.43**	**28.58**	**447.46**	**(3.04)**	**1,803.43**
Balance as at 01 April 2018	1,330.43	28.58	447.46	(3.04)	1,803.43
Profit /(loss) for the year	-	-	(298.66)	-	(298.66)
Foreign currency translation	-	-	-	(16.36)	(16.36)
Remeasurements of the defined benefit plans (net of tax)	-	-	(3.25)	-	(3.25)
Total comprehensive income/(loss)	**-**	**-**	**(301.91)**	**(16.36)**	**(318.27)**
Premium received on shares issued during the year	318.39	-	-	-	318.39
Share issue expenses	(20.40)	-	-	-	(20.40)
Amounts recorded on grant of employee stock options during the year	-	7.40	-	-	7.40
Dividend and tax thereon	-	-	(33.73)	-	(33.73)
Balance as at 31 March 2019	**1,628.42**	**35.98**	**111.82**	**(19.40)**	**1,756.82**

See accompanying notes to the Consolidated Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 008072S)

S. Sundaresan
Partner
(Membership No. 025776)

Bengaluru, May 28, 2019

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
President &
Chief Financial Officer

Nagamani C Y
Company Secretary

Bengaluru, May 28, 2019

Notes to the Consolidated Financial Statement

1 Corporate information

Barbeque-Nation Hospitality Limited (the 'Company') and its subsidiaries (collectively rerferred to as the 'Group'), is primarily engaged in the business of operating casual dining restaurant chain in India. The registered office of the Company is situated at Prestige Zeenath, Municipal No. 8/1, Residency Road, Richmond Town, Bengaluru 560 025, Karnataka, India.

2 Basis of preparation and presentation and summary of significant accounting policies

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.

2.2 Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value as described in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange of assets.

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.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.3 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 consolidated financial statements of the Group include subsidiaries in the table below:

Name of the entity	Country of incorporation	As at 31-Mar-19	As at 31-Mar-18
Prime Gourmet Private Limited (Refer note 35 for further details)	India	**NA**	**100%**
Barbeque Nation MENA Holding Limited, Dubai (formerly known as Barbeque Nation Holdings Limited)	Dubai	100%	100%
Barbeque-Nation Restaurant LLC	Dubai	49%	49%
Barbeque Nation Holdings Private Limited, Mauritius	Mauritius	100%	*
Barbeque Holdings Private Limited, Mauritius	Mauritius	100%	*
Barbeque Nation (Malaysia) SDN. BHD.	Malaysia	100%	100%
Barbeque Nation International LLC, Oman	Oman	49%	NA

* These companies were incorporated during the previous year as subsidiaries of the Company. However, investments in these subsidiaries were made during the year.

2.4 Summary of significant accounting policies

Revenue Recognition

Revenue from sale of food and beverages is recognized at the time of underlying sale. 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 percentage of redemption in the past. Customer payments are generally due at the time of sale.

Notes to the Consolidated Financial Statement

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.

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.

Dividend income is accounted for when the right to receive payment has been established.

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 interests 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.

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.

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	5-10 Years
Plant & Machinery	10-15 years
Service equipments	8-10 Years
Computer equipments	3-6 years
Vehicles	4-8 Years

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.

Notes to the Consolidated Financial Statement

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.

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.

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 group 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 assessment of whether a financial asset or a group of financial assets is impaired is made at each date of balance sheet. Ind AS 109 requires expected credit losses to be measured though 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.

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.

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.

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.

Foreign Currency transactions and translations

The functional currency of the Company and its Indian subsidiaries is the Indian Rupee (₹) whereas the functional currency of foreign subsidiaries is the currency of their countries of domicile.

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currency) are recognised at the rates of exchange prevailing on the dates 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;
- exchange differences on monetary items receivable or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to statement of profit and loss on repayment of monetary items.

For the purpose of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of transaction are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate)

On the disposal of a foreign subsidiary (i.e, a disposal of Group's entire interest in a foreign operation, or a disposal involving loss of control over subsidiary that includes a foreign operation), all of exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to statement of profit and loss.

Employee Benefits

Defined Contribution Plan

The Group'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 enitling 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 comprehensivve 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.

Notes to the Consolidated Financial Statement

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.

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 Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group 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 excercise 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.

Borrowing Costs
Borrowing costs include:

(i) interest expense calculated using the effective interest rate method,

(ii) finance charges in respect of finance leases, and

(iii) 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.

Leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially capitalised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

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 Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Notes to the Consolidated Financial Statement

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group 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.

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.

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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Earnings per share

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.

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 Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Notes to the Consolidated Financial Statement

3 Use of estimates and judgements

In the application of the Group's accounting policies, which are described in note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgement in applying accounting policies

Control over Barbeque-Nation Restaurant LLC, Dubai

On March 25, 2015, the Group incorporated a wholly-owned subsidiary, Barbeque Nation Holdings Limited, Dubai ('BNHL, Dubai') as an Offshore Group with a Limited Liability in Dubai. The Group invested in shares of BNHL, Dubai during December 2016. BNHL, Dubai has further invested AED 147,000 for 49% stake in Barbeque-Nation Restaurant LLC, Dubai (BNR LLC). Although BNHL, Dubai holds less than half of the voting power in BNR LLC, the BNR LLC is considered subsidiary of BNHL, Dubai pursuant to its unilateral control over the relevant activities of BNR LLC.

Key soruces of estimation uncertainity

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.

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.

Uncertain tax positions

The Group'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 Group. 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-18	Additions	Deletions	Disposal of subsidiary (Refer note 35)	Forex	Balance as at 31-Mar-19	Balance as at 01-Apr-18	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Disposal of subsidiary (Refer note 35)	Forex	Balance as at 31-Mar-19	Balance as at 31-Mar-19	Balance as at 31-Mar-18
4(a) Property, plant and equipment (owned)														
Lease hold improvements	926.42	635.98	63.89	55.94	10.18	1,452.75	167.87	192.71	6.06	55.94	1.15	299.73	1,153.02	758.55
Furniture and fixtures	765.30	261.03	8.28	16.95	2.14	1,003.24	149.03	114.05	0.86	16.95	0.57	245.84	757.40	616.27
Plant & machinery	584.83	180.13	4.96	56.61	-	703.39	68.18	90.39	1.04	56.61	-	100.92	602.47	516.65
Service equipments	534.32	235.24	14.19	7.17	4.32	752.52	178.92	92.85	2.82	7.17	0.61	262.39	490.13	355.40
Computer equipments	74.21	69.93	1.01	5.64	0.39	137.88	34.79	28.41	0.22	5.64	0.14	57.48	80.40	39.42
Vehicles	6.36	0.44	-	-	0.20	7.00	1.10	1.52	-	-	0.03	2.65	4.35	5.26
Total	**2,891.44**	**1,382.75**	**92.33**	**142.31**	**17.23**	**4,056.78**	**599.89**	**519.93**	**11.00**	**142.31**	**2.50**	**969.01**	**3,087.77**	**2,291.55**
4(b) Intangible assets (others)														
Liquor licenses	33.04	-	-	27.72	-	5.32	12.87	18.52	-	27.72	-	3.67	1.65	20.17
Software and licenses	18.28	12.50	0.28	0.30	0.08	30.28	8.21	6.77	0.09	0.30	0.04	14.63	15.65	10.07
Brand name	31.72	5.85	-	-	-	37.57	-	-	-	-	-	-	37.57	31.72
Total	**83.04**	**18.35**	**0.28**	**28.02**	**0.08**	**73.17**	**21.08**	**25.29**	**0.09**	**28.02**	**0.04**	**18.30**	**54.87**	**61.96**
Grand Total	**2,974.48**	**1,401.10**	**92.61**	**170.33**	**17.31**	**4,129.95**	**620.97**	**545.22**	**11.09**	**170.33**	**2.54**	**987.31**	**3,142.64**	**2,353.51**

Particulars	Cost						Accumulated depreciation/amortisation					Net Block	
	Balance as at 01-Apr-17	Additions	Business combination	Deletions	Forex	Balance as at 31-Mar-18	Balance as at 01-Apr-17	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Forex	Balance as at 31-Mar-18	Balance as at 31-Mar-18	Balance as at 31-Mar-17
4(a) Property, plant and equipment (owned)													
Lease hold improvements	604.09	329.26	-	7.57	0.64	926.42	46.99	126.14	5.30	0.04	167.87	758.55	557.10
Furniture and fixtures	599.25	166.29	-	0.34	0.10	765.30	67.76	81.43	0.18	0.02	149.03	616.27	531.49
Plant & machinery	399.71	192.48	-	7.48	0.12	584.83	26.93	44.56	3.33	0.02	68.18	516.65	372.78
Service equipments	399.36	136.36	-	1.40	-	534.32	99.48	80.71	1.27	-	178.92	355.40	299.88
Computer equipments	44.43	29.83	-	0.07	0.02	74.21	15.34	19.52	0.07	-	34.79	39.42	29.09
Vehicles	3.06	3.53	-	0.23	-	6.36	0.49	0.66	0.05	-	1.10	5.26	2.57
Total	**2,049.90**	**857.75**	**-**	**17.09**	**0.88**	**2,891.44**	**256.99**	**353.02**	**10.20**	**0.08**	**599.89**	**2,291.55**	**1,792.91**
4(b) Intangible assets (others)													
Liquor licenses	33.04	-	-	-	-	33.04	7.30	5.57	-	-	12.87	20.17	25.74
Software and licenses	12.58	5.90	-	-	-0.20	18.28	2.92	5.29	-	-	8.21	10.07	9.66
Brand name	29.48	2.24	-	-	-	31.72	-	-	-	-	-	31.72	29.48
Total	**75.10**	**8.14**	**-**	**-**	**-0.20**	**83.04**	**10.22**	**10.86**	**-**	**-**	**21.08**	**61.96**	**64.88**
Grand Total	**2,125.00**	**865.89**		**17.09**	**0.68**	**2,974.48**	**267.21**	**363.88**	**10.20**	**0.08**	**620.97**	**2,353.51**	**1,857.79**

Notes to the Consolidated Financial Statement

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

5 Goodwill

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

Particulars	31-Mar-19	31-Mar-18
Cost or deemed cost	189.66	229.97

Movement of Goodwill

Cost or deemed cost	Amount
Balance as at 01 April 2017	229.97
Impairment of goodwill	-
Balance as at 31 March 2018	**229.97**
Disposal of goodwill pertaining to PGPL (Refer note 35)	-40.31
Balance as at 31 March 2019	**189.66**

Allocation of goodwill to cash generating units:

For the purpose of impairment testing, goodwill has been allocated to cash-generating units in the following manner.

Cash generating units	31-Mar-19	31-Mar-18
Franchise restaurants	-	40.31
Other than franchise restaurants	189.66	189.66
Total	**189.66**	**229.97**

The recoverable amount of the above cash generating units have been determined based on a value in use approach by considering cash flow projections approved by the management. The following inputs have been used for arriving the said recoverable amount.

Franchise restaurants

Input considered	31-Mar-19	31-Mar-18
Discount rate (post tax)	Not applicable	17.23%
Growth rate		5.00%

For other than Franchise Restaurants

Input considered	31-Mar-19	31-Mar-18
Discount rate (post tax)	13.00%	12.00%
Terminal growth rate	4.00%	5.00%

As at the reporting period end the management has carried out impairment testing, no impairment has been identified in such assessment. Management believes that any reasonable change in the key assumptions on which recoverable amount is determined would not cause the aggregate carrying amount to exceed the aggregate recoverable amount.

6 Loans

(Classified under non-current assets)

Particulars	31-Mar-19	31-Mar-18
Carried at amortised cost		
Security deposits	239.79	216.21
Total	**239.79**	**216.21**

7 Other financial assets

(Classified under non-current assets)

Particulars	31-Mar-19	31-Mar-18
Deposit with related parties	0.21	0.21
Balances held as margin money or security	15.04	11.39
Total	**15.25**	**11.60**

Notes to the Consolidated Financial Statement

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

8 Other non-current assets

Particulars	31-Mar-19	31-Mar-18
Unsecured, considered good:		
Capital advances	6.24	151.32
Amounts paid to statutory authorities under protest	10.62	9.62
Prepaid rent	103.92	87.30
Other security deposits	16.44	11.63
Total	**137.22**	**259.87**

9 Inventories

Particulars	31-Mar-19	31-Mar-18
(At lower of cost and net realisable value)		
Food & beverages	139.82	151.15
Stores & consumables	52.91	38.65
Total	**192.73**	**189.80**

10 Investments

(Classified under current assets)

Particulars	31-Mar-19	31-Mar-18
Investments carried at fair value through profit or loss		
Investment in mutual funds		
SBI PLFReg Plan Daily dividend	-	0.01
Number of mutual fund units	-	2.46
Total	**-**	**0.01**
Aggregate net asset value of quoted investments in mutual funds	**-**	**0.01**

11 Trade receivables

Particulars	31-Mar-19	31-Mar-18
Trade receivables (unsecured) consist of following		
considered good	48.99	55.95
credit impaired	14.68	2.52
	63.67	**58.47**
Allowance for doubtful debts (expected credit loss allowance)	(14.68)	(2.52)
Total	**48.99**	**55.95**

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 doubtful debts is as follows:

Particulars	31-Mar-19	31-Mar-18
Opening balance	2.52	2.48
Allowance for doubtful debts	12.16	2.50
Doubtful receivables written-off	-	(2.46)
Closing balance	**14.68**	**2.52**

12 Cash and cash equivalents

Particulars	31-Mar-19	31-Mar-18
Balances with banks		
In current accounts	101.42	366.15
In deposit accounts	-	58.30
Cash on hand	18.39	11.77
Cash and cash equivalents as per balance sheet	**119.81**	**436.22**
Add: Investments in liquid mutual funds in the nature of "Cash and cash equivalents" (Refer note 10)	-	0.01
Cash and cash equivalents as per statement of cash flows	**119.81**	**436.23**

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	31-Mar-19	31-Mar-18
Balances held as margin money or security	6.21	-
Interest accrued on fixed deposits	3.87	3.03
Total	**10.08**	**3.03**

14 Other current assets

Particulars	31-Mar-19	31-Mar-18
Advance to employees	5.97	14.41
Prepaid expenses	131.28	102.73
Others		
Advances paid for supply of materials / rendering of services		
Unsecured, considered good	50.40	22.13
Doubtful	9.96	11.23
	60.36	**33.36**
Less: Allowance for bad and doubtful advances	(9.96)	(11.23)
	50.40	**22.13**
Balance with Government authorities	4.75	18.43
Unamortised share issue expenses (Refer note below)	75.08	72.78
Total	**267.48**	**230.48**

Note: The Company has incurred expenses of ₹75.08 as at 31 March 2019 (₹72.78 as at 31 March 2018) towards offer for sale of its equity shares by existing shareholders. These expenses will be recovered from the respective shareholders upon sale of their shares.

15 Equity share capital

Particulars	31-Mar-19	31-Mar-18
Authorised		
60,000,000 equity shares of ₹5/- each (as at 31-Mar-18 60,000,000 equity shares of ₹5/- each)	300.00	300.00
Issued, subscribed and fully paid up capital		
27,984,014 equity shares of ₹5/- each (as at 31-Mar-18 27,599,014 equity shares of ₹5/- each)	139.92	138.00
Total	**139.92**	**138.00**

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

Particulars	31-Mar-19		31-Mar-18	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹5/- each:				
Opening balance	2,75,99,014	138.00	2,70,24,014	135.12
Add: Issued during the year #	3,85,000	1.92	5,75,000	2.88
Closing balance	**2,79,84,014**	**139.92**	**2,75,99,014**	**138.00**

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
575,000 equity shares of ₹5 each were issued to Alchemy India Long-term Fund Ltd at a premium of ₹827 per share on March 29, 2018.

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

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	No. of shares	% holding	No. of shares	% holding
Sayaji Housekeeping Services Limited	1,26,21,116	45.10%	1,26,21,116	45.73%
Tamara Private Limited	60,78,402	21.72%	60,78,402	22.02%
Pace Private Limited	31,82,964	11.37%	31,82,964	11.53%
Kayum Razak Dhanani	13,98,684	5.00%	13,98,684	5.07%

(c) Number of equity shares reserved for issuance

Particulars	31-Mar-19	31-Mar-18
Equity shares of ₹5/- each		
to eligible employees under Employee Stock Option Scheme	5,32,480	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.

Notes to the Consolidated Financial Statement

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

16 Other equity

Particulars	31-Mar-19	31-Mar-18
Securities premium	1,628.42	1,330.43
Share options outstanding account	35.98	28.58
Foreign currency translation reserve	(19.40)	(3.04)
Retained earnings	111.82	447.46
Total	**1,756.82**	**1,803.43**

Particulars	31-Mar-19	31-Mar-18
(A) Reserves & Surplus		
Securities premium		
Amounts received on issue of shares in excess of the par value has been classified as securities premium		
Opening balance	1,330.43	864.80
Add: Premium on shares issued during the year	318.39	475.53
Less : Share issue expenses	(20.40)	(9.90)
Closing balance	**1,628.42**	**1,330.43**
Share options outstanding account		
The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account will be transferred to securities premium reserve upon exercise of stock options by employees.		
Opening balance	66.25	28.87
Add: Amounts recorded on grant of employee stock options during the year (Refer Note 38)	(18.80)	37.38
	47.45	66.25
Less : Deferred stock compensation expense	(11.47)	(37.67)
Closing balance	**35.98**	**28.58**
Retained earnings		
Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.		
Opening balance	447.46	448.84
Add: Profit/(loss) for the year	(298.66)	35.34
Less : Remeasurement loss recognised in Other comprehensive Income (net of tax)	(3.25)	(4.20)
Less: Dividend on equity shares (Refer note below)	(27.98)	(27.02)
Tax on dividend above (Refer note below)	(5.75)	(5.50)
Closing balance	**111.82**	**447.46**
(B) Items of other comprehensive income		
Foreign currency translation reserve		
Foreign currency translation reserve comprises of exchange (gain)/loss arising on translation of foreign subsidiary		
Opening balance	(3.04)	(0.17)
Add: Additions during the year	(16.36)	(2.87)
Closing balance	**(19.40)**	**(3.04)**

Note:

Particulars	31-Mar-19	31-Mar-18
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	27.98
Tax on dividend above	5.75	5.75

Notes to the Consolidated Financial Statement

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

17 Borrowings

(Classified under non-current liabilities)

Particulars	31-Mar-19	31-Mar-18
Secured at amortised cost:		
(For details of terms and security, refer note below)		
Term loan from banks	1,091.97	852.73
Vehicle loan from bank	0.99	1.62
Total	**1,092.96**	**854.35**

18 Provisions

(Classified under non-current liabilities)

Particulars	31-Mar-19	31-Mar-18
Provision for employee benefits:		
Compensated absences	20.95	12.23
Gratuity and other long-term benefits	35.01	27.78
Provision for asset retirement obligations	50.55	41.84
Total	**106.51**	**81.85**

19 Other non-current liabilities

Particulars	31-Mar-19	31-Mar-18
Deferred Government grant	-	1.71
Total	**-**	**1.71**

20 Borrowings

(Classified under current liabilities)

Particulars	31-Mar-19	31-Mar-18
Secured loans repayable on demand from banks:		
(i) Working capital loan 1	-	35.12
[Security for the above secured loan includes capital goods purchased / imported under LC and all other primary / collateral securities stipulated for long-term loans referred in Note 17 (ii)		
(ii) Working capital loan 2	19.00	-
The rate of interest is 1 month MCLR plus 65 base points		
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		
(iii) Overdraft facility	31.06	-
The rate of interst is 6 month MCLR plus 65 base points		
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		
Unsecured		
(i) Commercial paper with IndusInd Bank	-	150.00
Repayment terms for Commercial paper		
₹50 Million repayable by April 2018 and carried an interest rate of 8.25% p.a		
₹100 Million repayable by May 2018 and carried an interest rate of 8.15% p.a		
(ii) Overdraft facility	85.01	-
Repayable on demand and carries and interest rate of 1 month MCLR		-
(iii) CC - A Treds	22.03	-
Repayable on demand and the rate of financing depends on the bidding by various banks on the platform.		
Total	**157.10**	**185.12**

Notes to the Consolidated Financial Statement

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

21 Trade payables

Particulars	31-Mar-19	31-Mar-18
Other than Acceptances		
Total outstanding dues of micro enterprises and small enterprises	1.03	-
Total outstanding dues of creditors other than micro enterprises	767.27	673.29
Total	**768.30**	**673.29**

Note: The information regarding micro enterprises and small enterprises has been determined to the extent such parties have been identified on the basis of information collected by the management.

Particulars			As at 31-Mar-19	As at 31-Mar-18
a)	(i)	The principal amount remaining unpaid as at year end	1.03	-
	(ii)	Interest due thereon remaining unpaid as at beginning of the year	-	-
b)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day		-	-
c)	The amount of interest due and payable for the year		-	-
d)	The amount of interest accrued and remaining unpaid at the end of the accounting year		-	-

22 Other financial liabilities

(classified under current)

Particulars	31-Mar-19	31-Mar-18
Current maturities of long-term borrowings		
From banks	328.50	237.10
Interest accrued but not due on borrowings	3.39	3.44
Payables on purchase of property, plant and equipment	57.40	79.84
Total	**389.29**	**320.38**

23 Other current liabilities

Particulars	31-Mar-19	31-Mar-18
Payable towards statutory remittances	60.26	44.36
Contract Liability		
Gift card liability	19.68	19.48
Deferred government grant	-	3.00
Total	**79.94**	**66.84**

During the year ended March 31, 2019, the group recognized revenue of ₹19.48 arising from opening contract liability as of April 1, 2018.

24 Provisions

(Classified under current liabilities)

Particulars	31-Mar-19	31-Mar-18
Provision for employee benefits:		
Compensated absences	15.73	18.59
Gratuity	14.81	10.66
Provision for asset retirement obligations	3.00	3.00
Total	**33.54**	**32.25**

25 Current tax liabilities (Net)

Particulars	31-Mar-19	31-Mar-18
Provision - Others:		
Income Tax (net of advance income tax)	39.70	53.14
Total	**39.70**	**53.14**

Notes to the Consolidated Financial Statement

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

Note No. 17

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

Terms of repayment and security	31-Mar-19	31-Mar-18
Term loans from banks		
(i) Term loan 1:		
Non-Current portion	154.92	-
Current maturities of long-term debt	60.00	-
Repayment terms:		
Repayable in 60 monthly instalments after a moratium of 6 months beginning from July 2019 to April 2021 and carries an interest rate of 1 Year MCLR + 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		
(ii) Term loan 2:		
Non-Current portion	23.35	43.73
Current maturities of long-term debt	21.53	18.73
Repayment terms:		
USD loan - Repayable in 60 defined monthly instalments from May 2016 to April 2021 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	63.00	81.00
Current maturities of long-term debt	18.00	9.00
Repayment terms:		
Repayable in 60 equal monthly instalments from October 2018 to September 2023 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	20.00	34.40
Current maturities of long-term debt	14.40	14.40
Repayment terms:		
Repayable in 42 defined monthly instalments from March 2018 to May 2022 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	-	202.94
Current maturities of long-term debt	-	90.20
Repayment terms:		
Repayable in 54 equal monthly instalments from January 2017 to June 2021 and carries interest rate at 1 year MCLR plus 0.25% p.a		

Notes to the Consolidated Financial Statement

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

Note No. 17

Terms of repayment and security	31-Mar-19	31-Mar-18
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		
Note : This loan has been prepaid during the year		
(vi) Term loan 6:		
Non-Current portion	297.88	-
Current maturities of long-term debt	82.56	-
Repayment terms:		
Repayable in 60 monthly instalments from January 2019 to December 2023 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	22.23	38.83
Current maturities of long-term debt	10.00	11.62
Repayment terms:		
Repayable in 20 equal quarterly instalments from July 2017 to April 2022 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		
(viii) Term loan 8:		
Non-Current portion	29.73	34.21
Current maturities of long-term debt	10.53	10.52
Repayment terms:		
Repayable in 19 equal quarterly instalments from October 2017 to April 2022 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		
(ix) Term loan 9:		
Non-Current portion	-	34.21
Current maturities of long-term debt	6.97	10.53
Repayment terms:		
Repayable in 9 quarterly instalments from October 2017 to October 2019 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	-	28.46
Current maturities of long-term debt	-	42.00
Repayment terms:		
Repayable in 48 defined monthly instalments beginning from May 2018 to May 2022 and carries an interest rate of 1 year MCLR plus 2% p.a		
Security		
1) Exclusive first charge by way of hypothecation of the entire fixed assets of Prime Gourment Private Limited (including leasehold improvements excluding vehicles) both present and future.		
2) Exclusive first charge by way of hypothecation of entire current assets and security deposits of the Prime Gourment Private Limited, both present and future.		
3) Corporate guarentee by Barbeque Nation Hospitality Limited, Holding Company		

Notes to the Consolidated Financial Statement

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

Note No. 17

Terms of repayment and security	31-Mar-19	31-Mar-18
(xi) Term loan 11 :		
Non -Current portion	42.15	43.38
Current maturities of long-term debt	11.51	15.78
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 guarentee by Barbeque Nation Hospitality Limited, Holding Company		
(xii) Term loan 12:		
Non -Current portion	438.71	311.57
Current maturities of long-term debt	92.22	13.55
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 securuty deposits of the Company		
2) First paripassu charge over the Brand and other intangible assets of the Company		
3) Corporate guarentee by Barbeque Nation Hospitality Limited, Holding Company		
(xiii) Vehicle loan 13:		
Non -Current portion	0.55	0.81
Current maturities of long-term debt	0.30	0.28
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 guarentee of Mr. Mansoor Mohmed Ismail Memon, Director		
(xiv) Vehicle loan 14:		
Non -Current portion	0.44	0.81
Current maturities of long-term debt	0.48	0.49
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 guarentee of Mr. Mansoor Mohmed Ismail Memon, Director		
Total	**1,421.46**	**1,091.45**
Non-current portion	**1,092.96**	**854.35**
Current maturities of long-term debt	**328.50**	**237.10**

26 Revenue from operations

Particulars	31-Mar-19	31-Mar-18
Sale of food & beverages	7,358.90	5,815.67
Other operating revenues (net of expenses directly attributable to such income) (Refer note (i) below)	31.26	47.70
Total	**7,390.16**	**5,863.37**

Refer Note 40 for disaggregated revenues by geography.

(i) Other operating revenue

Particulars	31-Mar-19	31-Mar-18
Revenue from displays and sponsorships	6.56	24.27
Share of profits and income from royalty	16.09	16.36
Sale of scrap	3.07	2.49
Other receipts from outdoor catering	-	3.29
Others	5.54	1.29
Total	**31.26**	**47.70**

Notes to the Consolidated Financial Statement

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

27 Other income

Particulars	31-Mar-19	31-Mar-18
Interest income on		
fixed depoists with banks	3.15	2.23
financial assets at amortised cost	14.81	12.25
Others	-	0.17
Income from government grant	4.71	2.07
Provision no longer required	-	20.50
Foreign exchange gain (net)	12.58	1.06
Net gain on sale/fair value of investments in mutual funds	-	2.83
Total	**35.25**	**41.11**

28 Cost of food and beverages consumed

Particulars	31-Mar-19	31-Mar-18
Opening stock	148.35	116.49
Add: Purchases	2,467.72	2,010.27
	2,616.07	**2,126.76**
Less Closing stock	(139.82)	(148.35)
Total	**2,476.25**	**1,978.41**

29 Employee benefits expenses

Particulars	31-Mar-19	31-Mar-18
Salaries and wages	1,189.19	929.39
Contributions to provident and other funds	50.41	42.35
Gratuity expenses	11.72	7.01
Expense on employee stock option scheme	7.40	18.96
Staff welfare expenses	421.08	259.17
Total	**1,679.80**	**1,256.88**

30 Occupancy cost and other operating expenses

Particulars	31-Mar-19	31-Mar-18
Consumption of stores & operating supplies	138.50	81.82
Power and fuel	584.99	445.07
Rent including lease rentals	863.43	624.53
Repairs and maintenance:		
Buildings	8.31	7.50
Machinery	30.39	23.52
Others	36.27	27.31
House keeping services	180.42	150.05
Water charges	38.10	30.09
Insurance	16.02	10.62
Rates and taxes	70.32	61.68
Communication	42.69	30.89
Travelling and conveyance	39.91	41.68
Printing and stationery	36.42	23.48
Laundry expenses	17.37	12.84
Security service charges	23.87	21.72
Recruitment expenses	4.19	2.14
Business promotion	174.37	99.34
Vehicle hiring charges	11.05	10.87
Legal and professional	55.09	54.03
Expense on phantom stock option scheme	-	17.17
Payments to auditors (Refer note below)	7.40	5.21
Parking Charges	8.29	7.80
Corporate social responsibility	5.60	2.16
Provision for doubtful receivables and advances	12.16	2.50
Miscellaneous expenses	86.89	51.23
Total	**2,492.05**	**1,845.25**

Notes to the Consolidated Financial Statement

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

30 Occupancy cost and other operating expenses (contd.)

Payment to auditors

Particulars	31-Mar-19	31-Mar-18
For statutory audit and quarterly reviews	3.50	3.05
For statutory audit of subsidiaries (paid to other auditor)	2.92	1.37
Reimbursement of expenses	0.30	0.20
Taxes thereon	0.68	0.59
Total	**7.40**	**5.21**

The above fee excludes fee of ₹1.18 (for the year ended March 31, 2018 - ₹8.26) including related GST, paid to auditors in connection with the services provided for proposed offer for sale of shares which has been included under unamortised share issue expenses.

31 Finance costs

Particulars	31-Mar-19	31-Mar-18
Interest expense on:		
Borrowings	98.12	111.31
Provision for asset retirement obligations	3.15	3.05
Delayed payment of statutory dues	0.82	-
Receivable discounting charges	54.10	59.35
Other bank charges	12.53	10.65
Total	**168.72**	**184.36**

32 Depreciation and amortisation expense

Particulars	31-Mar-19	31-Mar-18
Depreciation on Property, plant and equipment (Refer note 4)	519.93	353.02
Amortisation on Intangible assets (Refer note 4)	25.29	10.86
Less : Accelerated depreciation considered under exceptional items	-	-12.36
Total	**545.22**	**351.52**
- from continuing operations	428.69	328.04
- from discontinued operations	116.53	23.48

33 Exceptional items

Particulars	31-Mar-19	31-Mar-18
Net loss relating to restaurant units closed / relocated during the year (Refer note (i) below)	106.50	13.77
Total	**106.50**	**13.77**

(i) Pursuant to relocation of certain restaurant outlets, net losses incurred on account of disposal of certain fixed assets amounting ₹3.07 (during the year ended March 31, 2018 - ₹3.81), write-down of lease deposits amounting ₹4.80 (during the year ended March 31, 2018 - ₹9.96) and additional payout to the lessors amounting ₹98.63 (during the year ended March 31, 2018 - ₹Nil) due to termination of lease contracts have been considered under exceptional items.

34 Tax expense / (benefit):

Tax expenses recognised in Statement of Profit and Loss

Particulars for the quarter/year ended	31-Mar-19	31-Mar-18
Continuing operations		
Current tax expense	184.36	154.46
Deferred tax expense / (credit)	(1.30)	(5.10)
Tax expenses for continuing operations	**183.06**	**149.36**
Discontinued operations:		
Current tax expense	(54.86)	-
Tax expenses for continuing operations	**(54.86)**	**-**
Total tax expense	**128.20**	**149.36**

Notes to the Consolidated Financial Statement

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

34 Tax expense / (benefit): (contd.)

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 quarter/year ended	31-Mar-19	31-Mar-18
Profit before tax		
- from continuing operations	73.40	297.77
- from discontinuing operations	(243.86)	(113.07)
- from total operations	**(170.46)**	**184.70**
Add: Losses of foreign subsidiaries in non-taxable jurisdictions	437.32	104.94
Profit before tax of Indian Group Companies subject to Income Tax	**266.86**	**289.64**
Enacted income tax rate in India	34.944%	34.608%
Computed expected tax expense	**93.25**	**100.24**
Non-recognition of deferred tax asset on carry forward losses in subsidiaries	-	37.71
Loss on disposal of investments in PGPL	31.27	-
Effect on account of non-deductible expenses under income tax	5.27	6.73
Others	(1.60)	4.68
Income tax expense recognised in Statement of profit and loss	**128.20**	**149.36**

Movement in deferred tax balances

Particulars	For the year ended 31 March 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 and Financial assets	(20.44)	(11.93)	-	(32.37)
Tax effect of items constituting deferred tax assets				-
Provision towards asset retirement obligations	13.68	5.03	-	18.71
Employee Benefits and other provisions	37.85	6.54	1.74	46.13
Others	7.44	1.66	-	9.10
Net deferred tax asset / (liabilities)	**38.53**	**1.30**	**1.74**	**41.57**

Particulars	For the year ended 31 March 2018			
	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 and Financial assets	(18.97)	(1.47)	-	(20.44)
Tax effect of items constituting deferred tax assets				
Provision towards asset retirement obligations	10.02	3.66	-	13.68
Employee Benefits and other provisions	33.34	2.26	2.25	37.85
Others	6.79	0.65	-	7.44
Net deferred tax asset / (liabilities)	**31.18**	**5.10**	**2.25**	**38.53**

35 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.

Notes to the Consolidated Financial Statement

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

35 Discontinued operations: (contd.)

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

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

Particulars	(₹ in Million)	
Non-current assets	2.18	
Current assets	0.51	
Total assets (A)		**2.69**
Non-current liabilities	0	
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 inflow on disposal:

Particulars	(₹ in Million)
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:

The financial performance and cash flow information of PGPL included in the statement of profit and loss is as below:

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Revenue from operations	40.42	112.07
Other income	-	1.52
Total revenue (A)	**40.42**	**113.59**
Cost of food and beverages consumed	11.85	37.47
Employee benefits expenses	12.55	39.27
Occupancy cost and other operating expenses	29.58	101.90
Total (B)	**53.98**	**178.64**
Loss before exceptional items, finance costs, depreciation and amortisation	**(13.56)**	**(65.05)**
Finance costs (D)	4.96	5.32
Depreciation and amortisation expense (E)	116.53	23.48
Loss before exceptional items and tax (F=C-D-E)	**(135.05)**	**(93.85)**
Exceptional Items (G)	-	19.22
Loss before tax (H=F-G)	**(135.05)**	**(113.07)**
Loss on disposal (I) (Refer note (b) above)	(108.81)	-
Loss from discontinued operations before tax (J=H+I)	**(243.86)**	**(113.07)**

e) Cash flows from discontinued operations

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Net cash inflows / (outflows) from operating activities	-217.04	-41.94
Net cash inflows / (outflows) from investing activities	-	-95.19
Net cash inflows / (outflows) from financing activities	207.26	140.66
Total	**-9.78**	**3.53**

Notes to the Consolidated Financial Statement

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

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

Particulars	31-Mar-19	31-Mar-18
A. Contingent liabilities		
Claims against the Company not acknowledged as debt (Sales Tax and VAT matters)	19.98	15.30
Customs duties saved against imports under EPCG scheme	0.65	0.65
B. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for tangible assets	75.92	126.82

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	31-Mar-19	31-Mar-18
Contribution to Provident Fund and Employee State Insurance Scheme	78.39	66.21

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	Valuation as at 31-Mar-19	Valuation as at 31-Mar-18
Discount rate	6.80%	6.80%
Salary escalation	8.00%	8.00%
Attrition rate	40.00%	40.00%
Retirement age	58 years	58 years
Mortality	As per IALM (2006-08) ultimate	

Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows: (₹ in Millions)

Particulars	31-Mar-19	31-Mar-18
Service cost:		
Current service cost	7.16	5.31
Net interest expense	2.32	1.91
Components of defined benefit costs recognised in profit or loss	**9.48**	**7.22**
Remeasurement on the net defined benefit liability:		
Return on plan assets [excluding amounts included in net interest expense] (excess) / Short return	(0.02)	-
Actuarial (gains) / losses arising from changes in financial assumptions	0.22	0.95
Actuarial (gains) / losses arising from experience adjustments	4.79	5.50
Components of defined benefit costs recognised in other comprehensive income	**4.99**	**6.45**
Total	**14.47**	**13.67**

Notes to the Consolidated Financial Statement

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

37 Employee benefit plans (contd.)

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 remeasurernent 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:

(₹ in Millions)

Particulars	31-Mar-19	31-Mar-18
Present value of funded defined benefit obligation	48.83	38.34
Fair value of plan assets	(2.09)	(1.94)
Funded status	**46.74**	**36.40**
Net liability arising from defined benefit obligation	**46.74**	**36.40**
Current	14.81	8.62
Non-current	31.93	27.78

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

(₹ in Millions)

Particulars	31-Mar-19	31-Mar-18
Opening defined benefit obligation	38.34	27.17
Add/(Less) on account of acquisitions /business transfers	(0.56)	-
Expenses recognised in the statement of profit and loss		
Current service cost	7.16	5.31
Interest cost	2.45	2.06
Remeasurement (gains)/losses recognised in other comprehensive income:		
Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	0.22	0.95
Actuarial gains and losses arising from experience adjustments	4.79	5.50
Benefits paid	(3.57)	(2.65)
Closing defined benefit obligation	**48.83**	**38.34**

(₹ in Millions)

Particulars	31-Mar-19	31-Mar-18
Opening fair value of the asset	**1.94**	**1.79**
Acquisition adjustment	-	-
Interest income on plan assets	0.13	0.15
Employer contributions	-	-
Return of plan assets greater / (lesser) than discount rate	0.02	-
Benefits paid	-	-
Closing fair value of assets	**2.09**	**1.94**

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.

If the discount rate increases (decrease) by 1%, the defined benefit obligation would be ₹1.10 Millions (₹0.91 Millions as at 31 March 2018)

If the expected salary growth increases (decrease) by 1%, the defined benefit obligation would be ₹1.05 Millions (₹0.95 Millions as at 31 March 2018)

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	31-Mar-19	31-Mar-18
Year 1	17.45	13.07
Year 2	15.33	11.97
Year 3	13.41	10.87
Year 4	10.98	9.92
Year 5	9.86	8.51
Year 6 to 10	25.13	21.43

Notes to the Consolidated 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 previous year ended March 31, 2017, the scheme comprise of 532,480 options (underlying equity share of face value of ₹5 each per option).

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 twelve months from the vesting date or at the time of liquidity event, as approved by the Board, whichever is later.

On April 1, 2016, July 10, 2017 and August 5, 2017, 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

Employee stock options details as on the Balance Sheet date (considering the effect of sub-division of shares) are as follows:

(₹ in Million)

Particulars	Options (Numbers)	Weighted average exercise price per option (₹)
Options outstanding at the beginning of 01 April 2017	1,53,918	140.97
Granted during the year ended 31 March 2018	3,02,859	435.73
Lapsed during the year ended 31 March 2018	26,542	278.47
Options outstanding at the end of 31 March 2018	**4,30,235**	**339.98**
Options available for grant as at 31 March 2018	**1,02,245**	**-**
Options outstanding at the beginning of 01 April 2018	4,30,235	339.98
Granted during the year ended 31 March 2019	-	-
Lapsed during the year ended 31 March 2019	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**	**-**

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
Risk Free Interest Rate	6.60%	6.68%	6.68%	6.68%	6.68%
Expected Life	3.5 years	1.75 years	1 year	2 years	3 years
Expected Annual Volatility of Shares	33.33%	3.02%	3.02%	3.02%	3.02%
Expected Dividend Yield	0.24%	0.15%	0.15%	0.15%	0.15%

Notes to the Consolidated Financial Statement

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

39 Phantom Stock Options Scheme

The Board of Directors in their meeting on December 1, 2015 approved the issue of 22,242 Phantom options under the Scheme titled "Phantom Option Scheme 2015 (POS 2015). The POS 2015 allows the issue of options to the consultants of the Company and its subsidiaries. The option holder is entitled for cash equal to the difference between market value of equity shares of face value ₹10/- and the exercise price of each option. On April 1, 2016, the Company granted 22,242 options under said scheme for eligible personnel. Pursuant to the sub-division of equity share of ₹10 each into 2 equity shares of ₹5 each, the Company had cancelled 22,242 options issued earlier and re-issued 44,484 Phantom options wherein the option holder is entitled for cash equal to the difference between market value of equity shares of face value ₹5/- and the exercise price of each option.

Vesting period of each option is three years from the date of grant and all the vested options can be exercised by the option grantee within 60 days from the vesting date or at the time of liquidity event as approved by the Board.

Liability in respect of such options is measured as a difference between the fair value of market price of underlying shares and the exercise price of such options and is recognised over the vesting period on a straight-line basis.

Pursuant to the termination of retainer's agreement by way of mutual consent of the Company and retainers, "Phantom Option Scheme 2015" has been withdrawn with the approval of Board of Directors at the meeting dated February 15, 2018 and accordingly, the carrying amount of this liability as on February 15, 2018 amounting to ₹20.50 Million has been written-back.

40 Segment information

The Company and its subsidiaries (Group) are solely engaged in the business of restaurant services. The economic charectristics, 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

(i) Revenue from external customers

(₹ in Millions)

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Revenue from restaurant outlets located in :		
- India	7,023.24	5,812.44
- Foreign countries	366.92	163.00

(ii) Non-current assets*

(₹ in Millions)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Non-current assets at restaurant outlets located in		
- India	3,099.73	2,711.98
- Foreign countries	528.65	316.25
Total	**3,628.38**	**3,028.23**

*Non-current assets do not include financial assets under financial instruments and deferred tax asset.

41 Disclosures in respect of Operating leases

Premises are taken on Lease for periods ranging from 3 to 15 years with a non- cancellable period at the beginning of the agreement ranging from 3 to 6 years. Contingent rent for certain restaurant outlets is payable in accordance with the leasing agreement at the higher of:

i) Fixed minimum guarantee amount and;

ii) Revenue share percentage

Future minimum lease payments in respect of non-cancellable leases are as follows:

Particulars	31-Mar-19	31-Mar-18
Future minimum lease payments:		
Upto One year	308.06	323.20
More than one year and upto five years	623.80	790.48
More than five years	144.06	615.49

Notes to the Consolidated Financial Statement

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

42 Earnings per share

Financial year	31-Mar-19	31-Mar-18
Basic Earnings Per Share (Basic EPS)		
From continuing operations	(3.92)	5.49
From discontinuing operations	(6.76)	(4.18)
Total Basic earnings per share	**(10.68)**	**1.31**
Diluted Earnings Per Share (Diluted EPS)		
From continuing operations	(3.92)	5.46
From discontinuing operations	(6.76)	(4.16)
Total Basic earnings per share	**(10.68)**	**1.30**
Earnings used in computing basic and diluted earnings per share		
Profit/loss attributable to the equity holders of the Company		
From continuing operations	(109.66)	148.41
From discontinuing operations	(189.00)	(113.07)
Total operations	**(298.66)**	**35.34**
Weighted average number of shares used in computing basic and diluted earnings per share		
Weighted average number of shares used for calculating Basic EPS	2,79,73,466	2,70,28,740
Add: Effect of ESOPs and share warrants which are dilutive*	-	1,74,023
Weighted average number of shares considered for calculating Diluted EPS	**2,79,73,466**	**2,72,02,763**
Face value in ₹	5.00	5.00

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

43 During the year ended 31 March 2018, the Company was subject to search under Section 132 of the Income Tax Act, 1961. The Company believes that there was no inconsistent information that was noted by the Income Tax authorities during the search and thereafter. As on date the Company has not received communication from the Income Tax authorities regarding the outcome of the search.

44 Financial instruments

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

Particulars	Carrying value		Fair value	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Financial assets				
Amortised cost				
Loans	239.79	216.21	239.79	216.21
Trade receivables	48.99	55.95	48.99	55.95
Cash and cash equivalents	119.81	436.22	119.81	436.22
Other financial assets	25.33	14.63	25.33	14.63
Fair value through profit and loss				
Investments in mutual fund (quoted)	-	0.01	-	0.01
Total assets	**433.92**	**723.02**	**433.92**	**723.02**
Financial liabilities				
Amortised cost				
Borrowings	1,578.56	1,276.57	1,578.56	1,276.57
Trade payables	768.30	673.29	768.30	673.29
Other financial liabilities	60.79	83.28	60.79	83.28
Total liabilities	**2,407.65**	**2,033.14**	**2,407.65**	**2,033.14**

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.

Notes to the Consolidated Financial Statement

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

44 Financial instruments (contd.)

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).

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					
Investment in mutual funds (quoted)	31-Mar-19	-	-	-	-
	31-Mar-18	0.01	0.01	-	-

Financial risk management

The company's activities expose it to a variety of financial risks: credit risk, liquidity risk and price risks which may adversely impact the fair value of its financial instruments. The company has a risk management policy which covers risks associated with the financial assets and liabilities. The focus of risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the company.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilised credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below:

Particulars	31-Mar-19	31-Mar-18
Cash and cash equivalents	119.81	436.22
Investments in mutual funds (quoted)	-	0.01
Total	**119.81**	**436.23**

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

Note: The amounts disclosed in the below table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	31-Mar-19				
	< I year	1-3 years	> 3 years	Total	Carrying value
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**

Particulars	31-Mar-18				
	< I year	1-3 years	> 3 years	Total	Carrying value
Borrowings	414.12	577.94	290.83	1,282.89	1,276.57
Trade payables	673.29	-	-	673.29	673.29
Other financial liabilities	83.28	-	-	83.28	83.28
Total	**1,170.69**	**577.94**	**290.83**	**2,039.46**	**2,033.14**

Notes to the Consolidated Financial Statement

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

44 Financial instruments

Foreign currency risk

The Group's exchange risk arises mainly from its foreign currency borrowings. As a result, depreciation of Indian rupee relative to these foreign currencies will have a significant impact on the financial performance of the Group. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The following table presents unhedged foreign currency risk from financial instruments

Particulars	31-Mar-19	31-Mar-18
Borrowings in USD	629.47	446.74
Borrowings in AED	1.77	2.39

Foreign currency rate sensitivity analysis

Particulars	Impact on profit after tax for the year ended			
	31-Mar-19		31-Mar-18	
	USD	AED	USD	AED
Depreciation by 5%				
Increase in profit	20.48	0.06	14.53	0.08
Appreciation by 5%				
Decrease in profit	(20.48)	(0.06)	(14.53)	(0.08)

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	Impact on profit after tax for the year ended	
	31-Mar-19	31-Mar-18
Decrease in interest rate by 1%		
Increase in profit	10.31	8.39
Increase in interest rate by 1%		
Decrease in profit	(10.31)	(8.39)

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.

The capital structure is as follows:

Particulars	31-Mar-19	31-Mar-18
Equity attributable to the equity share holders of the company	1,896.74	1,941.43
Eauity as a percentage of total capital	56%	70%
Current borrowings	485.60	414.12
Non-current borrowings	1,099.28	868.77
Total borrowings	**1,584.88**	**1,282.89**
Less: Cash and cash equivalents	119.81	436.23
Net borrowings	**1,465.07**	**846.66**
Net borrowings as a percentage of total capital	44%	30%
Total capital (borrowings and equity)	**3,361.81**	**2,788.09**

Notes to the Consolidated Financial Statement

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

45 Related party transactions

Description of relationship		Names of related parties
(i)	Investing party for which the Company is an Associate	Sayaji Hotels Limited Sayaji Housekeeping Services Limited Tamara Private Limited
(ii)	Key Management Personnel (KMP)	**Managing Director** Kayum Dhanani (Managing Director) Mohan Kumar Ramamurthy (Chief Financial Officer - from June 15, 2017 till May 01, 2018) Rahul Agrawal (Chief Financial Officer - from May 21, 2018) Sameer Bhasin (Chief Executive Officer - till May 22, 2018) Nagamani CY (Company Secretary) **Non-Executive Directors** T Narayanan Unni Raoof Razak Dhanani Suchitra Dhanani Tarun Khanna Abhay Chintaman Chaudhary
(iii)	Entities in which KMP / Relatives of KMP can exercise control/significant influence	Sara Soule Private Limited

45A Transactions and Balances with Related Parties

Transactions with related parties for the year ended	31-Mar-19	31-Mar-18
Purchase of consumables		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	6.00	-
Services received		
Investing party for which the Company is an Associate :		
Sayaji Hotels Limited	1.85	1.25
Services rendered		
Investing party for which the Company is an Associate :		
Sayaji Hotels Limited	17.47	11.72
Rent and maintenance charges		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	-	4.46
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	0.89	18.26
Security deposit paid		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	-	0.21
Refund received of security deposit paid		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Suole Private Limited	-	0.23

45B Balances outstanding with related parties as at

Transactions with related parties as at	31-Mar-19	31-Mar-18
Security deposits (refundable) with		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	0.21	0.21
Trade Payables		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	0.28	0.65
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	4.54	8.22

Notes to the Consolidated Financial Statement

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

45C Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the period is as follows:

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Short-term benefits	17.61	18.41
Post-employment benefits	-	-
Other long-term benefits	-	-
Share-based payments	5.08	2.87
Termination benefits	-	-
Total	**22.69**	**21.28**

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

46 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

Name of the entity	Net Assets i.e., total assets minus total liabilities as at March 31, 2019		Share in profit or loss for the year ended March 31, 2019		Share in other comprehensive income for the year ended March 31, 2019		Share in total comprehensive income for the year ended March 31, 2019	
	As % of consolidated net assets	₹ in Million	As % of consolidated profit or loss	₹ in Million	As % of consolidated other comprehensive income	₹ in Million	As % of consolidated total comprehensive income	₹ in Million
Parent - Barbeque-Nation Hospitality Limited (including consolidation adjustments)	100%	1,920.34	52%	(155.53)	100%	(19.61)	55%	(175.14)
Indian Subsidiary - Prime Gourmet Private Limited	0%	-	-7%	22.01	0%	-	(7%)	22.01
Foreign Subsidiary - Barbeque Nation MENA Holding Limited, Dubai	8%	147.00	16%	(48.31)	0%	-	15%	(48.31)
Foreign Subsidiary - Barbeque-Nation Restaurant LLC, Dubai	(9%)	(178.78)	27%	(81.82)	0%	-	26%	(81.82)
Foreign Subsidiary - Barbeque Nation (Malaysia) Sdn. Bhd.	(1%)	(16.85)	11%	(32.05)	0%	-	10%	(32.05)
Foreign Subsidiary - Barbeque Nation International LLC, Oman	1%	25.85	0%	(1.20)	0%	-	0%	(1.20)
Foreign Subsidiary - Barbeque Nation Holdings Pvt Ltd, Mauritius	0%	(0.41)	0%	(0.88)	0%	-	0%	(0.88)
Foreign Subsidiary - Barbeque Holdings Pvt Ltd, Mauritius	0%	(0.41)	0%	(0.88)	0%	-	0%	(0.88)
Total	**99%**	**1,896.74**	**100%**	**(298.66)**	**100%**	**(19.61)**	**100%**	**(318.27)**

Notes to the Consolidated Financial Statement

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

Name of the entity	Net Assets i.e., total assets minus total liabilities as at March 31, 2018		Share in profit or loss for the year ended March 31, 2018		Share in other comprehensive income for the year ended March 31, 2018		Share in total comprehensive income for the year ended March 31, 2018	
	As % of consolidated net assets	₹ in Million	As % of consolidated profit or loss	₹ in Million	As % of consolidated other comprehen-sive income	₹ in Million	As % of consolidated total comprehen-sive income	₹ in Million
Parent - Barbeque-Nation Hospitality Limited (including consolidation adjustments)	101%	1,975.03	717%	253.35	101%	(7.13)	871%	246.22
Indian Subsidiary - Prime Gourmet Private Limited	2%	42.93	-320%	(113.07)	(1%)	0.06	(400%)	(113.01)
Foreign Subsidiary - Barbeque Nation Holdings Limited, Dubai	0%	(3.66)	-54%	(19.13)	0%	-	(68%)	(19.13)
Foreign Subsidiary - Barbeque-Nation Restaurant LLC, Dubai	(4%)	(85.99)	-233%	(82.22)	0%	-	(291%)	(82.22)
Foreign Subsidiary - Barbeque Nation (Malaysia) Sdn. Bhd.	1%	14.66	-6%	(2.05)	0%	-	(7%)	(2.05)
Foreign Subsidiary - Barbeque Nation Holdings Pvt Ltd, Mauritius	0%	(1.54)	-4%	(1.54)	0%	-	(5%)	(1.54)
Total	**100%**	**1,941.43**	**100%**	**35.34**	**100%**	**(7.07)**	**100%**	**28.27**

47 New accounting standard adopted by the Company

Ind AS 115 - Revenue from contract with customers

On April 1, 2018, the Group adopted Ind AS 115, "Revenue from Contracts with Customers" as of April 1, 2018 using the cumulative catch-up transition method. Refer note 2.4 for the accounting policies followed pursuant to adoption of Ind AS 115. Refer Note 2.4 "Summary of significant accounting policies" in the Company's Annual report for FY 2017-18 for the policies in effect for revenue prior to April 1, 2018. The adoption of Ind AS 115 did not have any impact.

48 Standards issued but not yet effective

Ind AS 116 Leases :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit & loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application either by:

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application

Certain practical expedients are available under both the methods.

The Company is currently assessing the impact on adoption of this standard on the Company's financial statements.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

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

48 Standards issued but not yet effective (contd.)

The standard permits two possible methods of transition -

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company does not expect any significant impact of the above amendment.

The Company is evaluating the effect of the above on its financial statements.

Amendment to Ind AS 12 – Income taxes :
On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019.

The Company is evaluating the effect of the above on its financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement-
On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

Notes

Notes

Concept and design by Tas
tas.works: +91 (33) 46014201

www.barbeque-nation.com

Our new logo has a bright and bold colour palette. The primary orange colour depicts the element of fire, while the crown emphasizes the importance we attach to our customers. Interestingly, the crown embeds the Barbeque Nation acronym (BN) and its top comprises a fork's upper part placed in the middle, surrounded by spoons.