

**INDEPENDENT AUDITOR'S REPORT
To The Members of BARBEQUE-NATION HOSPITALITY LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of BARBEQUE-NATION HOSPITALITY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

**Deloitte
Haskins & Sells**

- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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



S. Sundaresan
Partner
(Membership No. 025776)

BENGALURU, May 28, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of BARBEQUE-NATION HOSPITALITY LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

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



S. Sundaresan
Partner
(Membership No. 025776)

BENGALURU, May 28, 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the Order is not applicable.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Customs Duty, Goods and Services Tax, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income-tax and Value Added Tax which have not been deposited as on March 31, 2019 on account of disputes are given below:



Name of Statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount disputed (Rs. in Million)
Punjab Value Added Tax Act, 2005	Value Added Tax	Commercial Tax Officer, Chandigarh	2011-2014	1.25
Maharashtra Value Added Tax, 2002	Value Added Tax	Commercial Tax Officer, Maharashtra	2011-2014	0.91
Gujarat Value Added Tax Act, 2005	Value Added Tax	Commercial Tax Officer, Gujarat	January 2013 to December 2016	2.67
Gujarat Value Added Tax Act, 2005	Value Added Tax	Commercial Tax Officer, Gujarat	2014-16	1.53
Delhi Value Added Tax Act, 2005	Value Added Tax	Commercial Tax Officer, Delhi	2014-16	2.48
Income Tax Act, 1961	Income tax	Assistant Commissioner of Income tax, Indore	2013-2014	1.42

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loans or borrowings from financial institutions or from government. The Company also has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has disclosed the details of related party transactions in the standalone financial statements etc. as required by the applicable accounting standard.

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- (xiv) According to the information and explanations given to us, the Company has made preferential allotment or private placement of shares during the year under review. In respect of the above issue, we further report that:
- a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
 - b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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



S. Sundaresan
Partner
(Membership No. 025776)

BENGALURU, May 28, 2019

Barbeque-Nation Hospitality Limited
Standalone Balance Sheet

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

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

See accompanying notes to the Standalone Financial Statements

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

S. Sundaresan

S. Sundaresan
Partner
(Membership No. 025776)



Bengaluru, May 28, 2019

For and on behalf of the Board of Directors

Kayum Dhanani
Kayum Dhanani
Managing Director
Din No:- 00987597

Rahul Agrawal
Rahul Agrawal
President &
Chief Financial Officer

Bengaluru, May 28, 2019

T.N Unni
T.N Unni
Director
Din No:- 00079237

Nagamani C Y
Nagamani C Y
Company Secretary




Barbeque-Nation Hospitality Limited
Standalone Statement of Profit and Loss

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

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

See accompanying notes to the Standalone Financial Statements

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


S. Sundaresan
Partner
(Membership No. 025776)



Bengaluru, May 28, 2019

For and on behalf of the Board of Directors


Kayum Dhanani
Managing Director
Din No:- 00987597


T.N Unni
Director
Din No:- 00079237


Rahul Agrawal
President &
Chief Financial Officer


Nagamani C Y
Company Secretary

Bengaluru, May 28, 2019



Barbeque-Nation Hospitality Limited

Standalone Cash Flow Statement

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

Particulars for the year ended	31-Mar-19	31-Mar-18
A. Cash flow from operating activities		
Profit / (loss) before tax	(175.06)	398.61
Adjustments for:		
Loss on disposal of subsidiary	413.60	-
Provision against loan given to Barbeque-Nation Mena Holding Limited	274.86	-
Depreciation and amortisation	369.37	318.62
Net loss relating to relocation of restaurant units during the year	3.07	13.77
Interest expense	66.46	103.94
Interest income	(33.85)	(23.12)
Income from government grant	(4.71)	(2.07)
Profit on sale/fair value of investments in mutual funds	-	(2.83)
Expense on employee stock option scheme	7.40	18.96
Expense on phantom option scheme	-	17.17
Provision no longer required written back	-	(20.50)
Provision for doubtful receivables and advances	12.16	2.50
Operating profit before working capital changes	933.30	825.05
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(7.62)	(24.94)
Trade receivables	(3.06)	(27.23)
Other assets	(49.76)	(68.33)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	43.11	231.36
Other liabilities	17.69	(8.80)
Non-current provisions	10.43	0.84
Current provisions	1.34	0.86
Cash generated from operations	945.43	928.81
Net income tax (paid) / refunds	(142.94)	(144.67)
Net cash flow from / (used in) operating activities (A)	802.49	784.14
B. Cash flow from investing activities		
Capital expenditure on property plant and equipment, Capital work in progress, intangible assets	(933.50)	(630.38)
Proceeds from sale of fixed assets	1.03	1.22
Proceeds from disposal of investments in Prime Gourmet Private Limited (Refer note 34(i))	0.50	-
Investment in subsidiaries	(260.43)	(50.35)
Loan given to subsidiaries	(199.26)	(218.22)
Receipt towards repayment of loan from subsidiary	-	69.35
Deposits placed for margin money	(9.86)	-
Deposits held as margin money released	-	13.69
Interest received	23.69	2.57
Sale of investment in mutual fund	0.01	2.83
Net cash flow from / (used in) investing activities (B)	(1,377.82)	(809.29)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	320.31	478.41
Share issue expenses/Expenses towards offer for sale of shares	(22.70)	(67.39)
Proceeds from longterm borrowings	614.30	390.00
Repayment of longterm borrowings	(497.08)	(534.52)
Net increase / (decrease) in working capital borrowings	(28.02)	170.86
Dividend paid (including tax on dividend)	(33.73)	(32.52)
Interest paid	(65.91)	(96.09)
Net cash flow from financing activities (C)	287.17	308.75



Barbeque-Nation Hospitality Limited
Standalone Cash Flow Statement

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

Particulars for the year ended	31-Mar-19	31-Mar-18
Net increase in cash and cash equivalents (A+B+C)	(288.16)	283.60
Cash and cash equivalents at the beginning of the year	355.84	72.24
Cash and cash equivalents at the end of the year	67.68	355.84
Reconciliation of cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet	67.68	355.83
<i>Add: Current investments considered as part of cash and cash equivalents in cashflow statement</i>	-	0.01
Cash and cash equivalents at the end of the year	67.68	355.84

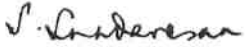
See accompanying notes to the Standalone Financial Statements

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

(Firm Registration No. 008072S)



S. Sundaresan



Partner

(Membership No. 025776)



Bengaluru, May 28, 2019

For and on behalf of the Board of Directors



Kayum Dhanani
Managing Director

Din No:- 00987597

T.N Unni
Director

Din No:- 00079237



Rahul Agrawal
President &
Chief Financial Officer



Nagamani C Y
Company Secretary

Bengaluru, May 28, 2019



Barbeque-Nation Hospitality Limited
Standalone Statement of Changes in Equity
(Amount in Rupees Millions except for share data or as otherwise stated)

(a) **Equity share capital**


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

(b) **Other equity**

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

See accompanying notes to the Standalone Financial Statements

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


S. Sundaresan
Partner
(Membership No. 025776)

For and on behalf of the Board of Directors


Kayum Dhanani
Managing Director
Din No:- 00987597


T.N Unni
Director
Din No:- 00079237


Rahul Agrawal
President &
Chief Financial Officer


Nagamani C Y
Company Secretary

Bengaluru, May 24, 2019

Bengaluru, May 28, 2019



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

1 Corporate information

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

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

2.1 Statement of compliance

These financial statements have been prepared to comply in all material aspects with the 'Indian Accounting Standards' ("Ind AS") notified under section 133 of the Companies Act, 2013 (the "Act") read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter, as applicable to the Company, and other relevant provisions of the Act.

2.2 Basis of preparation and presentation

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

2.3 Summary of significant accounting policies

Revenue Recognition

Revenue from sale of food and beverages is recognized at the time of underlying sale. Revenue is presented net of discounts given to the customers and any taxes collected from customers for remittance to the government. In case of discount to customers in the form of gift voucher, the value of such discount is determined based on percentage of redemption in the past. Customer payments are generally due at the time of sale. Customer purchases of gift cards are recognized as sales upon redemption of gift card or upon expiry.

Revenue from displays and sponsorships are recognized in the period in which the products or the sponsor's advertisements are promoted/displayed.

Royalty arrangements based on sales are recognised at the time the underlying sales occur.

Government incentives are accrued for based on fulfilment of eligibility criteria for availing the incentives and when there is no uncertainty in receiving the same. These incentives include estimated realisable values/benefits from special import licenses and benefits under Serve From India Scheme.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange of control of the acquiree. Acquisition-related costs are generally recognised in Statement of profit and loss as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve.



Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to the Company's cash-generating units.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss.

Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of profit and loss.

Depreciable amount for assets is the cost of asset less its estimated residual value. Depreciation on tangible assets have been provided on the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The useful life of assets is given below :

Leasehold improvements	Amortised over the period of the lease
Furniture and Fittings	10 Years
Plant & machinery	15 Years
Service equipments	10 Years
Computer equipments	3-6 years
Vehicles	8 Years

Intangible assets

Acquired Intangible Assets - Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Liquor licenses with perpetual term purchased for restaurant chain business Amortised over the lease term of the respective restaurants

Software and other licenses	3 Years
Brand name	Indefinite useful life

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Statement of profit and loss when the asset is derecognised.

Investments in subsidiary

Investment in subsidiaries are measured at cost less impairment.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Cost of inventories include all costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.



Financial Instruments

Financial assets and financial liabilities:

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

Initial recognition and measurement:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

Subsequent measurement:

Financial assets at amortised cost-

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at fair value through other comprehensive Income-

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss-

Financial assets are measured at fair value through profit or loss unless it measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Equity Instrument

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

Impairment of financial assets (other than at fair value)

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

Derecognition of financial assets

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

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

Derecognition of financial liabilities

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



Share issue expense

The transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction.

Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Foreign Currency transactions and translations

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

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

Employee Benefits

Defined Contribution Plan

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined Benefit Plan

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses is recognised in other comprehensive income in the period in which they occur.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

Share based payment transaction

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

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



Borrowing Costs

Borrowing costs include:

- (i) interest expense calculated using the effective interest rate method,
- (ii) finance charges in respect of finance leases, and
- (iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in Statement of profit and loss in the period in which they are incurred.

Leases

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

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

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

Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.



Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

Earnings per share (EPS)

Basic earnings per share are computed by dividing statement of profit and loss attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS

EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3 Use of estimates and judgements

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



Barbeque-Nation Hospitality Limited
Notes to the Standalone Financial Statements
(Amount in Rupees Millions except for share data or as otherwise stated)

Note
No.

4 Property, plant and equipment and intangible assets

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

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



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note**No.****5 Goodwill**

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

The carrying value of goodwill and brand referred under note 4 amounting Rs. 37.57 and the goodwill referred above have been allocated to the business of operating restaurant outlets, which is considered cash generating unit by the Company for the purpose of impairment assessment. The recoverable amount of the above cash generating unit has been determined based on 'Value in use' model, wherein, the value of cash generating unit is determined as a sum of the net present value of the projected post tax cash flows for a period of 5 years and terminal value. The terminal value of cash generating unit is arrived at by extrapolating cash flows of latest forecasted year to perpetuity using a constant long term growth rate. The Directors and the Management have assessed and concluded that the reasonably possible change in the key assumptions would not result in carrying amount of brand and goodwill to exceed the aggregate of their recoverable amounts.

6 Investments

(Classified under non-current assets)

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

7 Loans

(Classified under non-current assets)

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

8 Other financial assets

(Classified under non current assets)

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



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note

No.

9 Other non-current assets

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

10 Inventories

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

11 Investments

(Classified under current assets)

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

12 Trade receivables

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

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

Movement in allowance for doubtful debts is as follows:

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



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note

No.

13 Cash and cash equivalents

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

14 Loans

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

15 Other financial assets

(Classified under current assets)

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

16 Other current assets

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

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



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note

No.

17 Equity Share capital

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

(a) Reconciliation of the number of shares and amount outstanding as

Particulars	31-Mar-19		31-Mar-18	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 5/- each:				
Opening balance	27,599,014	138.00	27,024,014	135.12
Add: Issued during the year #	385,000	1.92	575,000	2.88
Closing balance	27,984,014	139.92	27,599,014	138.00

385,000 equity shares of Rs.5 each were issued to Partner Reinsurance Europe SE at a premium of Rs.827 per share on April 11, 2018
575,000 equity shares of Rs. 5 each were issued to Alchemy India Long-term Fund Ltd at a premium of Rs. 827 per share on March 29, 2018.

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

Particulars	As at			
	31-Mar-19		31-Mar-18	
	No. of Shares	% holding	No. of Shares	% holding
Sayaji Housekeeping Services Limited	12,621,116	45.10%	12,621,116	45.73%
Tamara Private Limited	6,078,402	21.72%	6,078,402	22.02%
Pace Private Limited	3,182,964	11.37%	3,182,964	11.53%
Kayum Razak Dhanani	1,398,684	5.00%	1,398,684	5.07%

(c) Number of equity shares reserved for issuance

Name of shareholders	31-Mar-19	31-Mar-18
Equity shares of Rs. 5/- each to eligible employees under Employee Stock Option Scheme	532,480	532,480

- (d) The Company has only one class of equity share having a par value of Rs.5/- each. Holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. However, as on date no such preferential amount exists. The distribution will be in proportion to number of equity shares held by the shareholders.



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note
No.

18 Other equity

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

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

Particulars	31-Mar-19	31-Mar-18
The amount of dividends proposed before the financial statements were approved for issue but not recognised as a distribution to owners during the year	27.98	27.98
Tax on dividend above	5.75	5.75

19 Borrowings

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



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note
No.

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

Terms of repayment and security	31-Mar-19	31-Mar-18
Term loans from banks		
(i) Term loan 1:		
Non -Current portion	154.92	-
Current maturities of long-term debt	60.00	-
Repayment terms: Repayable in 60 monthly instalments after a moratorium of 6 months beginning from July 2019 to April 2021 and carries an interest rate of 1 Year MCLR + 0.85% p.a		
Security : 1)First paripassu charge by way of hypothecation on entire fixed assets of the Company (including leasehold improvements excluding vehicles) both present and future. 2)First paripassu charge on entire current assets and security deposits of the Company, both present and future. 3)First paripassu charge by way of hypothecation over the Brand of the Company		
(ii) Term loan 2:		
Non -Current portion	23.35	43.73
Current maturities of long-term debt	21.53	18.73
Repayment terms: USD loan - Repayable in 60 defined monthly instalments from May 2016 to April 2021 and carries an interest rate of 6 months LIBOR + 375 base points		
Security : 1)First paripassu charge by way of hypothecation on entire fixed assets of the Company (including leasehold improvements excluding vehicles) both present and future. 2)First paripassu charge on entire current assets and security deposits of the Company, both present and future. 3)First paripassu charge by way of hypothecation over the Brand of the Company		
(iii) Term loan 3:		
Non -Current portion		
Current maturities of long-term debt	63.00	81.00
Repayment terms: Repayable in 60 equal monthly instalments from October 2018 to September 2023 and carries an interest rate of 12 month MCLR plus 1% p.a	18.00	9.00
Security : 1)First paripassu charge by way of hypothecation on entire fixed assets of the Company (including leasehold improvements excluding vehicles) both present and future. 2)First paripassu charge on entire current assets and security deposits of the Company, both present and future. 3)First paripassu charge by way of hypothecation over the Brand of the Company		



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note
No.**19 Notes: Details of security and terms of repayment for the long-term borrowings:**

Terms of repayment and security	31-Mar-19	31-Mar-18
(iv) Term loan 4:		
Non -Current portion	20.00	34.40
Current maturities of long-term debt	14.40	14.40
Repayment terms:		
Repayable in 42 defined monthly instalments from March 2018 to May 2022 and carries an interest rate of 12 month MCLR plus 1% p.a		
Security :		
1)First pari passu charge by way of hypothecation on entire fixed assets of the Company (including leasehold improvements excluding vehicles) both present and future.		
2)First pari passu charge on entire current assets and security deposits of the Company, both present and future.		
3)First pari passu charge by way of hypothecation over the Brand of the Company		
(v) Term loan 5:		
Non -Current portion	-	202.94
Current maturities of long-term debt	-	90.20
Repayment terms:		
Repayable in 54 equal monthly instalments from January 2017 to June 2021 and carries interest rate at 1 year MCLR plus 0.25% p.a		
Security :		
1)First pari passu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future		
2)First pari passu charge over the Brand of the Company		
Note : This loan has been prepaid during the year		
(vi) Term loan 6:		
Non -Current portion	297.88	-
Current maturities of long-term debt	82.56	-
Repayment terms:		
Repayable in 60 monthly instalments from January 2019 to December 2023 and carries interest rate at 1 year MCLR plus 0.60% p.a		
Security :		
1)First pari passu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future		
2)First pari passu charge over the Brand of the Company		



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note
No.**19 Notes: Details of security and terms of repayment for the long-term borrowings:**

Terms of repayment and security	31-Mar-19	31-Mar-18
(vii) Term loan 7:		
Non -Current portion	22.23	38.83
Current maturities of long-term debt	10.00	11.62
Repayment terms: Repayable in 20 equal quarterly instalments from July 2017 to April 2022 and carries an interest at 1 year MCLR + 155 base points p.a later, rate to be reset annually.		
Security : 1)First paripassu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future 2)First paripassu charge over the Brand of the Company		
(viii) Term loan 8:		
Non -Current portion	29.73	34.21
Current maturities of long-term debt	10.53	10.52
Repayment terms: Repayable in 19 equal quarterly instalments from October 2017 to April 2022 and carries an interest at 1 year MCLR + 155 base points p.a later, rate to be reset annually.		
Security : 1)First paripassu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future 2)First paripassu charge over the Brand of the Company		
(ix) Term loan 9:		
Non -Current portion	-	34.21
Current maturities of long-term debt	6.97	10.53
Repayment terms: Repayable in 9 quarterly instalments from October 2017 to October 2019 and carries an interest at 1 year MCLR + 155 base points p.a later, rate to be reset annually.		
Security : 1)First paripassu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future 2)First paripassu charge over the Brand of the Company		
Total	835.10	634.32
Non-current portion	611.11	469.32
Current maturities of long-term debt	223.99	165.00



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note

No.

20 Provisions

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

21 Other non-current liabilities

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

22 Borrowings

Particulars	31-Mar-19	31-Mar-18
Secured loans repayable on demand from banks:		
(i) Working capital loan 1 [Security for the above secured loan includes capital goods purchased / imported under LC and all other primary / collateral securities stipulated for long-term loans referred in Note 19 (ii)]	-	35.12
(ii) Working capital loan 2 The rate of interest is 1 month MCLR plus 65 base points Security 1) First paripassu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future 2) First paripassu charge over the Brand of the Company	19.00	
(iii) Overdraft facility The rate of interest is 6 month MCLR plus 65 base points Security 1) First paripassu charge on the entire fixed assets, current assets and security deposits of the Company, both present and future 2) First paripassu charge over the Brand of the Company	31.06	-
Unsecured		
(i) Commercial paper with IndusInd Bank Repayment terms for Commercial paper Rs. 50 Million repayable by April 2018 and carried an interest rate of 8.25% p.a Rs. 100 Million repayable by May 2018 and carried an interest rate of 8.15% p.a	-	150.00
(ii) Overdraft facility Repayable on demand and carries and interest rate of 1 month MCLR	85.01	-
(iii) CC - A Treas Repayable on demand and the rate of financing depends on the bidding by various banks on the platform.	22.03	-
Total	157.10	195.12

23 Trade payables

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

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



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note
No.

Particulars	As at March 31, 2019	As at March 31, 2018
Particulars		
a) (i) The principal amount remaining unpaid as at year end	1.03	-
(ii) Interest due thereon remaining unpaid as at beginning of the year	-	-
b) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed	-	-
c) The amount of interest due and payable for the year	-	-
d) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

24 Other financial liabilities

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

25 Other current liabilities

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

26 Provisions

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

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

27 Current tax liabilities (Net)

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



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note

No.

28 Revenue from operations

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

(i) Other operating revenue

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

29 Other income

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

30 Cost of food and beverages consumed

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



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note

No.

31 Employee benefits expenses

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

32 Occupancy cost and other operating expenses

Particulars	For the year ended	For the year ended
	31-Mar-19	31-Mar-18
Consumption of stores & operating supplies	126.10	81.82
Power and fuel	545.59	437.70
Rent including lease rentals	787.72	589.53
Repairs and maintenance:		
Buildings	7.57	7.18
Machinery	29.50	23.52
Others	34.30	21.00
House keeping services	166.99	150.27
Water charges	36.34	28.79
Insurance	10.57	8.94
Rates and taxes	69.74	61.23
Communication	39.78	29.39
Travelling and conveyance	30.61	25.65
Printing and stationery	34.08	22.57
Laundry expenses	15.02	12.38
Security service charges	23.87	21.72
Recruitment expenses	4.05	2.14
Business promotion	143.90	93.13
Vehicle hiring charges	10.86	10.41
Legal and professional	44.95	45.46
Expense on phantom stock option scheme	-	17.17
Payments to auditors (Refer note below)	4.48	3.84
Parking Charges	8.03	7.79
Expenses on Corporate social responsibility	5.60	2.16
Provision for doubtful receivables and advances	12.16	2.50
Miscellaneous expenses	55.44	44.14
Total	2,247.25	1,750.43

Payment to auditors

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

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



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note
No.

33 Finance costs

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

34 Exceptional items

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

(i) Loss on disposal of investments in PGPL

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

Particulars	For the year ended 31-Mar-19
Carrying value of investments and loans and advances	330.55
Less: Consideration received	0.50
Net loss	330.05
Liability towards bank loan taken by PGPL assumed by the Company pursuant to the guarantee given by the Company	83.56
Net loss on disposal of investments	413.61



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note

No.

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

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

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

The Directors of the Company have performed annual impairment assessment of the above exposure by determining the "value in use" of this subsidiary as an aggregate of present value of cash flow projections covering a five year period and the terminal value. Determination of value in use involves significant estimates and assumptions that affect the expected future cash flows. These estimates and assumptions, primarily include, but are not limited to, the revenue growth and profitability during the forecast period, the discount rate and the terminal growth rate.

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

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

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

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

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



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Note
No.

35 Tax expense / (benefit):

Tax expenses recognised in Statement of Profit and Loss

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

The reconciliation between the income tax expense and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

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

Movement in deferred tax balances

Particulars	For the year ended 31 March 2019			
	Opening balance	Recognised in profit and Loss	Recognised in Other Comprehensive Income	Closing balance
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(20.44)	(11.93)	-	(32.37)
Tax effect of items constituting deferred tax assets				
Provision towards asset retirement obligations	13.68	5.03	-	18.71
Employee Benefits and other provisions	37.85	6.54	1.74	46.13
Others	7.44	1.66	-	9.10
Net deferred tax asset / (liabilities)	38.53	1.30	1.74	41.57

Particulars	For the year ended 31 March 2018			
	Opening balance	Recognised in profit and Loss	Recognised in Other Comprehensive Income	Closing balance
Tax effect of items constituting deferred tax liabilities				
Property, Plant and Equipment	(18.97)	(1.47)	-	(20.44)
Tax effect of items constituting deferred tax assets				
Provision towards asset retirement obligations	10.02	3.66	-	13.68
Employee Benefits and other provisions	33.34	2.26	2.25	37.85
Others	6.79	0.65	-	7.44
Net deferred tax asset / (liabilities)	31.18	5.10	2.25	38.53



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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Note

No.

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

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

37 Employee benefit plans**Defined contribution plans**

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

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

Defined benefit plans

The Company offers gratuity, a defined employee benefit scheme to its employees. The said plan typically exposes the company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk

Investment risk

The fund has invested 100% of the funds in 'Schemes of insurance - conventional products' which are risk averse as whole of the risk is borne by the Insurance company.

Longevity risk

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

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

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



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

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

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

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

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

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



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

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

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

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years. There has been no change in the process used by the Company to manage its risks from prior periods.

Expected future cash outflows (undiscounted) towards the plan are as follows:

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



Barbeque-Nation Hospitality Limited

Notes to the Standalone Financial Statements

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Note

No.

38 Employee Stock Option Scheme

In the annual general meeting held on August 26, 2015, the shareholders of the Company had approved the issue of not more than 266,240 options (underlying equity share of face value of Rs. 10/- each per option) under the Scheme titled " Employee Stock Option Scheme 2015 (ESOP 2015). The ESOP 2015 allows the issue of options to employees of the Company and its subsidiaries. Pursuant to the sub-division of equity share of Rs. 10 each into 2 equity shares of Rs. 5 each during the year ended March 31, 2017, the scheme comprise of 532,480 options (underlying equity share of face value of Rs. 5 each per option).

As per the Scheme, the Remuneration committee grants the options to the employees deemed eligible. The exercise price of each option shall be at a price not less than the face value per share. Vesting period of the option is from one to three years from the date of grant and all the vested options can be exercised by the option grantee within twelve months from the vesting date or at the time of liquidity event, as approved by the Board, whichever is later.

On April 1, 2016, July 10, 2017 and August 5, 2017, the Company granted options under said scheme for eligible personnel. The fair market value of the option has been determined using Black Scholes Option Pricing Model. The Company has amortised the fair value of option after applying an estimated forfeiture rate over the vesting period.

The detail of fair market value and the exercise price is as given below (considering the effect of sub-division of shares):

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

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

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

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

Particulars	(Rs. in Million)	
	Options (Numbers)	Weighted average exercise price per option (Rs.)
Options outstanding at the beginning of 01 April 2017	153,918	140.97
Granted during the year ended 31 March 2018	302,859	435.73
Lapsed during the year ended 31 March 2018	26,542	278.47
Options outstanding at the end of 31 March 2018	430,235	339.98
Options available for grant as at 31 March 2018	102,245	
Options outstanding at the beginning of 01 April 2018	430,235	339.98
Granted during the year ended 31 March 2019	-	-
Lapsed during the year ended 31 March 2019	86,524	254.84
Options outstanding at the end of 31 March 2019	343,711	361.41
Options available for grant as at 31 March 2019	188,769	

The fair value of the options has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Grant date	01-Apr-16	10-Jul-17	05-Aug-17	05-Aug-17	05-Aug-17
Risk Free Interest Rate	6.60%	6.68%	6.68%	6.68%	6.68%
Expected Life	3.5 years	1.75 years	1 year	2 years	3 years
Expected Annual Volatility of Shares	33.33%	3.02%	3.02%	3.02%	3.02%
Expected Dividend Yield	0.24%	0.15%	0.15%	0.15%	0.15%



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Note
No.**39 Phantom Stock Options Scheme**

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

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

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

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

40 Segment information

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

41 Disclosures in respect of Operating leases

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

- Fixed minimum guarantee amount and;
- Revenue share percentage

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

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

42 Earnings per share

Particulars	31-Mar-19	31-Mar-18
Basic and Diluted Earnings Per Share (Rs.)		
Basic Earnings Per Share (Basic EPS)		
Net profit/(loss) after tax attributable to equity shareholders	(303.26)	249.25
Weighted average number of Equity Shares outstanding	27,973,466	27,028,740
Basic EPS in Rs.	(10.84)	9.22
Face value in Rs.	5.00	5.00
Diluted Earnings Per Share (Diluted EPS)		
Net profit/(loss) after tax attributable to equity shareholders	(303.26)	249.25
Weighted average number of Shares used for calculating Basic EPS	27,973,466	27,028,740
Add: Effect of ESOPs and share warrants which are dilutive*	-	174,023
Weighted average number of shares considered for calculating Diluted EPS	27,973,466	27,202,763
Diluted EPS in Rs.	(10.84)	9.16
Face value in Rs.	5.00	5.00

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

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



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Note

No.

44 Financial instruments

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

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

The management assessed that fair value of cash and cash equivalents, trade receivables, loans and trade payables, approximate their carrying amounts largely due to the short-term maturities of these instruments. Difference between carrying amounts and fair values of bank deposits, other financial assets, and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

Particulars	Year ended	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value					
Investment in mutual funds (quoted)	31-Mar-19	-	-	-	-
	31-Mar-18	0.01	0.01	-	-



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No.

44 Financial instruments (contd...)**Financial risk management**

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

Credit risk

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

Liquidity risk

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

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

The working capital position of the Company is given below:

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

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

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

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

Foreign currency risk

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

The following table presents unhedged foreign currency risk from financial instruments

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



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No.

44 Financial instruments (contd...)**Foreign currency rate sensitivity analysis**

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. Such risks are overseen by the Company's corporate treasury department as well as senior management.

Interest rate sensitivity analysis

If interest rates had been 1% higher/lower and all other variables were held constant, the company's profit for the year ended would have impacted in the following manner:

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

Capital management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

The capital structure is as follows:

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



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Notes to the Standalone Ind AS Financial Statements

Note
No.

45 Related party transactions

Description of relationship	Names of related parties
(i) Subsidiaries	Prime Gourmet Private Limited (till 5 December, 2018) Barbeque Nation MENA Holding Limited, Dubai (from 27 December, 2016) (formerly known as Barbeque Nation Holdings Limited) Barbeque Nation Restaurant LLC, Dubai (from 25 February, 2017) Barbeque Nation Holdings Pvt Ltd, Mauritius (from 15 September, 2017) Barbeque Holdings Pvt Ltd, Mauritius (from 27 September, 2017) Barbeque Nation (Malaysia) SDN, BHD. (from 3 October, 2017) Barbeque Nation International LLC, Oman (from February 18, 2018)
(ii) Investing party for which the Company is an Associate	Sayaji Hotels Limited Sayaji Housekeeping Services Limited Tamara Private Limited
(iii) Key Management Personnel (KMP)	<p>Managing Director</p> Kayum Dhanani (Managing Director) Mohan Kumar Ramamurthy (Chief Financial Officer - from June 15, 2017 till May 20, 2018) Rahul Agrawal (Chief Financial Officer - from May 21, 2018) Sameer Bhasin (Chief Executive Officer - till May 22, 2018) Nagamani CY (Company Secretary) <p>Non-Executive Directors</p> T Narayanan Unni Raof Razak Dhanani Suchitra Dhanani Tarun Khanna Abhay Chintaman Chaudhary
(iv) Entities in which KMP / Relatives of KMP can exercise control/significant influence	Sara Soule Private Limited



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Note

No.

45A **Transactions and Balances with Related Parties**

Particulars of transactions with related parties as at	31-Mar-19	31-Mar-18
Reimbursement of expenses paid		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	33.60	21.81
Barbeque Nation Holdings Pvt Ltd- Mauritius	-	1.10
Barbeque Nation Holdings LLC- Singapore	-	0.72
Barbeque Nation (Malaysia) Sdn. Bhd.	3.81	1.08
Purchase of consumables		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	6.00	-
Purchase of fixed assets		
Subsidiary company:		
Prime Gourmet Private Limited	9.15	-
Sale of materials		
Subsidiary company:		
Prime Gourmet Private Limited	0.13	0.25
Services received		
Investing party for which the Company is an Associate :		
Sayaji Hotels Limited	1.85	1.25
Rental income		
Subsidiary company:		
Prime Gourmet Private Limited	2.38	2.86
Services rendered		
Investing party for which the Company is an Associate :		
Sayaji Hotels Limited	17.47	11.72
Royalty income		
Subsidiary company:		
Barbeque Nation Restaurant LLC	6.96	8.16
Barbeque Nation (Malaysia) SDN. BHD.	0.36	-
Guarantee commission		
Subsidiary company:		
Barbeque Nation MENA Holding Limited	3.98	2.88
Rent and maintenance charges		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	-	4.46
Investing party for which the Company is an Associate		
Sayaji Hotels Limited	0.89	18.26



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Note
No.

45A **Transactions and Balances with Related Parties**

Particulars of transactions with related parties as at	31-Mar-19	31-Mar-18
Security deposit paid		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	-	0.21
Refund received of security deposit paid		
Entities in which KMP / Relatives of KMP can exercise control/significant influence		
Sara Soule Private Limited	-	0.23
Investment made during the year in		
Subsidiaries:		
Prime Gourmet Private Limited	-	50.35
Barbeque Nation MENA Holding Limited	257.65	-
Loan granted		
Subsidiaries:		
Prime Gourmet Private Limited	50.20	31.11
Barbeque Nation MENA Holding Limited	149.06	187.11
Receipt towards repayment of loan granted		
Subsidiaries:		
Prime Gourmet Private Limited	-	8.04
Barbeque Nation MENA Holding Limited	-	61.31
Receipt towards interest on loan granted		
Subsidiaries:		
Barbeque Nation MENA Holding Limited	20.81	2.98
Write off of loan receivable		
Subsidiaries:		
Prime Gourmet Private Limited	73.50	-
Barbeque Nation MENA Holding Limited	274.86	-
Interest income on loan granted		
Subsidiaries:		
Prime Gourmet Private Limited	-	0.57
Barbeque Nation MENA Holding Limited	15.89	7.90



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Notes to the Standalone Ind AS Financial Statements
(Amount in Rupees Millions except for share data or as otherwise stated)

Note

No.

45A Transactions and Balances with Related Parties

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

Compensation of key management personnel

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

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Short-term benefits	17.61	18.41
Post-employment benefits	-	-
Other long-term benefits	-	-
Share-based payments	5.08	2.87
Termination benefits	-	-
Total	22.69	21.28

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



Barbeque-Nation Hospitality Limited

Notes to the Standalone Ind AS Financial Statements

Note

46 New accounting standards adopted by the Company

Ind AS 115 - Revenue from contract with customers

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

47 Standards issued but not yet effective

Ind AS 116 Leases :

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

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

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

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

Certain practical expedients are available under both the methods.

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

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

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

The standard permits two possible methods of transition -

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

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

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

Amendment to Ind AS 12 – Income taxes :

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

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

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

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

The amendments require an entity:

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

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

