



BARBEQUE-NATION HOSPITALITY LIMITED

Transcript of 18th Annual General Meeting (AGM) of
Barbeque-Nation Hospitality Limited held on Tuesday, August 6, 2024
at 11:00 AM (IST) through Video Conference (“VC”)

Panellists:

Mr. T. N. Unni	Chairman, Non-Executive, Independent Director (also Chairman of the Audit Committee)
Mr. Kayum Dhanani	Managing Director
Mr. Rahul Agrawal	Chief Executive Officer & Whole Time Director
Mr. Abhay Chaudhari	Independent Director; and Chairman of the Nomination & Remuneration Committee; and Stakeholders Relationship Committee
Ms. Revathy Ashok	Independent Director
Mr. Ajay Nanavati	Independent Director
Ms. Suchitra Dhanani	Non-Executive Director
Mr. Devinjit Singh	Non-Executive Director
Mr. Azhar Dhanani	Non-Executive Director
Mr. Amit V Betala	Chief Financial Officer
Ms. Nagamani C Y	Company Secretary & Compliance Officer
Mr. Abhilash K Chhajer	Representative of Messer. S.R. Batliboi & Associates LLP, Statutory Auditors of the Company
Mr. Vijayakrishna K T	Secretarial Auditor of the Company
Mr. Parameshwar G Bhat	Scrutinizer for this AGM

Mr. T.N. Unni: Good Morning Ladies and Gentlemen. I, T. N. Unni, Chairman of your Company, have the great honour and pleasure to welcome you all to the 18th 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 18th Annual General Meeting of your Company.

The Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) vide their circulars dated September 25, 2023 and October 7, 2023, respectively, have permitted the companies whose AGMs are due in the year 2023 or 2024, to conduct their AGM through video conference or other audio visual means on or before September 30, 2024 in accordance with the said circulars. 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 pursuant to the MCA and SEBI Circulars, as mentioned earlier, the requirement of sending physical copies of the Annual Report and Notice for this AGM has been dispensed with. Hence, the Notice of this Meeting along with the Annual Report for the Financial Year 2023-24 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 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
4. Ms. Revathy Ashok, Independent Director
5. Mr. Ajay Nanavati Vipin, Additional Director
6. Mrs. Suchitra Dhanani, Non-Executive Director
7. Mr. Devinjit Singh, Non-Executive Director
8. Mr. Azhar Dhanani, Non-Executive 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. Abhilash K Chhajer, Representative of Messer. S.R. Batliboi & Associates LLP, 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!

Good Morning everyone. Dear Members,

- ✚ The Company has provided Video Conferencing facility to all the Members to participate in 18th AGM, in compliance with the circulars issued by the MCA and SEBI and this VC facility is being provided by CDSL.
- ✚ The 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 shareholders 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 cast their vote through e-voting facility provided by CDSL at this meeting. The said e-voting facility will be closed immediately after 30 minutes from the conclusion of the Meeting.
- ✚ The Company has appointed Mr. Parameshwar G Bhat, Practising Company Secretary, as the Scrutinizer, who will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting on each of the agenda items mentioned in the AGM notice and submit the Scrutinizer's report of the total votes cast in favour or against, if any, to the chairman or a person authorized by him in writing.

- ✚ Representations under Section 113 of the Companies Act, 2013, have been received from the Promoters.
- ✚ Members are requested to refer additional information provided in the form of 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 rest of the proceedings.

Mr. T. N. Unni: Thank you Ms. Nagamani. The Company has taken all the efforts feasible under the circumstances to enable the Members to participate and vote on the agenda 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 Business Insights, Financial and Operational performance of the Company during the financial year 2023-24 and the first quarter of the current financial year 2024-25.

Mr. Kayum: Thank you!

Good Morning Ladies and Gentlemen. A very warm welcome to each and every one of you to the 18th Annual General Meeting of Barbeque-Nation Hospitality Limited. The fiscal year saw varying dynamics from subdued demand to inflationary pressure, which influence consumer spending. However, our strategic focus on diversification and robust operational execution enabled us to navigate these challenges effectively. We continued to moderately expand our network and enhance our culinary offerings and invest in the guest experience, laying a solid foundation for sustainable growth.

In FY 2024, we reported a revenue of Rs.1,255 crores despite moderate network growth during the year, given the challenging business environment. We had decided to focus on improving margins during the year and we successfully achieved the same, particularly in the 2nd half of the fiscal year.

During the year, we added 13 new restaurants across the brands, we also acquired Salt, which offers a premium casual dining experience in the Indian cuisine. This acquisition was aligned with a strategic focus of diversification. This acquisition allowed us to tap into new market segment, strengthen our position in the premium dining category and

enhance our brand portfolio. The integration of Salt's operation with our existing infrastructure has been seamless. We are excited about the synergies and the growth opportunities this acquisition presents.

At Barbecue Nation, we firmly believe that our people are the driving force behind 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 recognized among “India's Best Companies to Work For”, and this continued for the year 2023 as well with the company being assigned Rank Number 13. Throughout the year we focused on nurturing a culture of growth, development and well-being.

Our comprehensive people initiatives included targeted training programs, leadership development workshops and employee engagement activities. By investing in our team, we ensure that Barbeque Nation continues to thrive and deliver exceptional service to our customers. We have also implemented robust talent management strategies to ensure the steady pipeline of skilled professionals who can drive our future growth.

During the year, we started initiatives such as ‘Her power’, which focuses on empowering women through increased participation to overall workforce. Further, we are also focused on enhancing skills development through our programs such as ‘Hunar ki Udaan’. BNHL is committed to integrating ESG principles into our business operations and decision making processes.

We have established a robust ESG framework that aligns with the global best practices and the United Nations’ Sustainable Development Goals. Our environmental initiatives includes Waste Management, Water Conservation and the promotion of Sustainable Sourcing practices. We have implemented measures to reduce food waste, recycling of materials and minimize our overall environmental footprint. Our social initiatives focuses on employee well-being, diversity inclusion and community development. While our governance practices emphasize Transparency, Accountability, and Ethical Practices, we also engage with external Stakeholders such as Investors, Regulators, and Industry Associations to align our ESG strategies with their expectations and contribution to the broader sustainable agendas.

As we look ahead, we are confident that BNHL is well positioned for continued success. Our strategic consolidation and diversified growth approach have strengthened our foundations allowing us to navigate

challenges and seize opportunities with agility. With an extensive presence across 80+ cities and a strong brand reputation, we are poised to explore new avenues of growth and deliver exceptional value to our shareholders.

On behalf of our team, we thank you for your ongoing support over the past years. 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 Agrawal to make his Presentation.

Mr. Rahul: Thank you, Sir. Good Morning everyone and welcome to the 18th Annual General Meeting of Barbeque Nation.

This presentation is also available in our website, so participants can also download and look at it in the future. There is also a brief Disclaimer clause in the Presentation which participants/investors can refer later.

Let me start with a brief on the industry, which we operate in. We are part of the Food Services Industry which has grown at a CAGR of around 6% since pre COVID levels. The industry stands at around 5.7 lakh cores today. Five years back when we looked at our estimates, the industry was expected to grow at around 9%, but given the COVID years of 2021-22, there was some sort of delay on the growth rates and the revised numbers are around 6% growth. Going forward in the next five years, this is expected to grow at around 8% from 5.7 lakh crores to around 7.7 lakh crores. We had a cusp of good Economic Growth in the country and there are various growth drivers for this, which have been helping us over the last few years, and we also expect this to continue over at least the next decade or so.

The frequency of eating out has been increasing, there has been an urbanisation surge, there is rise in nuclear families and rise in women participation in the working class, all these factors augurs very well for the growth of the Food Services Industry and we expect this to help further grow the overall Food Services Industry by around 8% in coming years.

Also, the organized market share has been increasing along with many other retail segments in the country. The current market share of organized food services brands is 44 % and this is expected to go up to around 53% by FY 2028, which translates to a growth rate of around 13.2%. The Organized Segment of the Industry can be further divided

across multiple sub-segments out of which CDR, which is Casual Dining Restaurant, is the largest segment accounting for almost 50% of the overall organized market. This is expected to grow at around 9.3%. But, apart from the growth rate of this sector and the size of the sector is large enough and gives us enough and an adequate headroom for our growth.

BNHL is the market leader in full service CDR and our market share has also been increasing. If you look at five years' period, overall CDR market has grown from around 81,000 crores to around 1.2 lakh crores, which is a growth of around 50%. As against this, BNHL's Revenues have grown from 739 crores in FY 2019 to around 1,255 crores in FY 2024, thereby growing at almost 70%. Our market share is increased from 0.91% to 1.03%, which is a growth of around 13.5 %.

Going over a few highlights of FY 2024, we continue to be a leading player in the Food Services Market and the Market Leader in casual dining space. We closed the financial year with 217 Restaurants reporting a revenue of around 1,255 crores present across 85 cities serving close to 1.1 crores guests and its strong team of around 8,000+ employees. The delivery business contributed to around 14.7% of the entire business and we have also diversified well from just being all you can eat Barbeque Nation brand to now three strong brands in our dining CDR portfolio.

Over the years we have built a very strong strength in our business model through a diversified portfolio that we have. We have scaled up these brands and led to a very strong expansion over multiple cities, continued to maintain a very guest centric approach in our dealings with guests, and have also generated good operational excellence across various operating parameters. As Mr. Kayum mentioned, we also take care of the Sustainable Growth and are supported by a very strong board and leadership at the helm of it.

We are going through sub-segments of each of these strengths in our business model. As we said, we have scalable brand portfolio catering to diverse guest needs. Today, we have three broad sub-divisions, the largest one being Barbeque Nation, which is affordable CDR present in India. This format is, as you know, all you can eat across 186 Restaurants across 80+ cities in the country. This delivered a revenue of close to Rs.1,000+ crores in the last financial year. The 2nd segment is the premium CDR in the country which includes Toscano and Salt, both of them are a-la-carte Restaurants. Toscano being in Italian Cuisine and Salt being in Indian Cuisine. At the end of financial year, we have 25 Restaurants across 3 cities, delivered a revenue of close to Rs.143 crores

and going forward we plan to expand this to multiple metro markets in the country. Our 3rd major division is International business, which is approximately Rs.90 crores now and this has 8 Barbeque Nation Restaurants present across 5 cities in 4 Countries.

We have also successfully diversified into other businesses which have helped us to grow higher than the industry. In FY 2019, almost 95% of our business used to come from Barbeque Nation India and 5% from International Markets. Today, this 5% number has grown to around 17%, which includes Salt, Toscano and International and this portfolio is growing at almost double the growth rate of the core Barbeque Nation business. In Barbeque Nation business while 83% comes from Barbeque, India, this has further segmentation of around 85% of this coming from dine-in and around 15% of this coming from delivery. So overall, we have multiple avenues of growth coming in future from a diversified portfolio that we have scaled the business extremely well. We have grown our network at a CAGR of 19% over the last 10 years. The store network has grown from 37 in FY 2014 to close to 217 in FY 2024. This network includes around 75% of our stores in Metro and Tier-1 market and around 25% of our stores in Tier-2 and Tier-3 markets. We also see a flattish sort of growth in the last financial year, as we discussed over multiple forum. Last Financial Year was a year of consolidation for us, wherein we also let go off few loss making stores and long underperforming stores, and thereby focused on our margins and not on just store expansion and those have delivered us good results. But going forward we continue to be focused on adding more restaurants, we plan to add around 100 Restaurants over next 3 years, which will take our network close to 325 by FY 2027.

Now, we are serving guests across 85 cities in India and 5 cities in international markets. Barbeque Nation brand, as you can see is well penetrated in the country and also now expanding globally. Toscano is currently present in only 3 cities i.e. metro markets and we plan to enter 2-3 metro markets in FY 2025. Similarly, for Salt, which is present today only in Bangalore and Chennai, and we are entering into Hyderabad this year and we'll also take up new markets in the near future.

Delivered consistent growth of around 17% CAGR over the last 10 years. The Revenues have grown from close to Rs.268 crores in FY 2014 to close to Rs.1,255 crores in FY 2024, delivering a CAGR of around 17%. Last year the growth rate in the Revenues were close to 2% but the focus was largely on Network Consolidation and also the industry was struggling with negative Same Store Sales Growth across the Covid. Overall, the long term consistent Same Store Sales Growth performance.

Pre-Covid, we used to deliver around 5% Same Store Sales Growth (SSSG). If I look at the period of Covid, which is the 5 years period from 2019 to 2024, we have delivered an average SSSG of close to 2.1%. Last year has been an aberration in our view, given that the industry has also come of a very strong base in FY 2023 and there was a reduction in discretionary spend and consumer demand at least at the mid income level.

Continued delivering a strong gross margins. Our gross margins stood at around 66.6% in FY 2024 and historically also has been in the range of around 65% to 66%. This is the area where we are doing a lot of work and we expect an improvement of around 100 basis points as we go ahead in the few years. Also consistently delivered strong operating margins, our operating margins were around 18.3% in FY 2024 and has been hovering around 18% to 20% over the past. FY 2024 also has a tale of two halves, so if you look at the first half, our margins were lower, which is approximately 16%, but in the second half we have brought it back and delivered around 20% which is expected to continue as we move ahead.

Over the years, we have built very strong tech driven backend processes, which includes things like a fully integrated reservation system. We are very happy to announce that we are the 1st company to integrate with Google directly for the reservations apart from the aggregators. A very strong traffic flow from our app, website and our call centre and we are not dependent on any 3rd party aggregators for our dine-in demand, more than 90% of our dine-in business comes from our own channels. Over the years, we have also built a proprietary integrated cloud based business intelligence system which tracks various real time metrics at the restaurant level and then we have many internal apps and processes for smooth operations of our 200+ Restaurants in the country. A very robust guest feedback system and a very strong automated Vendor and Supply Chain Management Systems. So these are the systems which will help us to further scale as we plan to add 100 more restaurants over the period of next 3 years.

We always maintained a Guest focused culture right from its foundation. We have been tracking Guest Satisfaction Scores across our formats over the last 12 years and this is one thing which has helped us to scale from 25-30 restaurants to a 200+ restaurants. The focus on guest experience is continuing and over the period of last year, we have further reimaged the guest experience and have been working on various food festivals so that the food experience of our guest enhances to the next level. We have

increased offerings and also upgraded various designs of all the three formats that we have.

In subsequent slides you have some flavours of how these guest experiences have been taken up across all our outlets through various in house activities. We have done things like Biryani Festival, Chinese food festivals, special activities around Ramadan, special activities around Harvest festivals, Chat festivals and also did various online promotions in order to bring out these food festivals to our guests. Similarly, this was followed in our premium dining experience at Toscano through various Pizza festivals, Gnocchi festivals and various wine sessions that we have done for our guests and the same continues for our Salt business.

This is one of many awards we received last year and few of them are being Most Admired Dine-in Restaurant Company, this is the retail award in 2023. We also ranked as the best in Buffet by Zomato Restaurant Awards 2024, also our Toscano business got Top 50 Places to Drink in India by India Wine awards. Point being the focus on our guests and culinary experience has been immense, and this has also been recognized by the industry in India and also abroad.

Continue to do a lot of work on the ESG front, specifically on the Environmental front, we did a tree plantation drive last year and all our restaurants also have a good air scrubber system so that whatever waste air is emitted from our restaurants is discharged after cleaning in the environment. We also implemented IoT based energy management systems across various restaurants so that we conserve the electricity usage in the outlets and a lot of work being done on the procurement of seafood and meat, most of our vendors are also accredited by various organizations in the country. Similarly, on the Social front, specifically focused on diversity and the percentage of women participation in our Company has increased almost 5x over a period of last 2 years and we are seeing a lot of good contribution from our female employees in the Company. Kayum also spoke about 'Hunar ki udaan' wherein we also worked with various institutes in villages and did a lot of employment generation in the Company.

We are also proud of a very well diversified Board and good corporate governance practices that are being continued in the company, over the period of last many years. We have an eminent Board with diversified background. The Board has 10 members and we also had a pleasure of welcoming Mr. Ajay Nanavati and Mr. Azhar Dhanani on the board, both of them bring a very diverse skill to our board and we expect that this will further help us to achieve growth and maintain the highest level

of Corporate Governance in the Company. We have very experienced leadership team, this team has been together for more than 5+ years and has been working towards delivering the promises of the business.

This is one special award that we are very proud of as Barbeque Nation, we are ranked 13th Best Places to Work, and this is not just across the food services company, but also across multiple segments in the country.

As a strategic focus we want to maintain and we'll continue to maintain best-in-category guest experience. We will add 100 new restaurants by FY 2027 and build a very strong portfolio of scaled brands and we'll continue to maintain industry leading profitable growth and strong cash flows, and we'll also strive to maintain our leadership position in the casual dining industry.

Thank you! Over to you sir.

Mr. T. N. Unni: Thank you, Mr. Kayum Dhanani and 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 S.R. Batliboi & Associates LLP and the Secretarial Auditor, Mr. Vijay Krishna K T, have expressed un-modified opinion in their respective Audit Reports for the financial year ended March 31, 2024. There is no qualification or observation or any adverse comment on the standalone and consolidated Financial Statements or 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 a 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 5 resolutions proposed to be passed at this AGM for the benefit of all the Members present.

Ms. Nagamani: Thank you Sir, Under Ordinary Business, we have 3 resolutions:

The 1st item is Adoption of Audited Financial Statements for the financial year ended March 31, 2024. The Company follows April to March financial year. Accordingly, the standalone and consolidated financial statements have been prepared for the period from April 2023 to March 2024. 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 Mr. Devinjit Singh, Director, who retires by rotation. As per the provisions of the Companies Act and Articles of Association of the Company, not less than 2/3rd of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation, and in each AGM, 1/3rd of such directors are liable to retire by rotation. Accordingly, Mr. Devinjit Singh retires at this AGM and seeks for reappointment.

Item number 3 is Reappointment of Mr. Azhar Yusuf Dhanani, Director, who retires by rotation. As per the provisions of the Companies Act and Articles of Association of the Company, not less than 2/3rd of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation, and in each AGM, 1/3rd of such directors are liable to retire by rotation. Accordingly, Mr. Azhar Yusuf Dhanani retires at this AGM and seeks for reappointment.

Under Special Business, we have 2 resolutions:

Item number 4 is Appointment of Mr. Ajay Nanavati Vipin as an Independent Director of the company. Attention of the members is hereby drawn to the provisions of Section 149 of the Company's Act and the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the said provisions, the listed public company shall have at least 1/3rd of the total number of Directors as Independent Directors. Mr. T N Unni, Independent Director of the Company, will be completing his 2 terms of 5 consecutive years in this month. Considering this and based on the recommendations of Nomination and Remuneration Committee, the board of directors at their Meeting held on May 23, 2024 have approved the appointment of Mr. Ajay Nanavati as an Additional Director in the category of Independent director of the company.

Item number 5 is Approval of revision in the remuneration of Mr. Rahul Agrawal, Chief Executive Officer and Whole Time Director. Pursuant to the provisions of Section 197 of the Companies Act read with the rules and Scheduled V of the Act, approval of the Shareholders by way of a Special Resolution is required to increase the remuneration in excess of the limits stipulated under Schedule V of the Act.

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 as listed in the AGM Notice and Financial Statements of the Company for the financial year 2023-24.

In the interest of time, I request the speakers to be brief and avoid repeating the questions or comments made by earlier speakers. Each 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 to them.

Moderator: Thank you Sir. I request all the speaker shareholders to connect with both audio and video, and in case, if they are finding any bandwidth issues, they can restrict themselves only to audio please.

Our first speaker shareholder is Mr. Bharath Raj.

Mr. Bharath Raj, please go ahead.

Mr. Bharath Raj: Very Good Morning Chairman and entire Board of Directors, I'm Bharath Raj attending from Hyderabad. First of all, I want to congratulate our captain, Mr. Rahul, for wonderful performance. Under your leadership, the brand is increasing its foot print all over the world, this is nothing but your hard work and a team work. Mr. Chairman, I want to congratulate for a wonderful dividend and share price increase.

Mr. Rahul, in the AGM presentation, you have mentioned that the Company is planning to open 100 new restaurants in next 3 years, wonderful vision, sir. Are you planning to raise capital through rights issue or QIPs for the business expansion plan? How are you arranging the capital for opening 100 new restaurants?

And my next question is, in Hyderabad and all over India which restaurant is generating highest revenue and which State is generating highest revenue in our portfolio?

In Andhra Pradesh new party has come into power, So please let me know are there any plans to open new outlets in that State including Rajahmundry and B-class cities such as Nellore, Tirupati, Vizag? Does the Company have any plans to open new restaurants in the State of Telangana including cities such as Warangal, Karimnagar, Nizamabad, these are the B-class cities?

I thank Ms. Nagamani, Company Secretary, she is always accessible and esteemed and thank you sending Annual Report in due time.

Sir, I have small request, I want to have the dinner at Barbeque Nation restaurant with my family, please give me an opportunity, this is the only request to the Chairman and our Captain. I, once again convey my best wishes to Mr. Rahul, entire Board of Directors and Chairman for the coming years. Thank you!

Moderator: Thank you Mr. Bharath Raj.

Next speaker shareholder Mr. Chetan Chadha is not present in the meeting. So, we'll move on to the next speaker shareholder, Mr. Jaydip Bakshi.

Mr. Jaydip Bakshi, please go ahead.

Mr. Jaydip Bakshi: Very Good Morning Chairman and Board of Directors. Myself Jaydip Bakshi connecting from the city of Kolkata. Thanks to our Company Secretary, Ms. Nagamani, for giving me an opportunity to express my views and presenting a detailed Annual Report. I have requested for a hard copy, it would be very great, if I can get a hard copy of the annual report for this financial year, as this annual report is very colourful and descriptive one.

Sir, we are the leaders in the Indian Casual Dining Restaurant with an interactive culinary experience serving 11 million guests. What are our

plans and programmes for covering more customers with 217 global restaurants present across 85 cities worldwide, in times of global unrest.

Our revenue from operation has been bit subdued, what are the steps we are taking for enhancing our growth and reduce loss through the cost control measures and Salt is a gourmet dining upscale market, what has been the response? Under biryani brand, Dum Safar, are we thinking of adding any new innovative and value added products?

The middle class spending spree has been on the rise with the disposable income and also the upcoming of this Tier-2 and Tier-3 cities, how much has been the online sales generation and how are we planning to counter this un-organized sector? What is our thought regarding the leftover food and how we treat that? Can we feed that to the underprivileged people, under CSR activity?

I've been to your restaurant at Guwahati, Assam and I have personally tasted the food you serve at your restaurant with my family and I'm really satisfied with the food. I just want to know what are the key challenges that can be hindrance to our business such as inflation? The foreign inward remittance has been on the rise and how are our step-down subsidiaries performing? Kindly share your thoughts.

I have fully supported all the resolutions along with my family members. Wishing the Company to continue with this brand value and win the customers value and reward the shareholders, accordingly.

Nothing more to add, Sir. Thank you for giving me an opportunity, Namaskar.

Moderator: Thank you Mr. Jaydip Bakshi.

Our next speakers are Mr. Rajat Sharma and Mr. Ramesh Shankar Gola, in the order. I find that both of them are not logged-in today. So, now we move on to next speaker shareholder, Mr. Santosh Kumar Saraf.

Mr. Santosh Kumar Saraf, please go ahead.

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 and hope that everyone is safe and healthy. I also express my sincere thank you to all the employees of the Company and

their family members for their hard work because of which the Company is growing and performing well.

Sir, you said many things in the presentation including women empowerment. How many female employees were added to the Company in the last year? please tell us. Because, the Company has 618 female employees over 6,822 male employees, which is around 8% of the total number of employees. What are steps taken for adding more number of female employees in future?

Sir, we have 186 restaurants in our portfolio, out which how many are in owned premises and how many are in leased premises? If your outlets are in owned premises, what are the arrangement made for installing solar panels and rain water harvesting? And what are the steps taken for reduction of carbon emission from the kitchens? When can we expect that the Company is participating in the zero carbon emission?

This is the era where online business is growing rapidly. What are the steps taken for increasing the online sales while ensuring safety of the customers and brand loyalty? And this is also the era of Artificial Intelligence (AI) and how can we adopt AI in our restaurant business? We can adopt AI tools for reducing cost, marketing activities and can also be used for increasing efficiency of employees.

Sir, you had mentioned that the Company has 8 subsidiaries, out of which how many subsidiaries are generating profit and how many are loss making? The Company has received many awards and recognition in many areas and for that, I express my sincere thanks to the Management and all the employees for their hard work and wish the Company receives such awards and recognition from the various organisations in future.

Sir, there are some pending direct tax related disputes against the Company and what are the steps taken by the legal department? Sir, I have heard that the Government is proposing to notify Vivad Se Vishwas Scheme once again and the same has also been announced in the Budget. The Company can avail the benefit of the said Scheme.

Sir, you have already explained everything and I don't have any more questions. I expect the Company perform well in the future and who is our main competitor in the market?

Lastly, I wish the financial year 2024-25 will be a great year for everyone and pray for health and wealth of all Directors and employees of the Company.

Sir, in Diwali, we remember all our friends and family members and we are also your family members and I request you to please remember the speaker shareholders also, because the speaker shareholders also play a major role in success of the AGM.

Without taking much time, I request you to continue holding the AGM through VC mode, which will enable the shareholders to participate from different locations of the country and the cost of VC meeting is less compare to physical meeting. And also express my sincere thanks to the moderator and eVoting service provider for their good service.

Thank you for giving an opportunity to express my views and wish the financial year 2024-25 will be healthy and wealthy for everyone.

Jai Hind, Jai Bharath!

Moderator: Thank you Mr. Saraf.

We move on to next speaker Mr. Sardar Jasmeet Singh.

Mr. Jasmeet Singh, please go ahead.

Mr. Jasmeet Singh: Respected Chairman - Mr. T N Unni, Managing Director - Mr. Kayum Dhanani, CEO – Mr. Rahul Agrawal and other Board of Directors, KMPs, Chief Financial Officer and Company Secretary & Compliance Officer, and all the Shareholders attending this call, I am Jasmeet Singh from Delhi, connecting you through VC.

As you have presented that the year under review was not a great year for our business in general, but I'm very hopeful and even in the presentation made by Mr. Rahul Agrawal, we are bound to take a leap of growth from hereon for the steps you have taken. And I foresee a very bright future because, what everyone likes is good food and good food is what we offer and there is no reason why we should not make profits by selling good food.

A lot of questions have already been asked which have almost covered my questions also, but I have a couple of observations which I want to share with you. First one is while we have brands such as BBQ, UBQ, Toscano, Fiesta, and now premium Dining Salt has also been added in

our portfolio, what I want to refer is that, we need to have something like closed door restaurants, say cabins available for a small group coming in, may be they are from corporates or households, celebrating some birthday parties, anniversaries or whatever. I have seen in Delhi, I'm from Delhi, that there is a brand called GT Road, I'm pretty sure your leadership team is aware of that. It is in Connaught Place, heart of Delhi, and it is very near to the BBQ outlet at Connaught Place. There they have a closed door cabins. The people come in groups of close to 20, they have 20 chairs in that, they have a huge 80 inch LED TV through which the corporates make their presentations and then, all the people coming in the group, they enjoy their meals as well and it is so much in demand that every day there is an advanced booking to book those small cabins. Each day they have 5 slots viz., 10 to 1; 1 to 4; 4 to 7; 7 to 10; 10 to midnight hours. That is also one of the segments which you can also think of starting.

Apart from that, we are not having enough profits to make CSR contribution, but I want you to spend CSR and how you can spend. See, I am from a Punjabi/Sikh family, the best thing what we know is to offer meals i.e. Langar, which meets the people's appetite. You can also adopt that. We have close to 200 restaurants, make sure that every day 10 meals are being served to the underprivileged. 10 meals per outlet, that means 2000 meals per day, means in a year close to 0.72 million meals and the blessings which you will receive, you will automatically achieve what we are striving for. If we are already doing it, it's great. If not, we should. So that's what I want to bring out.

Apart from that, I would like to thank Nagamani madam for the good Secretarial practices. I requested for the annual report and I received well in time, very colourful, it speaks volumes, the first few pages gives us the clear picture, the growing top line, growing bottom line and of course our investment will then meet the objective of having invested in BBQ. I feel myself very proud that I was one of the allottees in the Barbeque's IPO, a few years back. I want to see my investment compounding the way other companies have compounded.

So with these words, I would like to stop here and thank you everyone for connecting me and I will await for your responses to my 2 points with regard to close door cabins and CSR.

Thank you!

Moderator: Thank you Mr. Jasmeet Singh.

Now, we move on to our last speaker shareholders for today, Mr. Abhishek.

Mr. Abhishek, please go ahead.

Mr. Abhishek J: My name is Abhishek, Shareholder of the Company. My DP ID is IN301637 and Client ID is 41359155. First of all, I congratulate the management on the eve of Annual General Meeting. I trust all is well with you and your family in these challenging situation. Our company deserves much more respect than the current market cap after completing more than a decade of successful operations, profitability, and becoming one of the strongest brand in the respective segment.

First of all, I would like to know, how many employees are there in the company and how many outlets does our Company have? What are the steps being taken by the management to reduce the other expenses, legal & professional charges and the audit fees. Myself and my team are running a legal firm in the name of the style of “Seven Well Associates”. I would request Management of the Company to kindly enrol our firm in the empowerment of the Company and we'll be glad to extend our services.

Then resolution number 5 in the agenda items today, we can see that there is a revision of remuneration of Mr. Rahul Agrawal, CEO & Whole-Time Director, the revision is either an increase or decrease that is not being stated, if you can elaborate, that will be helpful for the investors to come across and know. Because the Company is not in a position to offer a better dividend to the investor fraternity at this point of time. I think the Management should think of for the revision at this point of time and we can see that our EPS is -6.27 and Return on Equity is -5.89. So, what proactive steps have been taken by the Management to overcome the same.

In the VC platform, the Shareholders who are registered are being provided with the link well in advance and we are being allowed to speak, that is really good. But we can have a shareholders who are joining directly from the CDSL portal without any registration, they should have the option of raising hand, chat box and Q & A box whereas all these options are lagging in the Webex portal. I cannot have a access to the chat box, I cannot raise my hand also and Q&A box that should be stipulated, but that is missing there. So if you can incorporate all these things, our Company will be in a good corporate governance practice and you will be in a better position to the bottom end of the Shareholders and in the years to come. In the CDSL portal, where we exercise our e-

voting and when we get access to AGM, the Company is supposed to update the documents for inspection like Register of Members, Register of KMP and Register of Contracts, if any. But unfortunately it is not updated. I would request the management to kindly update the same for the inspection of members so that the members can very well inspect these documents online itself and they may not reach out to you at a later stage, seeking for all these documents, so if you can kindly update these documents online, shareholders can very well inspect the same online and the Company has a good corporate governance and the Company Secretary is always accessible. I do appreciate the sincere efforts and their management in bringing the Company to this stage.

Kindly try to send discount coupons and the complimentary coupons to the speaker shareholders who have participated in this virtual meeting and making this annual general meeting the grand success and also try to provide discount coupons to all the shareholders, so that shareholders can get benefited and they can visit our brand outlets with their loved ones and this will, in fact, give a better business to the Company as most of the hotel industries are doing it, so similarly you can adopt the practice and I can also share some credentials of other industries in your personal email so that you can get a glimpse of it and you can also adopt the same practice.

I wish the Company and the Board of Directors, a great success and prosperity in the coming future and thank you for giving the opportunity. I hope to see you in the next AGM. Try to consider hybrid AGM because some of the senior citizens are not able to join because of the digital challenges in this virtual platform, so if you can consider hybrid AGM in the years to come, more number of participants can join in the meeting. You can get the valuable points that would be helpful for the management to empower in the future. Nothing much to ask. Thank you very much and thank you for giving the opportunity.

Moderator: Thank you Mr. Abhishek.

With this, we have completed the Speaker Shareholders session and over to Chairman.

Mr. T. N. Unni: Thank you. I now request Mr. Rahul Agrawal to respond to the queries.

Mr. Rahul: Thank you, sir. Thank you to all the Speaker Shareholders for their comments and remarks. The questions list is very diverse, so I'll try and take up each section of these, as I've noted it down.

So on our growth path of 100 restaurants over next 3 years, we are a cash flow generating company, and if you look at our history of last 17 years we have generated adequate cash flows for growth, and we expect to continue this in future and therefore for our existing 100 restaurants that we plan to add in next 3 years, we currently don't propose to do any Rights Issue or any QIP issue. We will have adequate cash flows to take care of these capital expenditure needs of the Company.

We are well entrenched in Hyderabad. We have around 12 Restaurants in Hyderabad today and our Banjara Hills restaurant, which is the 1st one in Hyderabad is still the best in the market. In fact, most of the best ones that we do are the ones which have crossed some time period in our business typically as the vintage of the restaurants increases as the restaurant is well known in that locality, the restaurants start delivering better results, and that's where some of the best restaurants in the country are around seven to eight years old and they continue to perform very well.

In terms of our state distribution, Karnataka, as a state, has got the highest revenue in our portfolio. That's also because of the fact that our two other brands, which is Salt and Toscano are predominantly started from Bangalore, Karnataka, but as we expand further in metro markets like Bangalore, NCR, Mumbai, Hyderabad, Pune continue to do very strong and well for us.

We are further expanding into both AP and Telangana. We are already present in places like Nellore and Tirupati and we are not present in Rajahmundry right now, but we have a well-established new site acquisition team who keeps evaluating on various proposals that come to us and based on the various criteria that we have for taking up a new site, we'll go ahead and launch that too.

Moving on to the next one, yes, last year has been tough, but we have done various measures in our Company to ensure that we maintain the guest experience and also remain on top of the mind of our guests. Prominent amongst them are the food festivals that we have launched over a period of last 8 months. We have done approximately 7 food festivals so that we enhance the culinary experience of our guests, in few markets, we have also launched the express model wherein the pricing has been really made attractive for our guests to come and enjoy. On our Dum Sufar offering, Dum Sufar business is growing extremely well between FY 2023 and FY 2024, the business has grown almost 3x. It is still small, but as time passes by and as more and more guests enjoys our biryani, we are sure that we will be one of the major players in the biryani

segment also. Online is always been a focus, if you remember 5 years back, the contribution of online business was hardly 1%. Last year we have done a contribution of approximately 15% and we expect this to grow at the same pace as our dining business and going forward, this will be in a range of around 15% to 20%.

The current challenges remains in the business. If you look at last year, there was some pressure on discretionary spending largely at the mid-income level and as months passed by, we have seen at least for this financial year, improving trends on these and we also believe that this is a short term phenomenon and if you look at the long term fundamentals of the business, they continue to remain extremely strong.

Next comment is from Mr. Saraf. Sir, woman participation in our Company is currently 8% approx. But, if you look at the number in the last 5 years, it was only 2%. So, the women participation in our workforce is increasing and we are also focusing on the same. Last year we launched a programme called “Her Power”, which focuses on empowering women through increased participation in our overall workforce and apprise on the practices that the Company follows so that there is a safe environment for them. The Company does not own any premises and all the 186 restaurants are in third party premises and are taken for rent. Due to this reason, the Company cannot install solar panels and make arrangement for rain water harvesting. The Company does not operates the whole building, it takes only part of the building on lease to operate the restaurant and the landlord will be having different plans for the full building. But, the Company is running few pilot projects to check whether solar panels can be installed on rooftop so that the Company gets the benefit of lower electric consumption. You had mentioned about technology. Yes, we are implementing AI in many places. In fact, IT process of the Company is one of the best in our industry. We have numerous apps and app-driven processes, and we utilize technology for these various internal work streams.

We have 8 subsidiaries and all subsidiaries are performing well and are profitable at operating level. You might see negative Profit After Tax, but if look at operating level, they are performing well and this is also because of higher depreciation deduction. Yes, we have some pending income tax cases and these are reviewed by our tax advisors. Based on their advice, we will take appropriate actions. According to us, there is no liability on the Company and we are not liable to pay any amount, and we are also working with the tax authorities in this regard. Yes, the competition exists in every industry, and the Company is no exception

to this. We are one of the experienced brand in the last 18 years and we will continue to grow alongside the competition.

I also thank the speaker for 2 other remarks that he had made regarding closed door cabins and spending on CSR. Closed door cabins are something which is very peculiar and they may satisfy one particular need of the corporate customer. All our restaurants are not based out in that clusters and in few of the places we might do trials of these. In fact in some places we have got PDRs (Private Dining Areas), which are already operational. In our past experience, in some markets they have not been doing that great. So that's why in our new designs we have kept it very open and up market wherein we have let go of these. But, we have noted your suggestions on this and we'll reevaluate some of these, if possible. Spending on CSR, in few places we continue to do, We'll also reevaluate this meal offering that you suggested, sir.

Lastly, on some of the data points which were asked on the last questions, we have approximately 8000+ employees. We have close to 217 restaurants and we have taken various measures last year to reduce our cost. If you look at our operating costs per restaurants on average, have reduced versus what it was in FY 2023 versus 2024. On terms of negative Return on Equity, I would like to note that, we are a growing Company, we spend every year on our new restaurant capacity edition, which leads to higher depreciation, which in turn reduces our Profit After Tax. Also there has been some impact because of the new IND AS accounting 116. I urge you to look at our cash profits also, last year we had made handsome cash profits and that cash profit also helps us to grow our network, and add new restaurants going forward. We will take note of some of the secretarial matters that you had mentioned and we'll follow all the regulatory guidelines that are prescribed and see what is feasible from the business perspective to bring some of these documents online.

Thank you very much and we are very happy to be answering these questions and look forward to your continued participations.

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

Mr. T.N. Unni:

Thank you Mr. Rahul. We shall now resume the normal proceedings. Now, the members who are yet to vote are requested to cast their votes using the e-voting facility provided by the CDSL in this AGM. E-voting facility will be available for a period of 30 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 the Company's website and filed with the Stock Exchanges. As per the Companies (Management and Administration) Rules, 2014, results have to be declared by the Chairman or any other person authorized by Chairman in writing. Now, the proceedings of this AGM having been completed, on behalf of Board of Directors, I thank you all for your active participation in this meeting. I hereby declare that the proceedings of this 18th AGM as closed.

Finally, My dear Shareholders, as already informed by the Company Secretary, having completed the maximum 2 terms of 5 consecutive years of the prestigious Chairmanship and Independent Directorship of your Company, it is now time for me, to retire, lay down my office, and hang my books. I am most grateful to the Management and Shareholders for having reposed their trust and confidence in me. I am retiring with a sense of immense satisfaction and take this opportunity to thank the Management and all of you for the love and affection showered on me. I am handing over the rings to my colleague Mr. Abhay Chaudhari who is present here, Senior Director on the Board, who has been appointed by the Management as the next incumbent Chairman of the Company with all my good wishes.

I wish the Company, the Shareholders, all success, progress, and prosperity. Thank you and goodbye.



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 includes 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’s (“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.