



BARBEQUE-NATION HOSPITALITY LIMITED

Transcript of 17th Annual General Meeting (AGM) of
Barbeque-Nation Hospitality Limited held on Monday, September 25, 2023
at 11:00 AM (IST) through Video Conference (“VC”)

Panellists:

- Mr. T. N. Unni : Chairman, Non-Executive, Independent Director
- Mr. Kayum Dhanani : Managing Director
- Mr. Rahul Agrawal : Chief Executive Officer & Whole Time Director
- Mr. Abhay Chaudhari : Non-Executive Director
- Ms. Revathy Ashok : Independent Director
- Mr. Azhar Dhanani : Additional Director
- Mr. Amit V Betala : Chief Financial Officer
- Ms. Nagamani C Y : Company Secretary & Compliance Officer
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Mr. T.N. Unni: I, T. N. Unni, Chairman of your Company, have the great honour and pleasure to welcome you all to the 17th Annual General Meeting (AGM), which is being held through Video Conference (VC).

On behalf of the Board of Directors of the Company, I extend a warm welcome to each one of you to the 17th Annual General Meeting of your Company.

The Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) have permitted the Companies to hold the Annual General Meeting through Video Conference or Other Audio-Visual Means. Accordingly, the AGM of your Company is being held through Video Conference (VC).

As we have the requisite quorum present through VC to conduct the proceedings of this Meeting, I hereby call the Meeting to order. Participation of Members through VC is being reckoned for the purpose

of quorum as per the circulars issued by MCA and Section 103 of the Companies Act, 2013. This Meeting is being held through VC in accordance with the circulars issued by the MCA and SEBI.

Please note that MCA and SEBI have issued Circulars dispensing with the requirement of dispatching the physical copies of Notice of this AGM. Hence, the Notice of this Meeting along with the Annual Report for the Financial Year 2022-23 was sent electronically to all the Members entitled to receive the same. I, therefore, with your permission, take the Notice as read.

Before starting the proceedings, let me introduce you all to the Directors of your Company and other participants attending today's AGM through VC.

Directors Present:

1. Mr. Kayum Dhanani, Managing Director
2. Mr. Rahul Agrawal, CEO & Whole-Time Director
3. Mr. Abhay Chaudhari, Independent Director
7. Ms. Revathy Ashok, Independent Director
8. Mr. Azhar Dhanani, Additional Director

Key Managerial Personnel present:

1. Mr. Amit V Betala, Chief Financial Officer
2. Ms. Nagamani C Y, Company Secretary & Compliance Officer

Others present:

1. Mr. Sathya P Koushik, Representative of Messrs Deloitte Haskins & Sells, Statutory Auditors
2. Mr. Vijayakrishna K T, Secretarial Auditor
3. Mr. Parameshwar G Bhat, Scrutinizer for this AGM

Now I request Ms. Nagamani, Company Secretary, to provide general instructions to the Members regarding participation in this Meeting. Over to you, Ms. Nagamani.

Ms. Nagamani: Thank you Sir.

✚ The Company has enabled the Members to participate at the 17th AGM through Video Conferencing facility provided by CDSL in compliance with the applicable circulars issued by the MCA and SEBI.

✚ Facility for joining this Meeting through Video Conference has been made available for members on a first-come-first-served basis. All the members who have joined are by default placed on mute by the moderator. When the session on question and answer commences, the speaker member will be unmuted by the Moderator. Members

have been provided with the facility to exercise their right to vote by electronic means, both through remote e-voting and e-voting at the AGM, in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

- ✚ The Members joining the Meeting through VC, who have not already cast their vote by means of remote e-voting, may vote through e-voting facility provided by CDSL, which will be closed 30 minutes from the conclusion of this Meeting.
- ✚ The Company has appointed Mr. Parameshwar G Bhat, Practising Company Secretary, as the Scrutinizer, who will collate the voting results of the remote e-voting and the e-voting at the AGM for each of the agenda items mentioned in the Notice.
- ✚ Representations under Section 113 of the Companies Act, 2013, have been received from our Promoters.
- ✚ Members are requested to refer additional information provided in the Notes to AGM Notice for seamless participation through video conference. In case if any member faces any difficulty, they may reach out to CDSL on the helpline numbers provided in the Notice.

Thank you very much. Now I hand over to the Chairman to continue with the proceedings.

Mr. T. N. Unni:

Thank you Ms. Nagamani. The Company has taken all the efforts feasible under the circumstances to enable Members to participate and vote on the items being considered at the Meeting. Now I request Mr. Kayum Dhanani, Managing Director, to address the Members, followed by Mr. Rahul Agrawal, CEO & Whole Time Director of the Company, to address the Members on the performance and various initiatives undertaken by the Company during the financial year 2022-23 and the first quarter of the current financial year 2023-24.

Mr. Kayum:

Good morning ladies and gentlemen. Very warm welcome to each and every one of you to the 17th Annual General Meeting of Barbeque-Nation Hospitality Limited.

FY23 was a milestone year for Barbeque Nation brand. The brand surpassed Rs. 1,000 crore in annual revenue, which makes Barbeque Nation the first Indian full service casual dining restaurant brand to achieve this remarkable landmark!

The year was a challenging one due to inflationary conditions which impacted consumer and business sentiment, especially towards the

second half of the year. Despite the prevailing challenges we continued to deliver on our objectives.

Barbeque Nation India business revenue expanded by over 40% YoY, with 36 new stores additions. During the year, we also launched a dedicated biryani brand, Dum Safar. Our Toscano business has grown at a 3-year CAGR of over 26%, with revenues crossing Rs. 90 crore, a creditable achievement for a 14 restaurant network. In our Barbeque Nation international business we have not added any stores to the network during the last few years, but focused on improving asset turns, which has resulted in CAGR revenue growth of 12% over the last 3 years.

Over time, we have successfully created multiple levers of growth for the business. Six years ago, Barbeque Nation India dine-in business was contributing to almost 97% of the business. Now, we have added additional growth vectors such as Toscano, international business and delivery, which collectively accounted for almost 25% of the total revenues in FY2022-23.

We firmly believe that our people are the cornerstone of our success. We have fostered a people-centric culture that places employees at the heart of everything we do. We are proud that our employee centric culture has helped us to be recognised among “India's Best Companies to Work For” and this continued for the year 2022 as well, with the Company being assigned a rank #7.

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

The medium to long-term growth story of the Company remains intact. Our growth, going forward, will be driven by SSSG and expansion-led for Barbeque Nation and Toscano businesses, calibrated growth for international business, coupled with increase in average daily sales of both UBQ and Dum Safar and opportunistic acquisitions. We believe a productive restaurant asset base with predictable income streams and inherent growth linked to economic mobility will help the Company deliver sustainable long-term value for shareholders.

Furthermore, we also remained focused on enhancing our guest experience with enhancement of culinary experiences and portfolio refurbishment to contemporize restaurant interiors.

On behalf of our team, we thank you for your ongoing support over the past year. We value the trust you have placed in us and we will work hard to continue earning it. Thank you.

Mr. T .N. Unni: Thank you Mr. Kayum Dhanani. I now request Mr. Rahul Agarwal to make his business related presentation.

Mr. Rahul: Thank you, Sir. Good morning everyone and welcome to the 17th Annual General Meeting of Barbeque-Nation.

So, I'll take you through the updates of the last financial year.

I wanted to start with a very strong, positive note on the macroeconomic conditions that we are living in today. I think, the country is expected to grow at a real GDP growth rate of around 6 to 7% over the next few years, and is set to become a 5 trillion dollar economy. This augurs very well for the rising per capita income of the country, and shall also drive high discretionary spend, which will in turn lead to increasing eating out frequency. We are also blessed with a very favourable demographic profile in the country with younger populations and a growing organization. And both of these augur well for the growing food services market, in which we are one of the key players.

On the Company, as you all know, we are a diversified food services company with presence across both dine-in and delivery. On the dine-in front, we have two very strong brands, our core brand being Barbeque-Nation, which is all you can eat Indian cuisine, we obviously stand for experience, service and value. And the other brand is on the Italian side, which is Toscano, which again, is very aspirational, experience and value based. On delivery front, we have currently two brands – UBQ, under which we also do a sub-product called Barbecue-in-a-Box and we've recently launched a new online brand for Biryani called *Dumsafar*.

Highlights for last year –we did a record revenue of around, 1,234 crore last year from across 216 restaurants, that were present across various brands and present in 85 cities. We are a market leader in casual dining space, spanning across the portfolio, which have both Indian and Italian cuisine.

As Kayum also mentioned, last year was a milestone year for us, wherein we crossed 1,000 crores of revenue by the brand “Barbeque-Nation.” Barbeque-Nation is the first Indian food services CDR brand to reach this milestone in the country. We served approximately 1.1 crore guests across 81 cities by a network of 202 restaurants. We also ranked 7th place in Great Place to Work surveys, which further emphasizes on our focus on our employees, apart from our focus on our guests.

We also launched a biryani brand last year called *Dumsafar*. This was very well received by our guests and got very good ratings across various platforms on this brand. And since launch, month on month, we have been doing this business pretty well. A lot of activities on ESG front. But the one, which I think needs special mention is our efforts to reduce single-use plastic. We have removed single-use plastic bottles from more than 150 of our restaurants and have done an annual plastic saving of approximately 100 tons in the Company.

We continue to invest in our digital capabilities. Our cumulative app downloads versus the previous year has increased by around 34%. As of last year, we had around 27.5% of our business coming from our own digital assets. Overall, more than 90% of our dine-in business comes from our own assets, but out of which around one-third comes from our own digital assets. This is again grown versus FY22. Also we continue to invest in the backend, be it in terms of our well-established ERP systems or business enterprise systems or vendor payment systems. These are further strengthened at the backend.

We have grown our restaurant network at a CAGR of around 21% over the last 10 years. 10 years back, we ran 32 outlets, which in FY23 stands at 216 outlets. As against the previous year of 185, on a net basis, we have opened 31 new restaurants. Overall, these 216 restaurants are divided across 196 of Barbeque-Nation India restaurants, 6 Barbeque-Nation restaurants in International markets, 14 Toscanos. Broader geographical distribution is approximately 75% in metro tier-1 and 25% in tier-2 & tier-3 cities. Similarly, as I mentioned, present across 85 cities with 81 cities in India and 4 international cities.

We have also delivered consistent revenue growth of around 21% CAGR over the last 10 years. Last year, we grew our revenues by around 43.4%; on a slightly lower base of FY22. Consistent long term same store sales performance, historically, pre COVID, we used to do around 5.1%. There were some disruptions due to COVID restrictions during FY 2021-22, but if you look at the long term 3 year CAGR, pre-COVID versus current, we are at around 3 year CAGR of 5.7%. Broadly, long term 10 year-average of around 5 to 6%. This is driven by pricing increase, volume increase and also increase in our delivery penetration. We have also diversified our revenue stream. Pre-COVID, the business was largely dine-in, today, approximately one eighth of the business comes from delivery.

Last year, we did 13.3% of our business coming from delivery and balance at 86.4% coming from dine-in, while the delivery contribution reduced the overall business on dine-in has also increased. Also diversified various channels of growth. 5 years back, dine-in business in India used to be around 97% and others contributed to merely 3%. Today, others contribute to around 25% and dine-in business in India contributes to around 75%. The other categories include our

international business, Toscano business and business that we have generated from other brands on delivery business. We maintained our margin focus, our gross margins, were around 66.3%, which is among the top tier over the last 6 years and reported EBITDA margins was 19.3%, though it is higher for the last 2 years; slightly lower given the impact of new stores that we opened up in FY23.

Our international business, as I said, have grown extremely well. We have maintained a 3-year CAGR of around 12%, despite not adding any new outlets. This business is now approximately 70 crores and reports a very strong EBITDA margin of around 25%. Going forward now, we have started the expansion and in this financial year, we hope to open 2 (two) new restaurants in our international business.

Similarly, our Toscano business has also grown extremely well. We added 3 (three) new restaurants in FY23, overall delivered a CAGR of around 26.6%. And this year also, we want to expand by adding almost 4-5 restaurants in this year. This business is extremely profitable with around 27% of the EBITDA margins.

On the key financial metrics: The business is very well capitalized. We have a networth of around Rs.400 crores and net cash of around Rs.23 crores. We also generated among the highest cash profit last year of approximately Rs.106 crores, and have also improved the return ratios. Our Return on Equity (RoE) and Return on Capital Employed (RoCE) have also improved to 7% and 10% respectively.

Going forward, we want to continue our focus on the 4 vectors that we have identified. One is our Barbeque-Nation India dine-in business, wherein we want to continue to enhance our guest experience and focus on driving SSSG and profitability growth through various initiatives like cost optimization, upgrading our assets and drive digital assets growth.

The second vertical is scaling up the emerging verticals, which includes Toscano and Barbeque International. Like I mentioned, Toscano will have approximately 4-5 new restaurants this year, and Barbeque International will also have 2 more restaurants this year. Delivery focus continues to be very strong, and we want to increase the penetration of both our brands, which is UBQ and *Dumsafar*.

And we also look to expand opportunistically our brand portfolios, which can also happen through any acquisitions, which we think makes sense for the company. With this, I hand over back to the Chairman. Thank you very much.

Mr. T. N. Unni: Thank you Mr. Rahul Agarwal. I now request Ms. Nagamani, Company Secretary, to provide a summary of the auditor's report.

Ms. Nagamani: Thank you, Sir. The Statutory Auditors, Messrs Deloitte Haskins and Sells and the Secretarial Auditor, Mr. Vijay Krishna K T have expressed unqualified opinion in their respective Audit Reports for the financial year ended March 31, 2023. There was no qualification or observation or any adverse comment on the standalone and consolidated Financial Statements and in the Secretarial Audit Report, which have any material bearing on the functioning of the Company. Copies of the Statutory Auditor's report and Secretarial Audit Report are enclosed as part of the Annual Report.

Thank you. I now hand over to the Chairman to continue with the rest of the proceedings.

Mr. T. N. Unni: Thank you, Ms. Nagamani. With the consent of the Members, I take the Statutory Auditor's Report and Secretarial Audit Report as read.

As per the Secretarial Standards, I now request Ms. Nagamani, Company Secretary, to briefly explain the background of all the 9 (nine) resolutions proposed to be passed at this AGM for the benefit of all the Members present.

Ms. Nagamani: Under Ordinary Business, we have four resolutions:

The first item is Adoption of Financial Statements for the financial year ended March 31, 2023. The financial year of the company was April 2022 to March 2023. Accordingly, the standalone and consolidated financial statements have been prepared for April 2022 to March 2023. The standalone and consolidated financial statements together with the Auditor's Report, Board's Report including Secretarial Auditor's Report are placed before the members for consideration and adoption.

Item number 2 is Reappointment of Mrs. Suchitra Dhanani, Director, who retires by rotation. As per the Companies Act, 1/3rd of total number of directors who are liable to retire by rotation, are liable to retire by rotation at each AGM. Accordingly, Mrs. Suchitra Dhanani retires at this AGM and seeks for reappointment.

Item number 3 is Reappointment of Mr. Raof Razak Dhanani, Director, who retires by rotation. As per the Companies Act, 1/3rd of total number of directors who are liable to retire by rotation, are liable to retire by rotation at each AGM. Accordingly, Mr. Raof Razak Dhanani retires at this AGM and seeks for reappointment.

Item number 4 is Appointment of Messrs. S.R. Batliboi & Associates LLP, Chartered Accountants, as Statutory Auditors of the Company.

Under Special Business, we have five resolutions:

Item number 5 is Appointment of Mr. Azhar Yusuf Dhanani as a Non-Executive Director of the Company.

Item number 6 is Re-pricing of the Employee Stock Options granted to the employees of the Company and its Subsidiaries during the financial years 2021-22 and 2022-23 under 'ESOP Plan 2015' and extending Vesting Period of the same.

Item number 7 is Re-pricing of the Employee Stock Options granted to the employees of the Company and its Subsidiaries during the financial year 2022-23 under 'ESOP Plan 2022' and extending Vesting Period of the same.

Item number 8 is Modification of 'ESOP Plan 2015'

Item number 9 is Modification of 'ESOP Plan 2022'

Thank you. Now I hand over to the Chairman to continue with the rest of the proceedings.

Mr. T. N. Unni:

Thank you, Ms. Nagamani. Since the AGM is being held through VC, we have requested the members to register themselves as speakers in advance. Before proceeding for voting on the resolutions, I invite those members who are registered as speakers to offer their comments and seek clarifications, if any, on the resolutions contained in the notice and financial statements, he or she may do so.

Now, in the interest of time, I request the speakers to be brief. And avoid repeating the questions or comments made by earlier speakers is speaker is requested to speak for a maximum period of 3 minutes speakers are requested to mention their names and their DP ID and client ID before asking their questions.

Consolidated replies will be furnished at the end by Mr. Rahul Agrawal and me. Now, I request the moderator to unmute the speakers in the speaking order assigned. Over to moderator.

Moderator:

Thank you Sir. Now I request Mr. Abhishek J to unmute yourself.

Mr. Abhishek J:

My name is Abhishek, shareholder of the company. My DP ID is IN301637 Client ID is 41359155. First of all, I congratulate the management on the eve of 17th Annual General-body Meeting. Thank you for giving me as a first speaker, Sir. Rest all is well with you and your family.

In this challenging situation, our company deserves much more respect than the current market cap. After completing more than a decade of

successful operations, profitability, dividend history, and becoming one of the strongest brand in our respective segment. Sir, we would like to know how our business was being impacted in the past three years of this COVID time, the coronavirus and the subsequent lockdown has left virtually no industry untouched. After the COVID, as of date, how many employees are there in the company? I would like to know from you, sir. How many outlets do we have as on date, in our company? I would like to know from you, sir. What are the steps being taken by the management to reduce the other expenses, legal, professional charges and audit fees?

Myself and my team are running a legal firm in the name and style of “Seven Wells Associates” in Chennai. So, I would request your good self to kindly enrol our firm in the empowerment of the company and we would be glad to extend our services, sir. I would request the management to kindly consider hybrid AGMs in the years to come, so that we shall not face any discrepancies in joining the meetings. So kindly ensure hybrid AGMs to be conducted in which local shareholders can join you physically and PAN India shareholders can also join virtually.

So, nothing much to ask. I would like you to kindly take care of the hospitality part of the project. I need a discount coupon to the shareholders as and when possible, sir. And vouchers also to be sent sir. So, nothing much to ask. I thank the Company Secretary and the entire team for sending us the link well in advance and making this Annual General-body Meeting a grand success. I wish the Company and the Board of Directors’ great success and prosperity in the coming future.

And thank you for giving the opportunity sir. I hope to see you in the physical AGM next year. My best wishes.

Moderator: Thank you Mr. Abhishek. Next speaker is Mr. Bharat Raj.

Mr. Bharat is not present in the meeting. So we'll go ahead with the next speaker. Mr. Gautam, please unmute yourself.

Thank you, Gautam. Can you hear us? Gautam, please go ahead.

Yeah, you are audible. Please go ahead.

Mr. Gautam: Good morning, respected Chairman, Board of Directors and my online fellow shareholders. Myself Gautam Nandy from Kolkata, the city of joy, a shareholder of your company.

So, firstly, I like to give thanks to your Secretarial Department for sending me Annual Report along with Notice and necessary joining link

through email well in advance. So, especially thanks to our respected Company Secretary, Ms. Nagamani and your whole team of your Secretarial Department for rendering good services to our minority shareholders. So you are organizing your Annual General Meeting through video conference and I find it's a grand success. Sir, I'm very pleased to receive your wonderful Annual Report, which is very attractive and also very, very informative, sir. You have explained everything regarding your accounts and performance of your company in your Annual Report.

Chairman Sir, you have explained everything in a very transparent manner in your speech. So, no further question from my side. Only I like to share two or three points. Good performance in every segment, even in this challenging year. Now, the situation is still very tough after COVID-19 geopolitical situation – Russia Ukrain War, all are suffering. The situation is very, very tough. Every company is suffering. Still, you are trying your best. I am very happy with our company sir. Please highlight what is the road map for the next 3 to 4 years, sir? And we are waiting for your dividends, sir. Please announce sir.

Sir, one more thing, I am very pleased to visit your restaurant – Barbeque restaurant. I happily go there and I personally prefer buffet lunch or buffet dinner, which is very, very attractive. As per the price and quality is concerned, it is really remarkable, sir. There are so many items, so many items and nothing to say, sir.

Sir, I have requested you for the hard copy of Annual Report. You have already dispatched, already sent to my registered address. So, thank you again. Sir, one more thing, sir, you have provided Speaker serial number with your link, which you have sending to us in advance. So, thank you, sir. It is very helpful for us, sir. Sir, one request, if situation permits, please provide 100% discount coupons to our minority shareholders, at least for the speaker shareholders, please consider, sir. This is nothing, sir. This is nothing but a token of love for our investors.

And said, I am very proud to be a shareholder of your company said, said, I have full trust with our strong management said, and so I wholeheartedly support your all resolutions, which I have already cast through my e-voting, sir. Sir, looking forward with a positive outlook towards our Company with higher profit margin and some dividend bonus and return, sir.

May God bless you, sir. Stay safe. Stay healthy. Thank you very much, sir. Myself Gautam signing off from Kolkata. Thank you, sir.

Moderator: Thank you Mr. Gautam Nandy. The next speaker shareholder is Santosh Kumar Saraf. I request Santosh, can you unmute yourself?

Yes Sir, please enable your video.

Mr. Santosh:

I, Santosh Kumar Saraf from Kolkata, express my sincere greetings to the honourable Chairman, the entire Board of Directors, and other officers of the Company, invitees and fellow shareholders present at this Video Conference. Trust everybody is fine.

Sir, Chairman has already explained everything in his presentation and I have nothing much to ask. I just want to know what steps you are taking to maintain consistent growth. Sir, please tell us. What steps have you taken towards Women empowerment? What steps have you taken to add more female employees to the organisation? Please tell us about this. What arrangement you have made for the rain-water harvesting? And what steps you have taken for the renewable energy? Please tell us about this. I won't take much time, sir. I pray for the long life of all the employees of the Company and hope they continue to work hard and take the Company forward. In future, if we have VC meeting, we can express gratitude towards the employees of the Company. I also thank the Company Secretary for giving me Speaker serial number in advance. I wish in financial year 2023-24, everyone is healthy and wealthy. Next time when we meet in VC, we can meet well/properly.

Namaskar.

Moderator:

Next speaker we have is Jasmeet Singh. Can you unmute yourself?

You are audible and visible. Please go ahead.

Mr. Jasmeet Singh:

Good morning everyone. So let me start my note, Chairman Shri T.N.Unni ji, founder-director, Dhanani family, key personnel Mr. Amit Betala and Ms. Nagamani and all shareholders joining this call, good morning to everyone. I'm Jasmeet Singh calling up from Delhi.

The year under review has been an impressive with double digit growth. However, the CAGR of over 20% over last several years. Our share market price is not justifying the growth which is coming in. Apparently it is much related to the profits, which we can end up with. The growth in the net profits is very essential for the market price to grow. My first question that how we are working to improve the net profit margins so as to be very candid on this. We have been opening stores, over 30 stores have been open in the year under review, and I'm sure that this year, you also have good plans to open new stores.

There are new launches of new products. However, I would like to understand and know that in addition to the, In-house catering, in-house store catering, are we open to consider going for outside catering also, outside our stores? As far as Delhi is concerned, it's a huge, huge market of over 2 (two) crores in a small city, and there are ample occasions, be

it birthdays, be it anniversaries, be it marriages, everyone would like to have and everyone require catering services. So, are we open to considering this huge, huge, potentially driven, say business idea? I would like to know from the Company that how you want to consider this?

Apart from this, I would also like to know the CSR contribution. We are feeding the public, we are feeding the people, and we are fulfilling their hunger. So, what sort of CSR activities we are doing to quench that hunger of those who actually need them. Do we have some arrangements across cities? Please do let me know.

Just to end my note, I appreciate high corporate governance, maintained by Madam Nagamani and Amit Betala and their respective team members. I'm joining this call, along with two other, say group members, Pritam and Surinder, and we all are IPO allottees. We would like to see our investment growing, as our revenues also grow. Thank you. That's it from me now. Bye.

Moderator: Thank you Jasmeet Singh. The next speaker is Sujan. Sujan, can you unmute yourself?

Yeah, please go ahead.

Mr. Sujan: Respected Chairman of the Board of Directors. Namaskar. Good morning. Sir, I'm Sujan Modak and I'm attending this meeting from my residence in Kolkata sir. Sir, if we see the performance of our company, considering it is a very good performance. Revenue from operation has gone up, profit before tax, profit after tax, all have gone up, sir. Very, very nice performance and a very nice set of numbers you have given for that, I really congratulate our management. So, we have not got the dividend, but I believe that within a year or two, definitely, we'll get the dividends sir.

Sir, I'd like to know, what is the capex plan for the next 2 to 3 years? If you can share us and what is the roadmap for particularly this year? And sir, this inflation is staying high. And, since the inflation is staying high at the same time, interest rates are also up. Keeping this in mind, so what is the growth guidance you give for particularly this year? It's very, very interesting for the investors' community. So please, please give us this answer, sir.

And sir, one more small idea. In Calcutta, we have seen that there is a new concept is coming on 'kitchen-on-wheels'. So, there is a very big marketplace and all. There, you know, this kitchen is coming on wheel. So that sort of thing means half cook material they come and when the order comes, and people gather around and then, they do that half cooking and all, and serving. So this concept is really going on very

nicely in Calcutta with our puja days coming. So people are really, you know, crowd is like a New Market and all these big places. So if you have like that, any idea if you can help our company that, that's from my side, sir.

And, one small suggestion is this, this question and answer solution goes on, sir. There we have got so many shareholders all cannot be able to, join this particular meeting. But if this question and answer, if you can put on all the shareholders email address, I believe that they can later on also read, if it is possible for our company.

Before I finish, I'd like to definitely thank our company secretary, madam Nagamani and her whole team for being a very good investor services. Madam, you are fabulous. You and your team is doing very good investor services. I really congratulate you and thank you for doing such a nice job. So nothing to add more, over for further process. Thank you.

Moderator: Thank you Mr. Sujan Modak. Next speaker is Mr. Sushil. He is not present in the Meeting. So we'll go for next speaker, that is, Mr. Tapas Kumar.

Can you unmute yourself, Mr. Tapas Kumar?

Mr. Tapas Kumar Datta, can you unmute yourself?

Yes sir, please go ahead.

Mr. Tapas Kumar: Hi, myself Tapas Kumar Datta. My DP ID to be change to IN300513 and Client ID should be changed to 15398579. I wrongly written other folio number.

Sir, good morning everyone. My respected Chairman, distinguished Board of Directors, eminent KMPs and my fellow shareholders who are visiting this meeting. Hi, myself Tapas Kumar Datta, an equity shareholder of Barbeque-Nation Hospitality Limited. I profoundly express my sincere gratitude to the galaxy of Barbeque-Nation Hospitality Limited for their dedication, exertion, commitment and consistent endeavour to make the organization profitable.

My heartfelt congratulations to our Secretarial Department for their excellent and remarkable investor services. They are doing everything efficiently, effectively and intelligently. Sir, I have a few queries. Page-25, you have no obligation for spending CSR, notwithstanding you have spent Rs. 2 lakhs for CSR. But the manner in which the amount spent for CSR during the year is not appended to this section.

Page-26, average percentage increase of employees' remuneration, other than managerial personnel, is 5%. Average increase in managerial personnel is 15%. Sir, why do you make such discrimination? Other than managerial person is getting 5% and managerial person, who are already getting huge remuneration, their salary is increased by 15%? Why do you make such discrimination? Page-53, 8 receivable turnover ratio indicates your credit collection policy is deteriorating. Sir, you should take care of it.

Page 69, number of work related injury is being increased. How many of them have suffered serious injury? Page 72, complaints on sexual harassment during the year. Two number and you have solved it. How have you solved it? Page 77 – Number of consumer complaints, other 2838 numbers, sir, why have you not resolved these complaint.

Sir, do you have any inorganic growth planning, sir? In this regard, what is your CAPEX program in this regard? Sir, do you have any inorganic growth planning? Sir, with this few remarks, I would like to conclude.

Another problem, sir, is one my colleague member, Gautam, suggested that 100% discount coupon. I oppose it. It will damage our organization. But you may consider 50% discount coupon, not 100%. You save the organization. First of all, your duty is to save the organization. Not such a huge discount coupon. Don't give it. You may consider 50% discount coupon or 30%. But with this few remarks, I would like to conclude. Thank you for listening.

Moderator: Thank you, sir. Now, next speaker is Mr. Vinay Vishnu. Vinay, can you unmute yourself?

Yes Sir, please go ahead.

Mr. Vinay Bhide: Chairman of Barbeque-Nation Mr. T. N. Unni, Managing Director Mr. Kayum Dhanani, other members of the Dhanani family on call, CEO Mr. Rahul Agrawal, other distinguished Directors present in today's AGM, company executives, fellow shareholders. I am Vinay Vishnu Bhide, company shareholder speaking from Mumbai. Thank you for the presentation of the Annual Report as sent on mail earlier. The details that have been presented earlier by Mr. Kayum as well as Mr. Rahul. Having, understood all these factors, I have got just a few pointers. In addition to what the other shareholders have asked and they are as follows:

For the financial year 22-23, we clocked revenues, record revenues, in fact, as was mentioned earlier, crossing 1,000 crores versus 767 crores in the previous year. Good on that count. The net profit has recovered to a profit from loss. In the previous year, it was 22 crore loss, this year we

have gone into 6.7 crore of profit. But probably, the happiness was short lived. You can clarify on that. This is my understanding.

In the subsequent quarters, we showed a loss and in fact, you know, in the March quarter, we had a loss of 13 crores that is, you know, financial year 22-23. And quarter one of June 24, we showed a low revenue of 277 crores and a loss of 8.2 crores, having given all these statistics, my question here is that - are we yet to maintain, obtain critical mass in terms of the volume and the value of sales, because of which we are not able to cover the fixed costs, or is it just a pricing issue? You can get some clarity on this particular part.

Secondly, I have got a query on the revenue. What is the revenue that we are getting from locations outside of India? You can please clarify. I think other points have already been touched upon by shareholders. I would not go into repetition. I have got just one suggestion to make, as a conscious shareholder, I did hear the views of other shareholders, on the discount coupons. Now, before giving my suggestion, I would like to state that this year, one other, let us say Food Service Company did give food discount coupons to all its shareholders. Though, they were on lower unit, value of sales. So keeping this point in mind and the suggestions of the other shareholders, I'm sure that we'll definitely consider discount coupons because I occasionally visit the Barbeque Nation Hospitality with family and friends. So consider discount coupons definitely, but the policy I leave best to the Board of Directors and the executives to decide.

Otherwise, I must mention here, like other shareholders that madam and team have done a good job in having us participate in this meeting. And just one final pointing out with your permission, I did hear also very intently that the company is taking a lot of IT and digital initiatives to ensure that it adequately supports business.

I must mention here that I represent one of the prominent brands of this country. For the IT services, IT products, as well as digital products. So after this meeting, probably you can advise Company Secretary to get connected with me. And I could offer, some alternative options, both in terms of efficiency and optimizations, which you could look both for the present and the future.

Having said this, I will not take much of common time. I thank you, for the give me an opportunity to speak. I wish the Directors and the employees all the best. Looking forward to meeting with the next step. Thank you so much.

Moderator: Thank you, sir.

Sir, we don't have any more speaker shareholders. I request you can go ahead with proceedings.

Mr. T. N. Unni: Thank you. I now request Mr. Rahul Agarwal to respond to the queries and satisfy them.

Mr. Rahul: Thank you. Thank you all the speakers and the fellow shareholders for speaking and letting us know their queries. First of all, I would like to thank everyone for the appreciation that has been mentioned about the company and specifically, our Secretarial department. Thank you very much for that. And we wish to continue that in future too. Coming back to other business related points. The 1st point was on COVID impact. I think our Annual Report and some of the presentations covered it pretty well. And this year under review, which is FY23, we did not have any lockdown situations. So, the year has not been directly impacted from any COVID situations.

The 2nd part of the discussion was around future prospects of the Company. So, just to give it 3 to 4 year view, the company has a dedicated plan of looking at 4 segments. The first one being, Barbeque-Nation India business, wherein it plans to work on improving the Same Store Sales Growth and profitability.

The 2nd one is growth and in the 2 other emerging verticals, which is Toscano and international business, where we want to grow and maintain a top line growth and bottom line growth of more than 20% plus. The 3rd segment, is our delivery business, wherein we'll grow both UBQ and Dumsafar. And 4th can be opportunistic, inorganic growth opportunities as and when they come our way.

The other points covered were on the CAPEX plans. This year, we plan to add approximately 20 new restaurants and want to maintain that momentum. Over the period of next 3 years, we would try and open up, around 75 restaurants, which will entail a CAPEX/capital expenditure of approximately 300 odd crores, which as we've done in the past, want to fund largely through internal accruals.

In terms of new opportunities, we keep looking at new areas of growth, be it like the launch of our Biryani brand. There are two suggestions made. One is on the outside catering business. We do that in Bangalore, but haven't scaled that to other parts of the country as yet. But these are in the works and when the right opportunities come, we'll also scale up in other parts of the country. The other one was kitchen-on-wheels, which is something that we have explored in the past and specifically, in the city of Calcutta. We have also launched some during the puja times in few places.

On the other CSR initiatives and the company follows the required initiatives to be taken as per the regulations. Apart from that, we have done various ESG initiatives. Some of them may not cover what has been spoken. On the women empowerment side, I'm very proud to say that the percentage of women workforce in our company, if I look at longer time horizon, of say 5 years back versus now, has grown multi-fold and we have adequate representations of women in our Board and also on our top management team and we want to continue that. In our view, the way we have thought about building this organization, this will only improve as we go further. Lastly, there's a comment on improving our profitability. Yes, that's very much in the focus. As you know, we have huge operating leverage in our business with slight reduction in our in our top line, given that a large part of our cost structures are fixed, it does impact the bottom line. But in case of an up-market, wherein the sales goes up, this also impacts our profitability on the positive side. Currently, we are operating in a very tough inflationary environment, which has definitely made a dent to the pockets of the Indian consumers, specifically our target markets, which are led to lower sales from each stores and in turn, which has led to decline in the profitability. But my firm view is that these are ups and downs, which has been happening in our business over the period of last 17 years, but at the core, we have a very strong business, with very strong foundations and very strong brands to take it further.

With this, I hand over back to the Chairman. Thank you very much.

Mr. T.N. Unni:

Thank you Mr. Rahul Agrawal. We shall resume the normal proceedings. Now Members, who are yet to vote, are requested to cast their votes using the E-voting facility of CDSL. E-voting facility will be available for 30 more minutes from the conclusion of this AGM. The results of the remote e-voting and E-voting at the AGM will be declared on receipt of the Scrutinizer's report and will be placed on Company's website and filed with the Stock Exchanges.

As per the Companies (Management and Administration) Rules, 2014, results have to be declared by Chairman or any other person authorized by Chairman in writing.

Now, the proceedings of this AGM having been completed, on behalf of the Board of Directors, I thank you all for your active participation in this Meeting. I hereby declare the proceedings of this 17thAGM as closed.

Thank you very much dear shareholders, and see you next year. Thank you.



Note: This transcript has been edited to improve readability and does not purport to be an exact verbatim record of the proceedings of the meeting.

Disclaimer:

This Transcript contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Barbeque-Nation Hospitality Limited (“Barbeque Nation” or the “Company”) future business developments and economic performance.

While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Barbeque Nation undertakes no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances.