

August 20, 2022

**BSE Limited**  
**Corporate Relations Department**  
Phiroze Jeejeeboy Towers  
Dalal Street, Fort,  
Mumbai- 400 001  
**Scrip Code: 543248**

**National Stock Exchange of India Limited**  
**Listing Department**  
Exchange Plaza, 5<sup>th</sup> Floor, Plot no. C/1,  
G Block, Bandra Kurla Complex, Bandra (E)  
Mumbai- 400 051  
**SYMBOL: RBA**

**Sub.: Annual Report FY 2021-22 and Notice of the 9<sup>th</sup> Annual General Meeting of Restaurant Brands Asia Limited ('the Company')**

**Ref.: Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations')**

Dear Sir/ Ma'am,

In reference to our earlier letters dated August 12, 2022 and August 18, 2022 and pursuant to the SEBI Listing Regulations, please find enclosed herewith the Annual Report for the financial year 2021-22 ('Annual Report') along with the Notice of the 9<sup>th</sup> Annual General Meeting of the Company ('Notice of the AGM').

The Annual Report along with the Notice of the AGM, is being sent today to the shareholders whose e-mail IDs are registered with the Company/ Depository Participants.

The same are also available on the website of:

- the Company at [www.burgerking.in](http://www.burgerking.in); and
- the Registrar and Share Transfer Agent viz. Link Intime India Private Limited at <https://instavote.linkintime.co.in>.

We request you to take the same on your records.

Thanking You,  
**For Restaurant Brands Asia Limited**  
(Formerly Known as Burger King India Limited)

**Madhulika Rawat**  
**Company Secretary and Compliance Officer**  
**Membership No.: F8765**

**restaurant brands asia limited**

(Formerly known as Burger King India Limited)

# MOVING FORWARD...

2021 - 2022



# Contents

## CORPORATE OVERVIEW

It's Been a Busy Year at Restaurant Brands Asia	2
About Restaurant Brands Asia	4
CEO's Message	8



To Better Times	12
Beyond India	14
To an Opportunity Called Indonesia	16
To Making Taste the King	18
To Building Brand Love	20
To a Great Cup of Coffee	22
To Taste Delivered to Your Doorstep	24

Performance Highlights	26
Moving Forward Responsibly	28
Board of Directors	30
Our Management Team	32
Awards & Recognitions	33
Corporate Information	34

## STATUTORY REPORTS

Management Discussion & Analysis (MD&A)	35
Directors' Report	49
Business Responsibility Report	66
Report on Corporate Governance	73

## FINANCIAL STATEMENTS

Standalone Financial Statements	97
Consolidated Financial Statements	160

<b>NOTICE OF ANNUAL GENERAL MEETING</b>	<b>235</b>
---	------------

# We are Moving Forward.

This is the one big message we want to convey to all our shareholders. The past two years have brought its fair share of challenges and opportunities. But we are looking forward and there's plenty of reasons why. The economic growth engine is kicking again. There is euphoria everywhere, and people, especially the millennials are increasingly moving around. Good news for us, because there is higher consumer mobility, increased footfalls at malls, commercial activities are in full swing and restaurants are buzzing again.

For Restaurant Brands Asia Limited (RBA), the erstwhile Burger King India Limited, there is no greater time than now to move forward.

We have reinvigorated our restaurant's growth journey, adding 50 (net) restaurants through FY 2021-22. With 315 operational restaurants, we are nearly half way there to our target of 700 restaurants by December 2026.

We have also launched BK Café™. Serving great tasting coffee and complementary food, it has added incremental occasions and has been a key driver for breakfast daypart. We enhanced our menu with innovations and new value leadership additions. We have also reinforced our delivery ecosystem.

But most importantly, we took a strategic leap forward towards becoming a truly multi-national food Company. We acquired PT Sari Burger Indonesia, the exclusive national master franchise of Burger King® in Indonesia.

We now have a presence in two of the world's most populous and young countries reputed for their great food culture. Our goal is to establish joint operations in these markets with great synergies between them, positioning us to deliver stronger growth.



To download this report or read online, please log on to [www.burgerking.in](http://www.burgerking.in)

Disclaimer: Images used in the Annual Report are illustrative and strictly for representational purposes only.

## It's been a Busy Year at Restaurant Brands Asia



### Getting all new and fiery

Burger King India Limited rebranded to Restaurant Brands Asia Limited (RBA). Our new logo sporting fire, symbolises our burning hunger for growth, progress and fire for cooking great tasting food.

[Read More](#) P. 22-23



### Deepening India footprint and scaling business

Added net 50 restaurants and witnessed robust business momentum. The cumulative Average Daily Sales (ADS) recovery was 103% for the month of March 2022, with the strong ADS recovery of delivery at 152% over FY 2019-20 and that of dine-in at 81%.

[Read More](#) P. 12-13



### Reinforcing delivery ecosystem

Established a robust delivery ecosystem led by a revamped and user-friendly BK India mobile app, having 3 million installs as of date.

[Read More](#) P. 24-25



### Treat worthy of Kings

Relaunched the premium portfolio with King's Collection at ₹ 199 with distinguished ingredients like paneer, cheese, fiery and tandoori chicken and unique masala bun. The same has been very well accepted by the guests.

[Read More](#) P. 18



### Diversification of Portfolio

Started a new business line of BK Café™. It serves a range of beverages (coffees, shakes and other beverages) and savoury and sweet food items. Opening our first store in the busy financial capital of Mumbai, to unfurling 35 BK Café™ stores in five months since its launch in November 2021, we have given our millennial guests a new reason to visit Burger King.

[Read More](#) P. 22-23



### Maintaining value leadership

The Stunner Menu, offers a wide range of food at great value, is a key value proposition for our value for money driven guests. It offers great tasting variety to our guests at very affordable prices.

[Read More](#) P. 18-19



### Executing successful QIP

Raised ₹ 1,402.10 Crore through Qualified Institutions Placement (QIP), allotting 10.85 Crore equity shares with a face value of ₹ 10 each. The net proceeds were primarily used to fund the acquisition and infuse additional capital in it.

[Read More](#) P. 9



### Graduating from India to an Asia-based entity

Acquired controlling stake in PT Sari Burger Indonesia (BK Indonesia). This provides us a strategic entry in Indonesia, a key market for Burger King® in Asia and globally.

[Read More](#) P.14-17

## About Restaurant Brands Asia

Restaurant Brands Asia was incorporated in 2013. We are an all-India master franchisee of BURGER KING<sup>®</sup>, the world's second largest fast food burger brand globally by total number of restaurants. We engage in the business of running Burger King branded restaurants that serve a diverse range of burgers and other food items. We also operate BK Cafés<sup>TM</sup> that primarily serve coffees, shakes and other beverages.



HOME OF THE WHOPPER

# BURGER KING



# ಬರ್ಗೇಸಿಂಗ್ ಕಿಂಗ್

Our business operations span pan-India and Indonesia (through subsidiaries). We are value leaders, and offer high-quality, delicious and innovative food products customised to local tastes and preferences. We have been one of the fastest growing international QSR chains in India as of March 31, 2022. We continue to build on this, through consistent innovations and widening our presence. As of March 31, 2022, we operate 315 restaurants in India, including 9 sub-franchised restaurants and 35 BK Cafés™. In Indonesia, we own and operate 177 restaurants as on March 31, 2022.

### EXCLUSIVE NATIONAL MASTER FRANCHISEE

We have entered into Master Franchise and Development Agreement (MFDA) with the globally recognised BURGER KING® brand in India and Indonesia. It provides us exclusive rights to develop, establish, operate, franchise and sub-franchise Burger King branded restaurants across India and Indonesia. The MFDA allows us to use the “BURGER KING™” brand name as well as the technical, marketing and operational expertise associated with it to grow business. We have the flexibility to tailor our menu, promotions, and pricing to cater to the tastes and preferences of these regions.

Under the MFDA, we have agreed to develop and open at least 700 restaurants by December 31, 2026. It further gives us long-term franchisee rights, extending till December 2039.

### SHAREHOLDING PATTERN

(as on March 31, 2022)

Public

59.04%



Promoter and Promoter Group

40.96%

## FLAME GRILLING SINCE 1954

### CUSTOMER VALUE PROPOSITION

#### VALUE LEADERSHIP

Offering quality products at attractive price points and a wide entry-level menu

#### VARIETY

Wide range of burgers and other products such as wraps, volcanoes, beverages, sides, snacks, shakes and desserts across different dayparts

#### VEGETARIAN OPTIONS

Wide range of vegetarian offerings catering to the local Indian market

#### TASTE IS KING

Menu built through extensive taste tests while meeting Burger King global quality assurance standards

#### FLAME-GRILLING EXPERTISE

Serving flame-grilled patties for various burgers, made through our patented broiler equipment

### STRENGTHS THAT POWER US

#### EXCLUSIVE NATIONAL MASTER FRANCHISE RIGHTS

that provide advantage of leveraging “Burger King™” brand and their associated operational expertise at a favourable royalty fee (capped at 5% of sales). Continuing with our disciplined cluster-based restaurant roll-out strategy, we endeavour to achieve 700 restaurants by December 31, 2026

#### STRONG CUSTOMER VALUE PROPOSITION

of variety offerings (both veg and non-veg) as per Indian taste and innovation at competitive prices, which ensures consistently high footfalls, same-store sales and growing deliveries

#### EFFECTIVE BRAND POSITIONING

targeted at India’s large and growing millennial population

#### OPERATIONAL EXCELLENCE

driven by well-defined restaurant roll-out and development processes, standardised processes consistent with Burger King’s global standards, people-centric approach for better guest experiences and vertically managed and scalable supply chain

#### EFFECTIVE TECHNOLOGY SYSTEMS

driving excellence in guest interactions, restaurant operations, supply chain and business management

#### WIDENING PORTFOLIO

led by sustained new products introduction and diversification to beverages with BK Café™ stores

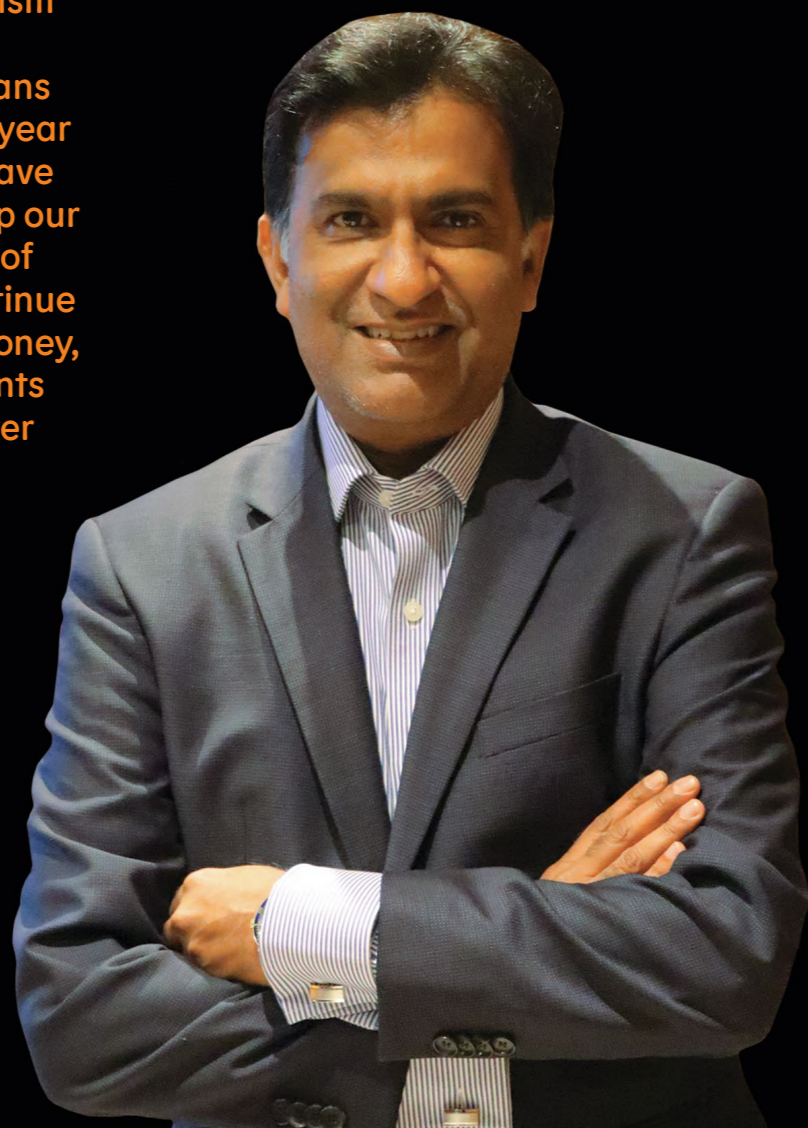
#### STRONG MANAGEMENT TEAM

having extensive experience in the food and beverage industry, retail and major FMCG brands

## CEO's Message

Dear Shareholders,

FY 2021-22 has certainly been a mix bag year. Quarter 1 (Q1) started off with the pandemic but the macros eased out in Quarter 2 (Q2). Even as the threat of pandemic loomed, the Indian economy stood strong and displayed solid performance. The food services industry, which faced significant headwinds in FY 2020-21, is now witnessing an impressive rebound. My optimism stems from the fact that the year 2021 saw 45 million Indians dining-out. This is despite the year witnessing a severe second wave of pandemic. It kind of sums up our belief that India is a Whopper of an Opportunity. And if we continue to give our guests value for money, best-in-class quality, ingredients and experiences, we can deliver sustained performance.



Revenue from operations

**9,437.1 Million**

**91%**



**This year, with market sentiments improving, we have quickly ramped up expansion. 50 (net) restaurants were opened in FY 2021-22. Immense due diligence and prudent capital deployment have gone behind opening each store.**

### DELIVERING HOLISTIC GROWTH

Improved business sentiment was evident in our performance. Our revenue from operations grew 91% to ₹ 9,437.1 million in FY 2021-22. The Company level EBITDA was up 176% to ₹ 901.7 million. The highlight of our performance, however, was the recovery of dine-in business. We registered quarter-on-quarter improvement in dining out sales, closing the year i.e. March month with an Average Daily Sales (ADS) recovery at 81% over FY 2019-20. The delivery business too has been strong since the pandemic with the ADS recovery at 152% over FY 2019-20, led by our ability to deliver with convenience and safety. In FY 2021-22, we continued to build on these. The Burger King India mobile app was further enhanced with a new interface and the addition of relevant features. To ensure faster and environment-friendly deliveries, more than 175 E-bikes were added.

### RESUMING DISCIPLINED EXPANSION

Scale is a key component of our business. It drives topline growth while driving operating leverage, which is why restaurant count is an important indicator in our business. It helps us optimise supply chain, logistics and human resource.

As you would recall last year, we had paused restaurants' expansion due to prevailing uncertainties. This year, with market sentiments improving, we have quickly ramped up expansion. 50 (net) restaurants were opened in FY 2021-22. Immense due diligence and prudent capital deployment have gone behind opening each store. Our brand strategy is clear in terms of discipline with a cluster-based approach for profitable expansion. Moving forward, our target is

to achieve uniform quarterly store opening to get to 390 restaurants by March 2023.

### JOURNEY TO ASIA

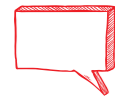
I am enthused to report that this year, your Company has made a strategic entry in the Indonesian market. We have acquired a controlling stake in PT Sari Burger Indonesia, an exclusive master franchise of Burger King® in Indonesia. With this acquisition, we are now an Asian brand, and a key franchisee for Burger King®. Your Company has accordingly rebranded itself to Restaurant Brands Asia Limited (RBA), to capture our Asian ambitions.

Both India and Indonesia markets share immense similarities with a large youth population, great dining-out culture and rising disposable income. We see significant opportunities for synergies in buying supplies and equipment. With our expertise in the Indian market, we believe we can profitably scale Indonesian operations.

The acquisition was funded by raising capital of ₹ 1,402.10 Crore through qualified institutions placement.

### STRENGTHENING CATEGORY OFFERING AND DAYPART

In another major development, we embarked on a new journey with BK Café™. The objective was to give millennials, top-notch quality coffee and accompaniments. I see tremendous scope in India's café hang-out culture. This is a ₹ 2,500 Crore market, and I am sure we can play a crucial role in it. As of March 31, 2022, 35 BK Café™ stores are operational. Our target is to increase the count to 250 BK Café™ stores by the end of FY 2022-23.



**While quality and taste are of the highest standards, we are also striving to make our products more nutritious.**

**RELEVANT INNOVATIONS TO DRIVE GROWTH**

We are proud of our products and recipes. Extensive work has gone into curating our menu to resonate with local Indian tastes. Each year, we continue to innovate and strengthen our portfolio. In FY 2021-22, we relaunched our premium King's Collection with distinguished ingredients and unique masala buns. This collection is a hit with our guests and is gaining wide popularity. We have also added new desserts – the Choco Lava Cup and Chocolate Mousse Cup. Also, we continue to strengthen our value leadership with our Stunner Menu, which has a variety of product formats at great value of ₹ 50 and ₹ 70.

While quality and taste are of the highest standards, we are also striving to make our products more nutritious. Efforts are underway to reduce fat, sugar, and salt across our food items. We have set stringent targets for ourselves far ahead of the prescribed norms.

**AN AUTHENTIC BRAND FOR MILLENNIALS**

Millennials remain our primary target audience. Our brand, with its youthfulness and quirky authenticity, connects

uniquely with them. This year, some of our campaigns have truly fascinated them and garnered immense success. We will continue to build brand salience through similar efforts moving forward.

**GROWING SUSTAINABLY**

The principles of safety and sustainability are a way of doing business for RBA. Our pillars of sustainability are food, planet, people and communities.

**Food:** We believe in serving high quality and great tasting food. All our food items are free from synthetic colours and artificial flavours. The chicken used is 100% antibiotic-residue-free chicken and comes from sustainable sources. Further, for packaging, we use only food grade paper.

**Planet:** We aspire to be a Company that is good for the planet, and are continually reducing our environmental footprint. All our stores are designed to consume lower electricity and gas. We are also actively promoting sustainable mobility through use of electric bikes.

Eliminating single-use plastic is a major thrust area for us. All our food is served in sustainable, recyclable and

compostable packaging. Use of plastic from items used for serving our guests have been substantially reduced, by moving to products made out of more sustainable and biodegradable materials. We have also implemented a take back / buy-back programme for collection of plastic waste.

**People & Communities:** As a responsible brand, we take efforts to help communities and enhance livelihoods. We are collaborating with NGO Rooms to Read to promote girl child education. At our organisation, we are committed to enhancing diversity and inclusion, whereby we provide equal opportunity to the men and women employees and ~30% of our workforce is women. We encourage, nurture and foster women in leadership roles. As a distinguished step towards the community, the Company has undertaken the Taare Hamare initiative, which has included hiring specially-abled members of the community (persons with hearing and speech disability) to work for us and providing them with training and equal opportunity to develop and improve themselves. In addition, our subsidiary company, PT Sari Burger Indonesia ('BK Indonesia') also has 3 restaurants in Indonesia where specially-abled members of the community are employed.

**CLOSING COMMENTS**

We are now an eight-year young company, and nearly half way through to our restaurant growth story – an ambitious milestone of 700 restaurants in India. I thank the investor community and my team for this. With your continued support, I am confident we will reach our target while strengthening the Burger King brand and driving profitable growth.

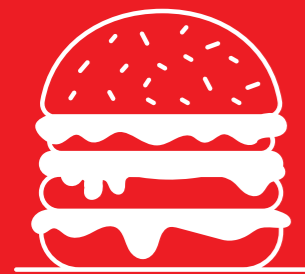
I am sure the addition of Indonesia to our portfolio will provide immense opportunities. Our focus currently is to explore and learn the market. Accordingly, business growth and synergies will be planned and executed.

It is time for Restaurant Brands Asia to move forward towards accelerated growth, exploring new frontiers and setting new benchmarks with your continued trust and support.

Yours Sincerely,

**Rajeev Varman**

Whole-time Director and Group Chief Executive Officer



**Food**

We source 100% antibiotic-residue-free chicken from sustainable sources for our products



**Planet**

We have a fleet of more than 175 electric bikes to ensure environment-friendly deliveries



**People & Communities**

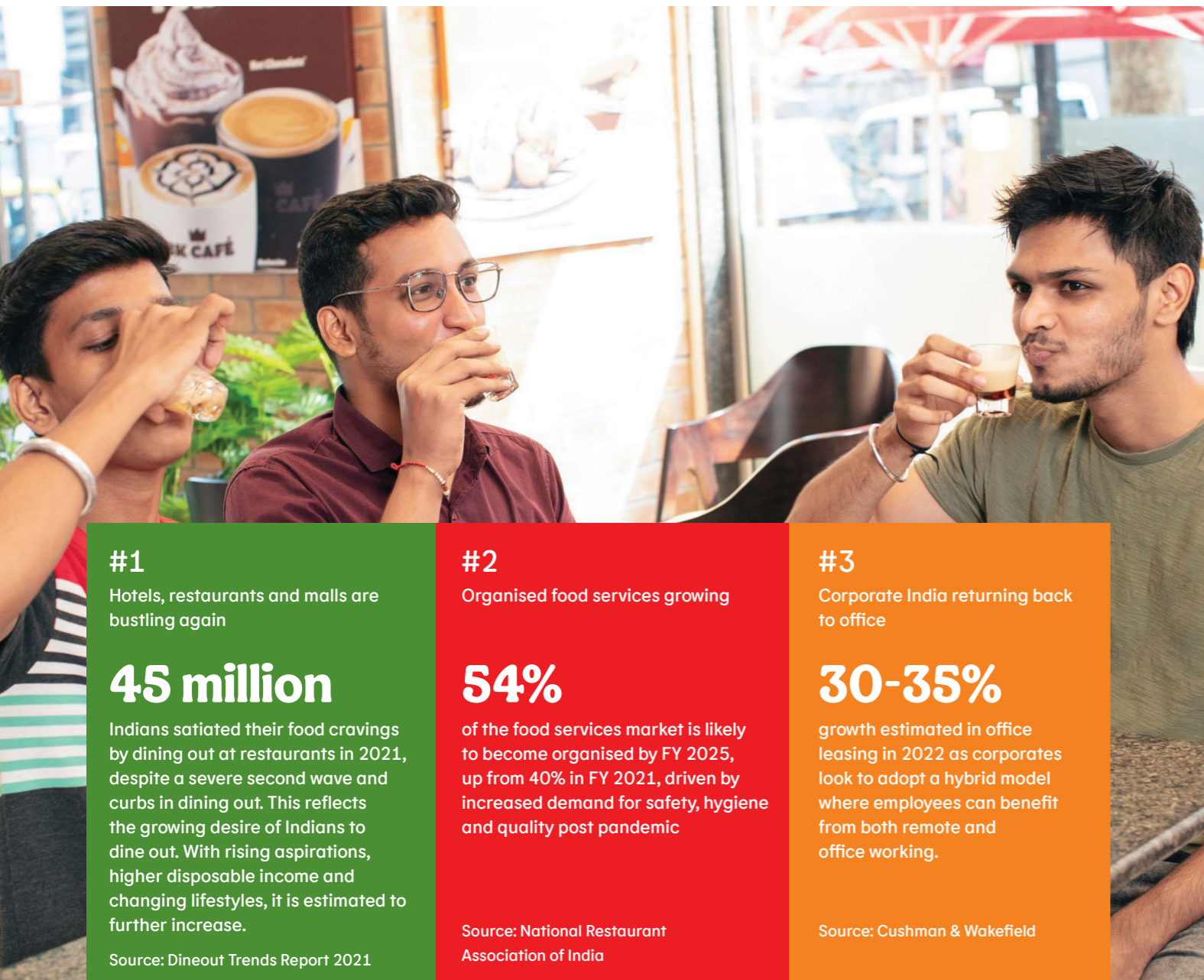
We are working together with and supporting the NGO of Rooms to Read for supporting girl child education.



Moving forward...

# To Better Times

It seems like yesterday as COVID cases waned and vaccinations increased. We've had our share of difficult times, and now it's time for the good times to roll.



#1

Hotels, restaurants and malls are bustling again

**45 million**

Indians satiated their food cravings by dining out at restaurants in 2021, despite a severe second wave and curbs in dining out. This reflects the growing desire of Indians to dine out. With rising aspirations, higher disposable income and changing lifestyles, it is estimated to further increase.

Source: Dineout Trends Report 2021

#2

Organised food services growing

**54%**

of the food services market is likely to become organised by FY 2025, up from 40% in FY 2021, driven by increased demand for safety, hygiene and quality post pandemic

Source: National Restaurant Association of India

#3

Corporate India returning back to office

**30-35%**

growth estimated in office leasing in 2022 as corporates look to adopt a hybrid model where employees can benefit from both remote and office working.

Source: Cushman & Wakefield

## RIDING ON THE MOMENTUM OF BETTER TIMES

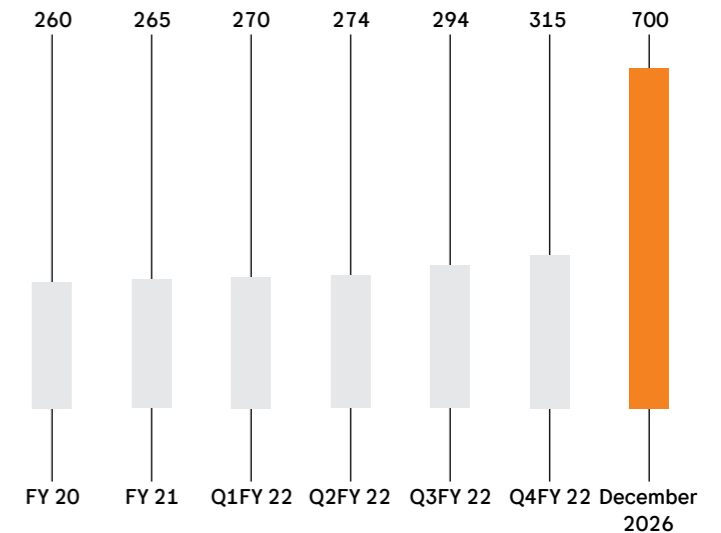
With normalcy returning in India, we are witnessing increasing demand. Our guests, especially the millennials, are frequently dining out and ordering online.

Riding on this momentum of better times, we are indulging taste buds with innovations in our menu. This includes the addition of new desserts and the relaunching of our premium layer of King's Collection. We continue to strengthen our value leadership with our Stunner Menu. With demand arising from new locations, we have revived our restaurant growth plans. A net of 50 restaurants were added in FY 2021-22, taking the total count to 315. We are now almost half way of our target of opening 700 restaurants by December 31, 2026.

Our sustained actions have led to strong recovery in business.

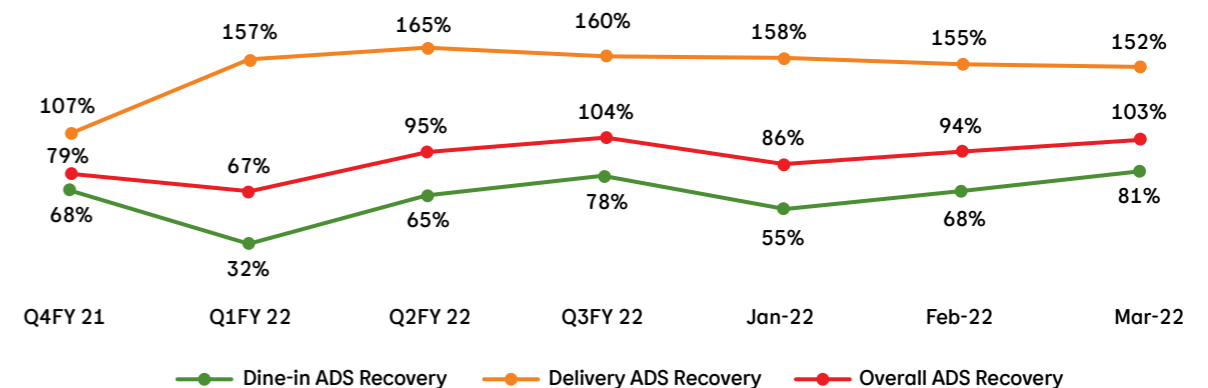
We will continue to undertake extensive deliberation on capital allocation, location, size and format for every new restaurant to ensure better payback and return on investment. A substantial focus is on High Streets and Drive-Thru Burger King restaurants. Further, we intend to achieve a uniform quarterly store opening as against the earlier approach of launching them towards the end of the year. We continue to focus on a cluster-based disciplined restaurant rollout strategy for profitable expansion.

## ACCELERATING RESTAURANT ROLL-OUT



## STRONG AVERAGE DAILY SALES RECOVERY (%)

Dine-in | Delivery ADS Recovery %



Moving forward...

# Beyond India

Scale and Growth are crucial part of our strategy.



## ENTRY INTO INDONESIA

We have entered into a sale and purchase agreement with QSR Indoburger Pte Ltd, PT Sari Mitra Adiperkasa Tbk, F&B Asia Ventures (Singapore) Limited and PT Sari Burger Indonesia (BK Indonesia), pursuant to which, our Company successfully completed acquisition of 87.75% stake in BK Indonesia which manages and operates Burger King brand in Indonesia.

We have further agreed to infuse additional capital of US\$ 40 million to support BK Indonesia's business requirements and expansion plans of which initial US\$ 25 million infusion was carried out simultaneous to the acquisition.

The acquisition has a compelling strategic rationale: similarity of businesses, shared vision and strategy, and robust growth potential of both Indonesian and Indian markets. We expect to leverage our operational expertise and supply chain discipline to improve operations. We also expect to benefit from driving synergies between India and Indonesia businesses. These include economies of scale relating to supply chain, related technology and capital expenditure. These will help drive the next phase of growth in Indonesia and make BURGER KING® a stronger QSR brand in Asia.

## BK INDONESIA AT A GLANCE

**Exclusive National Master Franchise**  
of the Burger King® brand in Indonesia

## STRONG CUSTOMER VALUE PROPOSITION

Value leadership with products tailored to Indonesian taste and preferences at attractive price points

Wide variety of burgers, fried chicken, beverages, sides, snacks, shakes and desserts across dayparts (lunch, dinner, snack times and late night)

Taste advantage, 'clean food' offering, and flame-grilling expertise that resonates with guests

<sup>1</sup>Source: Technopak

<sup>\*</sup>As on March 31, 2022

<sup>\*\*</sup>FY 2021-22

## Top 5<sup>1</sup>

Among top five and fastest growing International QSR brand (based on number of restaurants) in Indonesia during 2016-2020

**177\***

Store count

**₹ 84,000\*\***

Average daily sale

**₹ 5,466 million\*\***

Revenue

**58.5%\*\***

Gross Margin

## STRENGTHS

- 1.** Brand position and connect with millennials, accounting for majority of Indonesia's population
- 2.** Positioned for growth in food delivery led by technology and diverse payment options
- 3.** Scalable supply chain
- 4.** Operational quality, a people-centric culture and effective technology systems
- 5.** Quality assurance, food safety and sanitary procedures at all stages within the supply chain and in restaurants

Moving forward...

# To an Opportunity Called Indonesia

Indonesia has similar demographics and dynamics as India. It is amongst the top markets for Burger King® brand globally.

**Now that's a Whopper®  
of an Opportunity.**

Like India, Indonesia is an exciting and lucrative market. It is the world's fourth most populous country with ~270 million citizens, 64 million among them being millennials. It has a median age of 29.7 years as against India's 28.1 years. Its per capita income is twice that of India. The country also has a robust dining-out culture, significantly higher than India. Its food services industry is expected to grow at a CAGR of 11% during 2020-25.

We expect to significantly benefit from the synergies between these two large markets. Opportunities will open to purchase larger volumes, which will help drive cost efficiencies and expand margins. Further, opening new restaurants is a key growth strategy for both markets, hence with synergies in buying of capital assets at competitive rates, will reduce new restaurant costs.

Social media and technology integration is a key to connect with our target consumers. At RBA, we have established significant competencies in this area with deployment of several key technologies. These include a centrally controlled digital menu board, self-ordering kiosks, mobile app, handheld POS systems and platform integration with delivery aggregators and third-party distributors. BK Indonesia too has a supporting technology infrastructure. We will leverage our expertise to build on it and expect to benefit from sharing fixed costs associated with technology investment.

The Management team of both India and Indonesia have valuable experience in the QSR industry while growing their respective businesses. This combined expertise will greatly help in scaling the BK Indonesia business.

## WAY FORWARD IN BK INDONESIA

- Infuse US\$ 15 million capital to fund growth
- Strong investment in marketing to achieve 100% recovery in ADS
- Leverage synergies to improve gross margin to 60%
- Realign the portfolio towards higher Free Standing Drive Through (FSDT) stores through new openings and rationalisation of existing portfolio of stores
- Build on value leadership
- Leverage India experience to open BK Café™

## INDONESIA MARKET

**64 million**

Of its ~270 million population are millennials, our target group

**2X**

Higher per capita income than India. Eating out culture is higher than India

**42% CAGR**

Food delivery market growth in Indonesia during 2015 to 2020

**11% CAGR**

Expected growth in Indonesia's food services market during 2020 to 2025

(Source: Technopak)

Moving forward...

# To Making Taste the King

We constantly innovate to deliver craveable indulgence with real value. Premium menu for the more discerning guests, who seek a unique taste experience.



## THE KING OF PREMIUMISATION

We relaunched the King's Collection with a range of vegetarian and chicken burgers priced at ₹ 199. These are based on Premium ingredients like soft slab of paneer, real cheese blended with Indian spices and a juicy grilled / spicy fried chicken fillet. These absolutely delicious burgers are served with a new masala bun, which is a new addition to our menu. Well, our guests deserve nothing less.



Choco Lava Cup and Chocolate Mousse

## REDEFINING INDULGENCE WITH CHOCOLATE DELIGHTS

Nothing adds better to the indulgence than some chocolate treats after a wholesome meal. We understand the tastes of our millennial guests across India, and have launched two attractive and popular desserts – Choco Lava Cup and Chocolate Mousse Cup. Available both in restaurants as well as delivery, the chocolate treats ensure a sweet tooth at a place of one's convenience. The delight doesn't end at our outlets; guests can enjoy these delivery optimised products at home too.

## STUNNING VALUE LEADERSHIP

When it comes to delivering value to India's millennials, nothing comes closer to our Stunner Menu. It has a stunning variety of product formats (burgers, wraps, and volcano) that bring together global and Indian flavours at great value of ₹ 50 and ₹ 70. The menu comes with a meal option by adding fries and Pepsi adding to the value proposition. The menu continues to drive incremental dine-in traffic with guests increasingly trying these items.



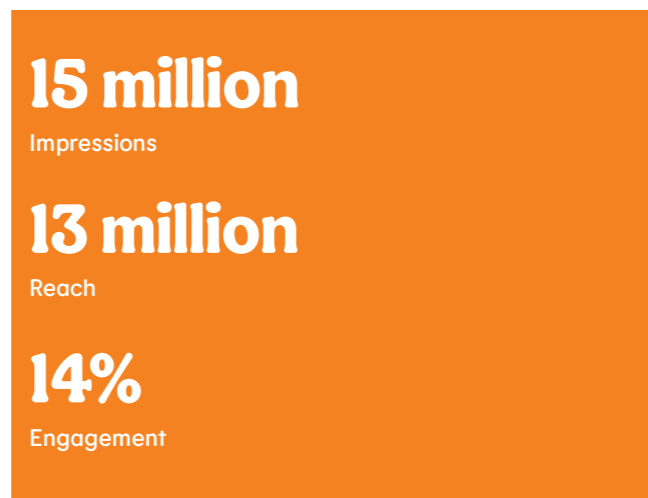
Moving forward...

# To Building Brand Love

Here's to the millennials, the game-changers. We hear you. We feel you. Ours is a brand all about self-expression and just being 'who you are'.

## #MEMEPREMIERLEAGUE

Cricket connects India and the Indian Premier League (IPL) is the biggest cricket tournament. It is an opportunity for us to connect and engage with our consumers. Enter, the #MemePremierLeague, a unique campaign in which we put our memes for every match of the season. Why memes, because they have become the lingo of millennials, a means to communicate among themselves. A fun and humorous way of sharing a point of view. As a youthful brand, we vibe with that, and root for it too. And that's not all, we also did a first ever by a QSR brand – launching Non-Fungible Tokens (NFTs) for winners. The campaign was immensely successful, garnering over 15 million reach and impressions and more than 14% engagements.



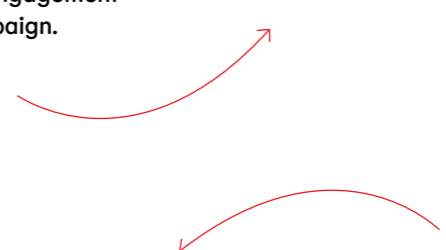
## Building Whopper Equity

The Whopper is our differentiator. A seven-layer extra crunchy veg or flame-grilled chicken / mutton patty indulgence, this flagship offering brings a gourmet burger experience to Indian guests for its size, quality and taste.

Building on this signature offering, we have launched two limited-edition Whopper burgers – the Boss Whopper and the Twisted Whopper.

### THE SOBER WHOPPER

The Sober Whopper was specially curated for our guests who enjoyed the New Year's Eve and those who wanted to have a fresh start on 1<sup>st</sup> January. The idea being that New Year evenings are associated with indulgence followed by a whopper of a hangover the next morning. And to help with this hangover, we introduced Sober Whopper. So that our guests could enjoy 1<sup>st</sup> January first hand. The Sober Whopper was promoted with a digital film alongside social media activation. The incredibly fun campaign invited participants to post their aftermath pictures from their New Year's Eve party and tag Burger King to win the indulgence called Sober Whopper. With more than 5 million impressions, 30,000 clicks, international coverage and 3x engagement versus benchmark, it was a Whopper of a campaign.



### THE TWISTED WHOPPER TO FIND THE RIGHT BALANCE WITH TWIST

The Twisted Whopper was built to deliver ultimate satisfaction. It features a sweet and spicy taste alongside premium fresh ingredients and our trademark flame-grilled patty. It comes in several variations such as vegetarian patty and chicken patty with a unique combination of sweet sauce and spicy sauce. A Whopper unlike any other, it was sweet yet spicy, and spicy yet sweet.

Moving forward...

# To a Great Cup of Coffee



**Millennials want to hangout. And drink coffee. Say hello to BK Café™.**

Indian millennials don't need a reason to hang out and chill. But they want something that's uncomplicated yet unique. With growing coffee acceptance and dairy being the fastest growing beverage category in India, all pegs required for a Café were already present. BK Café™ was born, with its first store in November 2021.

BK Café™ serves an uncomplicated range of hot and cold coffee-based beverages, non-coffee shakes, hot chocolate and new savoury and sweet food items as accompaniments. It has strengthened our breakfast daypart as well as given increased frequency occasions to our guests. Inspired by the same principles of Burger King, its credo is to offer guests the best quality at best value. It does so by locally sourcing coffee from the best-in-class supply partners.

The Café experience has been built as a cross-functional team along with coffee experts and specialists. We have a certified Q Grader from the Coffee Quality Institute, who is also a former national barista champion. He brings his expertise to work on coffee blends, design the BK Café™ menu, and train teams in the art of serving quality coffee to our guests. The team has quickly built capability and processes in the system, setting the stage for rapid scaling.

BK Café™ currently provides an incremental average daily sales of around 7% and has a payback of 18 to 24 months. As of March 31, 2022, we launched a total of 35 BK Café™ stores. We aim to open 250 BK Café™ stores by FY 2022-23.

**35**  
BK Café™ stores opened up to March 31, 2022

**250**  
Targeted BK Café™ stores by FY 2022-23

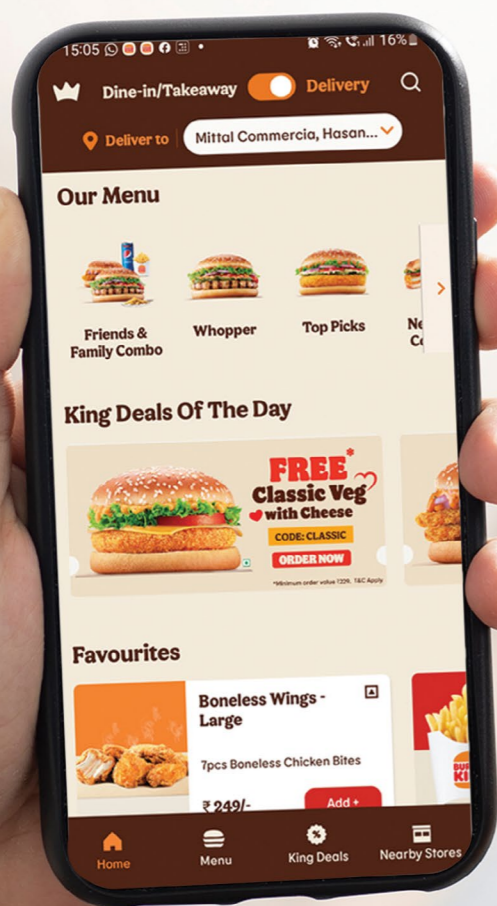
**~7%**  
Incremental Average Daily Sales from each BK Café™ store

Moving forward...

# To Taste Delivered to Your Doorstep

Millennials are tech-savvy convenience seekers, especially when it comes to food.

Enter the BK India app. The fastest way to order your Whopper while lounging at home.



BK India mobile app is quick, convenient and rewarding to those who seek the best BK food delivery at home. It is light, fast and feature loaded, with the aim of delivering a seamless online ordering experience.

In FY 2021-22, we undertook multiple initiatives to strengthen the platform and build a robust delivery ecosystem. The app was revamped with an all-new visual identity and improved user interface and experience (UI/UX) to make it more seamless and engaging. New features like social media login, rider call activation and alternate payment gateway were added. A Customer Relationship Management ('CRM') engine has also been successfully integrated into the app, which will efficiently help to provide better experience to guests.

Perhaps one of the most significant developments was the induction of our own fleet of E-bikes in excess of 175. This has greatly strengthened our capabilities to rapidly deliver orders. The E-bikes are also our way of reducing carbon footprint.

BK App also allows us to engage with millennials active at late night. With more and more of our guests staying awake late nights, our app ecosystem with late night ordering capabilities allows us yet another way to connect with them and satiate their cravings.

The significant work on the BK India mobile app, ably supported by digital marketing initiatives, is driving good momentum. We will continue to use this platform to strengthen engagement and loyalty.



**143%**

BK App delivery growth YoY

**3 million**

Installs as on date

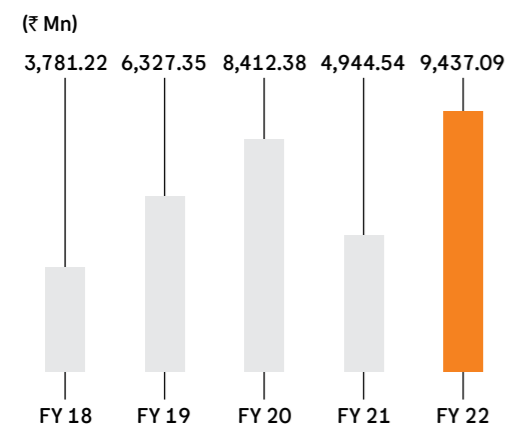
**560,000**

Monthly active users (MAU)

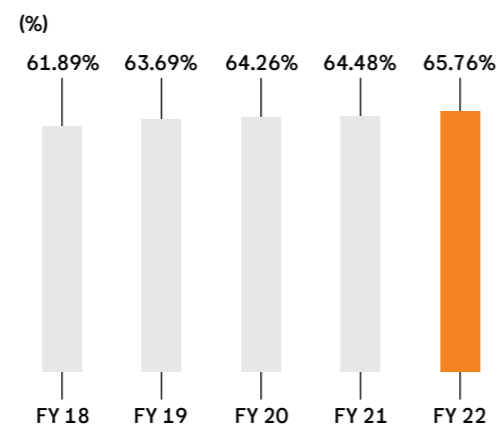
# Performance Highlights

## OPERATIONAL HIGHLIGHTS

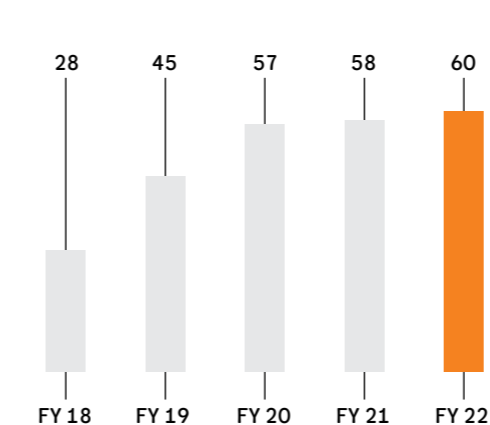
### REVENUE FROM OPERATIONS



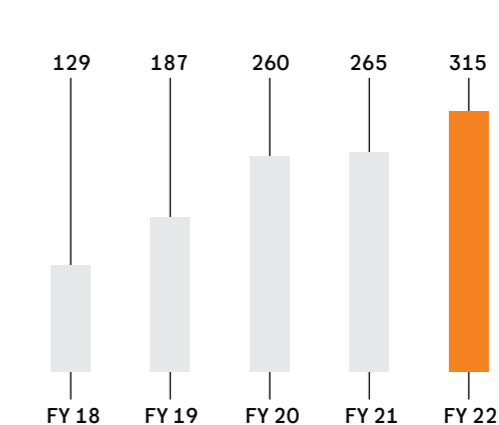
### GROSS MARGIN



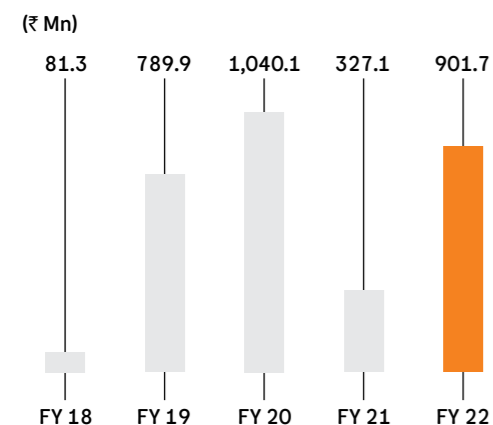
### NO. OF CITIES



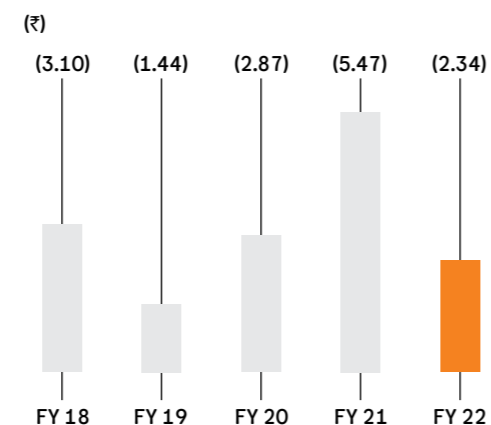
### STORE COUNT



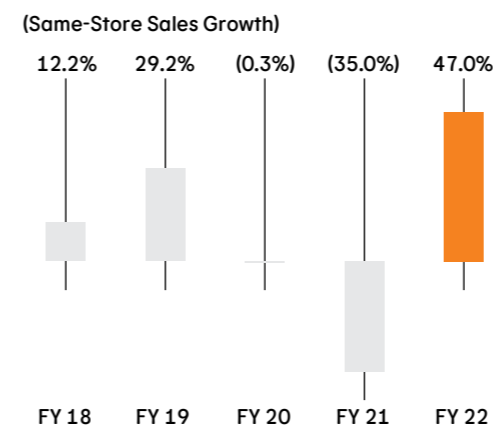
### COMPANY EBITDA POST IND AS 116



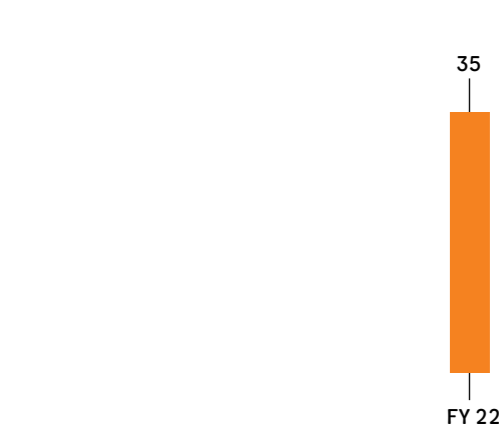
### EARNINGS PER SHARE



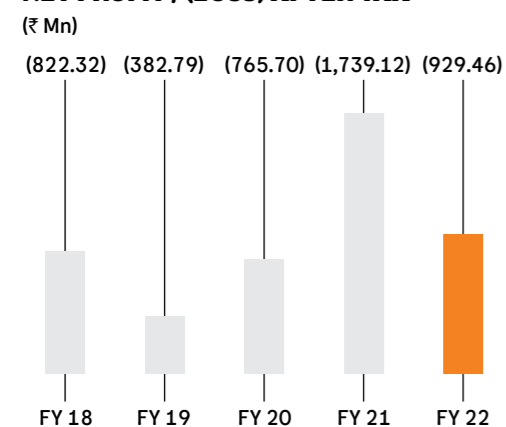
### SSSG



### BK CAFÉ™ STORES



### NET PROFIT / (LOSS) AFTER TAX





## Moving Forward Responsibly

Restaurant Brands Asia® is not just good for taste buds. We are good for the planet, people, guests and communities as well.

# That's a Whopper® of Responsibility.

### PILLARS OF SUSTAINABILITY AT RBA



#### Food: Serving high quality and great tasting food

- **High quality and safe food:** We source 100% antibiotic-residue-free chicken from sustainable sources for our products. All our food served to guests are free from synthetic colours and artificial flavours
- We use food grade paper that are safe for packing food



#### Planet: Continuously reducing our environmental footprint

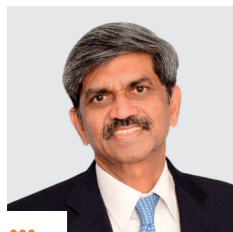
- **Energy efficiency:** Our stores are designed to consume lower electricity and gas, enabling us to significantly reduce carbon footprint
- **Climate-conscious deliveries:** We have a fleet of more than 175 electric bikes to ensure environment-friendly deliveries
- **Plastic management:** All our food is served in sustainable, recyclable, and compostable packaging. Use of plastic from items used for serving our guests have been substantially reduced by using sustainable and biodegradable products. We have also implemented a take back / buy back programme for collection of plastic waste



#### People & Communities: Supporting communities and enhancing livelihoods

- **Promoting girl education:** We are working together with and supporting the NGO of Rooms to Read for supporting girl child education
- **Diversity and inclusion:** Our workforce comprises ~30% women employees. We actively encourage, nurture and foster women in leadership roles in the organisation. We are participating in initiatives such as the Taare Hamare initiative, which has included hiring specially-abled members of the community (persons with hearing and speech disability) to work for us and providing them with training and equal opportunity to develop and improve themselves. In addition, our subsidiary company, PT Sari Burger Indonesia ('BK Indonesia') also has 3 restaurants in Indonesia where specially-abled members of the community are employed

## Board of Directors



**Shivakumar Dega**  
Chairman and Independent Director

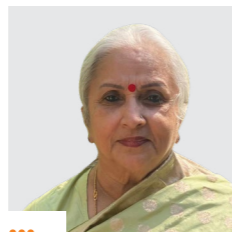
He studied at IIT Madras and IIM Calcutta and is a distinguished alumnus awardee from both institutes. He was the CEO of Nokia India and then Head of Emerging Markets for Nokia.

He was the Chairman and CEO of PepsiCo South Asia and is currently the Group Executive President for strategy and business development at Aditya Birla Group. He also contributes to academia and has been on the Board of Governors of IIM Ahmedabad. He is currently on the Board of IIM Udaipur and XLRI. He has been on the Board of Godrej Consumer Products and was the President of the All-India Management Association; the Chairman of the Mobile Marketing Association; and the Chairman of the Advertising Standards Council of India.



**Sandeep Chaudhary**  
Independent Director

He is a business leader, adviser, educator, and technology enthusiast covering all aspects of Human Capital. He served at Aon Consulting Private Limited for more than 17 years and was the Chief Executive Officer from February 2014 to January 2019. During this time, he also served on the global executive committee. At present, he is the CEO of People Strong, an emerging HR technology firm across India and Asia. He holds a Post-Graduate Diploma in Management from the Symbiosis Institute of Management Studies, Pune.



**Tara Subramaniam**  
Independent Director

She has over 39 years of work experience in banking, real estate, project financing, and business development. She attended a bachelor's degree course in law from the University of Bombay. Prior to being associated with our Company, she has held positions at Housing Development Finance Corporation Limited, JM Financial Group, and SGE Advisors (India) Private Limited. She is on the board of JM Financial Home Loans Limited as a Non-Executive Director and Deltatech Gaming Limited and Tips Industries Limited as an Independent Director. She also works as MahaRERA Conciliator. She is a member of the governing council of the National Real Estate Development Council (NAREDCO) and also the Founder President of MAHI, the women's wing of NAREDCO.



**Rajeev Varman**  
Whole-time Director and Group Chief Executive Officer

He holds a Bachelor's degree in mechanical engineering from Bangalore University and a Master's degree in business administration from GGU in California. He has over 20 years of experience in the food and beverage industry across multiple continents including countries like Canada, UK, US and India. Having worked with the Tricon/Taco Bell brand, Lal Enterprises Inc., and Burger King Corporation, he has held various leadership positions and cross functional expertise.



**Amit Manocha**  
Non-Executive Director

He has 20 years of experience in private equity and corporate finance and spearheaded investments in India and South East Asia across various sectors. He is an alumnus of Harvard Business School and is also an associate member of the Institute of Chartered Accountants of India. He is at present a Managing Director at Everstone Capital and has previously worked with Coca-Cola, GE Capital, and HCL Technologies.



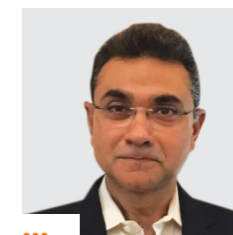
**Jaspal Singh Sabharwal**  
Non-Executive Director

He has been associated with our Company since its incorporation. He holds a Bachelor's degree in science from Kurukshetra University and a Master's degree in management from McGill University, Canada. He has significant work experience in the food and beverage industry and is responsible for advising the leadership team of our Company. Prior to joining our Board, he was a partner at Everstone Capital Advisors Private Limited, and before that he worked with Coca-Cola India Inc. for approximately 10 years.



**Rafael Odorizzi De Oliveira**  
Non-Executive Director

He holds a master's degree in business administration from Kellogg School of Management, Northwestern University. He is the President of Restaurant Brands International (RBI) for the Asia Pacific region. He oversees RBI brands: BURGER KING®, TIM HORTONS®, POPEYES®, and FIREHOUSE SUBS®. He was previously the Regional Vice-President, Burger King® for the EMEA region. He has been with RBI since 2014 and has held strategic roles in both Zug and Miami offices, including General Manager for the BK EMEA North Division, Head of Operations for EMEA, and Director of Operations & Quality Assurance for Latin America in Miami.



**Ajay Kaul**  
Non-Executive Director

He has a Bachelor's degree in technology from IIT Delhi and an MBA degree from XLRI Jamshedpur. In a corporate career span of more than 30 years, he has served renowned companies like American Express, Lufthansa, TNT (India and Indonesia), and been the CEO of Jubilant FoodWorks (operating Domino's Pizza and Dunkin' Donuts in India). He is now working in an advisory capacity with various companies such as Burger King Indonesia, Everstone Capital Advisors, Domino's Pizza Indonesia, Chaayos, California Burrito, etc.

## Our Management Team



**Rajeev Varman**  
Whole-time Director and  
Group Chief Executive Officer



**Sumit P Zaveri**  
Group Chief Financial Officer and  
Chief Business Officer



**Namrata Tiwari**  
Group Chief Human Resource Officer



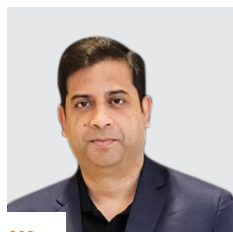
**Cicily Thomas**  
President – Burger King  
India Business



**Kapil Grover**  
Chief Marketing Officer  
Burger King India Business



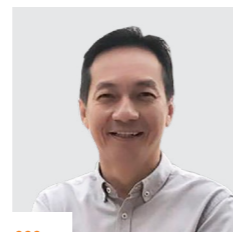
**Vaibhav Punj**  
Chief Executive Officer  
Burger King Indonesia Business



**Sandeep Dey**  
President – Popeyes  
Indonesia Business



**Namita Katre**  
Chief Marketing Officer  
Burger King Indonesia Business

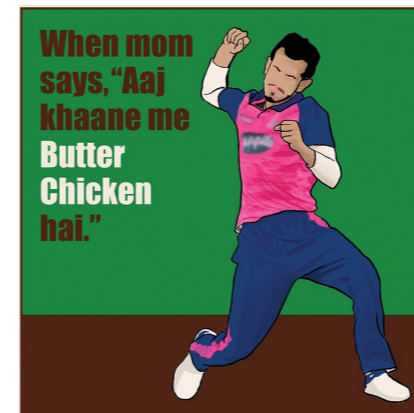


**Welly Yap**  
Chief Development Officer  
Burger King Indonesia Business

## Awards & Recognitions

### Abby 2022

- Gold – Use of Social Media
- Silver – Best in Moment Marketing
- Silver – Direct Response Digital
- Silver – Direct Response AV
- Bronze – Use of Social Media
- Bronze – Best in Moment Marketing
- Bronze – Direct Response Digital
- Bronze – Direct Response AV
- Merit – Best in Moment Marketing
- Merit – Audio, Visual, Digital in Retail
- Merit – Best use of Influencers



### Kyoorius 2022 Baby Elephant

- Creative Use of Real Time Data
- Best use of AR, MR, VR
- Best use of Experiential / Live Events
- eCommerce Use of Data



### Kyoorius 2022 Baby Elephant

- Burger King APAC Convention 2022:  
Digital Marketer of the Year  
Best use of AR, MR, VR
- Effies: David vs Goliath
- Front Benchers 2021:  
Gold in Influencer Marketing
- Indian Digital Marketing  
Awards 2021: Silver in  
Best Topical Campaign

### Brand Equity Shark Award 2022

- Silver for best use of Mobile
- Bronze in use of tech  
enabled campaign

### Campaign India Digital Crest Awards 2021

- Brand of the Year
- Grand Prix in Online Marketing
- Gold in Online Video Short Format
- Gold in Use of Social Media
- Gold in Viral Marketing Campaign
- Silver in Use of Social Media
- Silver in Viral Marketing Campaign
- Bronze in Online Video Short Format
- Bronze in Long Term Strategy

## Corporate Information

### BOARD OF DIRECTORS

**Mr. Shivakumar Dega**

Chairman and Non-Executive - Independent Director

**Mr. Rajeev Varman**

Whole-time Director and Group Chief Executive Officer

**Mrs. Tara Subramaniam**

Non-Executive - Independent Director

**Mr. Sandeep Chaudhary**

Non-Executive - Independent Director

**Mr. Amit Manocha**

Non-Executive Director

**Mr. Ajay Kaul**

Non-Executive Director

**Mr. Jaspal Singh Sabharwal**

Non-Executive Director

**Mr. Rafael Odorizzi De Oliveira** (w.e.f. February 3, 2022)

Non-Executive Director

**Mr. Ekrem Ozer**

(from October 29, 2021 to January 28, 2022)

Non-Executive Director

**Mr. Peter Perdue** (up to October 29, 2021)

Non-Executive Director

### GROUP CHIEF FINANCIAL OFFICER AND CHIEF BUSINESS OFFICER

Mr. Sumit Zaveri (w.e.f. June 1, 2022)

### CHIEF FINANCIAL OFFICER

Mr. Sumit Zaveri (up to May 31, 2022)

Mr. Sameer Patel (w.e.f. June 1, 2022)

### COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Madhulika Rawat

### AUDITORS

**Statutory Auditors:**

M/s. S R B C & CO LLP, Chartered Accountants

**Secretarial Auditors:**

Mehta & Mehta, Company Secretaries

### BANKERS

ICICI Bank Limited

HDFC Bank Limited

Axis Bank Limited

### REGISTRAR AND SHARE TRANSFER AGENT

**Link Intime India Private Limited**

C 101, 247 Park, L.B.S. Marg, Vikhroli (West),  
Mumbai - 400083.

Tel.: 022 - 4918 6270 / 4918 6200 / 1800 1020 878

Fax: 022 - 4918 6060

Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

### REGISTERED AND CORPORATE OFFICE

**Restaurant Brands Asia Limited**

(Formerly known as Burger King India Limited)

CIN: L55204MH2013FLC249986

Unit Nos. 1003 to 1007,

Mittal Commercial, 10<sup>th</sup> Floor,

Asan Pada Road, Chimatpada,

Marol, Andheri (East),

Mumbai - 400 059, Maharashtra.

Tel: +91 22 7193 3000;

E-mail: [investor@burgerking.in](mailto:investor@burgerking.in)

Website: [www.burgerking.in](http://www.burgerking.in)

## Management Discussion & Analysis (MD&A)

### ECONOMIC OVERVIEW

#### Global Economy

The global economy has been under turmoil ever since the first wave of the COVID-19 pandemic thereby witnessing volatile periods throughout then. Global growth is reported to de-grow from 5.9% in 2021 to 4.4% in 2022, down half a percentage point from 2021 October World Economic Outlook ('WEO'), owing to revision in projections for the two largest economies in the world.

According to the WEO April 2022, the global economy is expected to slow down from 6.1% in 2021 to 3.6% in 2022 and 2023. This is 0.8 and 0.2 percentage points lower than the January forecast for 2022 and 2023, respectively.

#### Indian Economy

Since FY 1991, India's real Gross Domestic Product ('GDP') has grown at a rate of between 6% and 7% every year. Since Financial Year ('FY') 2014-15, India has been the fastest-growing G20 economy, with an annual growth rate of over 7%. In FY 2018-19, India's GDP increased at a rate of 7%. As the limitations loosened, the Indian economy recovered from the third wave of COVID-19 in Q4FY 2022. While the rural sector had some slackness, the urban economy experienced a rebound. Recent worldwide disruptions caused by increased agricultural commodity prices had a knock-on effect on the recovery of the rural sector. The combination of solid export growth and soaring imports has resulted in a monthly trade deficit of US\$ 18-20 billion. Household spending has started to pick up again, and investment intentions are beginning to improve.

Due to a good starting position, the Indian economy is expected to have grown by 8.9% during FY 2021-22; nonetheless, the sectoral economic recovery was uneven. Private consumption and fixed investment, two important parts of domestic demand, continued to grow slowly from their pre-pandemic levels, rising by only 1.2% and 2.6%, respectively.

(Source: Bloomberg)

#### Indonesian Economy

Indonesia's economic recovery was slower than expected in the first half of 2021. The extended pandemic and associated containment measures disrupted economic activity more than expected in late 2020, putting downward pressure on domestic demand. The real GDP growth rate is expected to be 5.4% in

2022 and 6% in 2023. The strength of the rebound would cut the output gap in half, from 4.9% of GDP in 2020 to 1.9% in 2023, reducing economic slack by two-thirds. Annual inflation in 2022-23 is expected to continue close to the goal corridor's 3% midpoint.

(Technopak Indonesia Report)

#### Outlook

##### India

The global economy is predicted to be weaker in 2022 than originally anticipated. Countries have re-imposed mobility restrictions as the new Omicron COVID-19 strain spreads. In 2023, global growth is forecast to decrease to 3.8%. Although this is 0.2% point higher than the prior prediction, the upgrade is mostly due to a mechanical pickup in the second half of 2022 as current growth drags disappear. The estimate assumes that by the end of 2022, bad health outcomes in most nations will have decreased to low levels, provided that vaccination rates improve globally and medicines become more effective.

(Source: as per IMF)

COVID-19 had a significant impact on the Indian economy in FY 2020-21, with GDP dropping by 24% in Q1FY 2021 compared to the same period the previous year. The contraction in the first quarter of FY 2021 was not consistent; it differed by state and sector. The aviation sector was the hardest damaged, followed by tourism and other industries, but as the government eased lockdown restrictions and the economy began to open up, the economy's growth trajectory began to improve by the end of Q3FY 2021. India's economy appears to be on a rebound after a second wave of COVID-19 infections this year, which further slowed activity and took a toll on the country's people. The nominal GDP for FY 2022 is expected to be ₹236.44 lakh crore, up 19.4% from the previous year.

(Source: Technopak India)

##### Indonesia

Domestic demand and favourable global commodity prices aided the economic recovery in late 2021, and it is expected to strengthen in FY 2022-23. Annual inflation in FY 2022-23 is expected to be close to the goal corridor's 3% midpoint. The prognosis is better, but the risk balance remains skewed to the downside, with growing concerns about tighter global financial conditions and the spread of the Omicron variety.

(Indonesia, IMF report)

**INDUSTRY OVERVIEW**

**Indian Food Services Market**

India is rising as one of the most appealing food services markets in the world due to economies of scale, resource diversity, cuisine breadth and a rising shift from staple consumption towards discretionary spending. This unprecedented growth in the recent decade is primarily on account of shifting consumer consumption habits, wherein there is an increase in the desire to dine out, which had not previously been a part of the Indian way of living. This has ensured continuous growth of the Indian food services market, which has progressed significantly since the 1990s, from small unorganised food setups to more systematic and organised food brands operating in the country. This further triggered a distinct change in the Quick Service Restaurant ('QSR') industry from early 1996.

This early impetus, spurred by multinational brands, prompted domestic companies to expand their footprints. By the mid-2000s, these initiations had garnered considerable attention in the larger food service ecosystem, prompting the introduction and spread of new ventures. Since 2010, the food services business has not only continued to develop, but has also seen a fundamental upheaval in its structure. Technology enablement and e-commerce have seen a tremendous surge in cloud-based delivery in urban areas, with bottlenecks (cold chain logistics, dark kitchens, and vendor capabilities) greatly alleviated.

Food services is a prominent sector in the Indian economy, accounting for nearly US\$ 56.6 billion in FY 2019-20, with the organised sector accounting for approximately US\$ 22.8 billion (chain and organised standalone outlets). In India, evolving

consumer dynamics, combined with an increase in brand proliferation, are likely to boost the food service sector's growth.

**Indian Food Services Market Size**

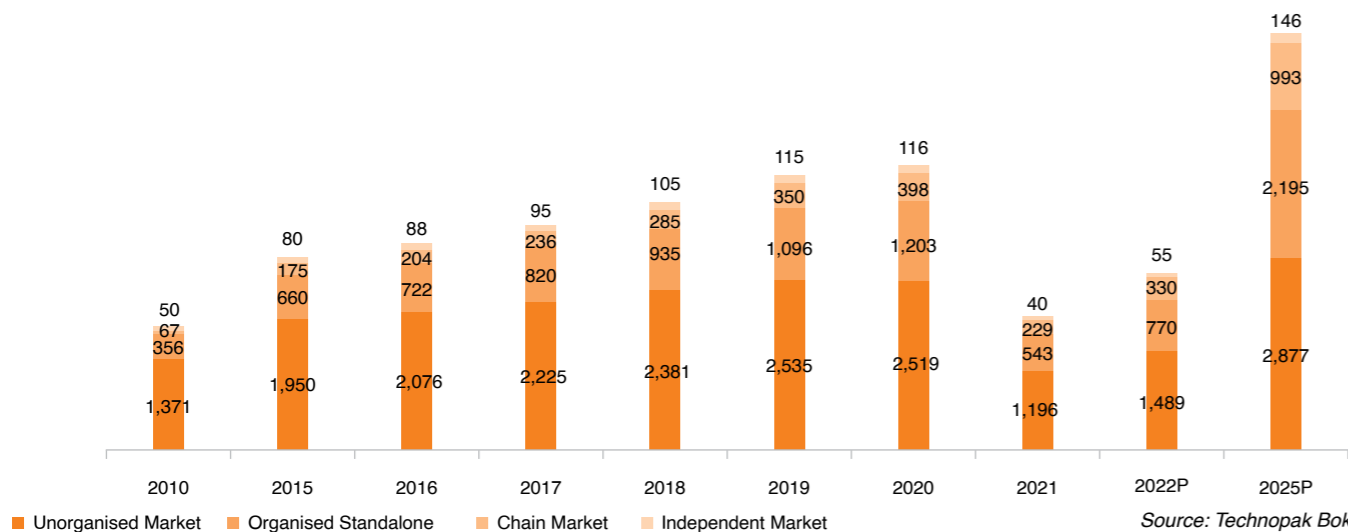
Since FY 2014-15, India's food services market has been steadily growing, with an expected value of ₹4,236 billion in FY 2019-20. However, due to a COVID outbreak and nationwide lockdown in FY 2020-21, the industry had to suffer a 53% decline and was anticipated to be worth ₹2,008 billion in FY 2020-21, rising to ₹2,645 billion by FY 2021-22.

QSR formats that were largely chained were the first to show signs of recovery. To mitigate risks, these brands have shifted their focus to online delivery, either through their own platforms or through aggregator platforms. QSR brands leveraged offers like free delivery, combo meals, complimentary products, and late-night deliveries to manage economies of scale.

Following the above trends and consumer coming back in Dine-in, the Indian food services market is estimated to increase at an annual rate of 8% over the following five years, reaching ₹6,211 billion in FY 2024-25. Increased disposable income, the end of the pandemic, and increased digital penetration are some of the drivers that will propel the Indian food services business forward. The unorganised market accounted for ₹2,519 billion (59%) of the food services market in FY 2019-20, followed by the organised standalone segment, chain market, and restaurant at hotels, which each accounted for ₹1,203 billion (28%), ₹398 billion (9%), and ₹116 billion (3%). As a result, the organised sector's share of the total food services industry was ~41% in FY 2019-20. This was ~26% in FY 2009-10 and is expected to increase to ~54% in FY 2024-25.

**Food Services Market Size (in ₹ Bn.)**

	FY 2010	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022 Projected	FY 2025 Projected
Market Size	1,843	2,865	3,090	3,376	3,706	4,096	4,236	2,008	2,645	6,211
YOY Growth	-	-	8%	9%	10%	11%	3%	-53%	32%	-
5-Year CAGR	-	9%	-	-	-	-	8%	-	-	8%



Source: Technopak Bok  
P: Projected

**Food Services Market Share**

Format	Market Share FY 2010	Market Share FY 2015	Market Share FY 2020	Market Share FY 2021	Market Share FY 2025 Projected
Unorganised Market	74.4% (1,371)	68.1% (1,950)	59.5% (2,519)	59.6% (1,196)	46.3% (2,877)
Organised Standalone Market	19.3% (356)	23.0% (660)	28.4% (1,203)	27.0% (543)	35.3% (2,195)
Chain Market	3.6% (67)	6.1% (175)	9.4% (398)	11.4% (229)	16.0% (993)
Restaurant in Hotels	2.7% (50)	2.8% (80)	2.7% (116)	2.0% (40)	2.4% (146)

Source: Technopak BoK, Market share percentages are rounded-off ( ) Values in ₹ Bn.

**Opportunities and Challenges in the Indian food services market**

**Market Division and Increasing Competition:** In India, unorganised food companies held 60% of the total market by revenue in FY 2020-21 but with increasing awareness on adequate hygiene standards and customers inclination to diverse cuisines has facilitated international and domestic chains to grow at a fast pace, growing their market share from 6.1% in FY 2014-15 to 9.4% in FY 2019-20 and expected to grow to 16% by FY 2024-25.

**Skilled Manpower Hours:** The food services market is labour intensive, but has a shortage of trained manpower. It is estimated that only 50,000 to 60,000 of graduates focus their career in the hospitality sector every year as of FY 2019-20, however, the direct restaurants employment in India is expected to reach 11.8 million by FY 2024-25. The shortage of skilled manpower paired with an attrition rate in the market of 35% to 40% in FY 2019-20, the cost of manpower is high. To cater to this challenge, Indian companies are focussed to train their employees in-house alongside making efforts to keep their motivation levels high.

**Regulatory Support:** While in Indian food industry, a company is required to register and maintain multiple licenses and also adhere to hygiene standards laid by Food Safety and Standards Authority of India ('FSSAI') but post pandemic, these restrictions have proved to be boon and customers' health awareness concerns is expected to enable the organised food services market to grow at a faster pace compared to the unorganised market. Consumers are likely to be less willing to dine at restaurants in the unorganized segment as a result going forward. This gap in the market is expected to be filled by market participant in the organised segment such as the QSRs and Affordable Casual Dining Restaurants ('ACDR').

**Growth of Key Brands in India:** The number of outlets by established international brands has grown at a rate of 1.1 to 1.5 times between FY 2014-15 and FY 2020-21. However, during the same period, compared to other brands, Burger

King has shown exponential growth at a rate of 22.8 times which is the fastest recorded growth among international QSR brands in India during the first five years of operation.

**Indonesia's Food Service Market**

The rise of the Indonesian food services business began with the country's organisation and is now fuelled by increased disposable income and a lower dependency ratio. Solaria, Restaurant Sederhana, and Holland Bakery were among the first international brands to enter the chain food service game in 1990's. The early impetus generated by homegrown chains was bolstered by multinational brands' early entry into the country. Early entry of multinational brands established a solid basis for the growth story to emerge, avoiding any supply chain or vendor capability obstacles. QSRs and Casual Dining Restaurants ('CDR') dominate the food services business, with each holding a 48.7% share of the total number of locations.

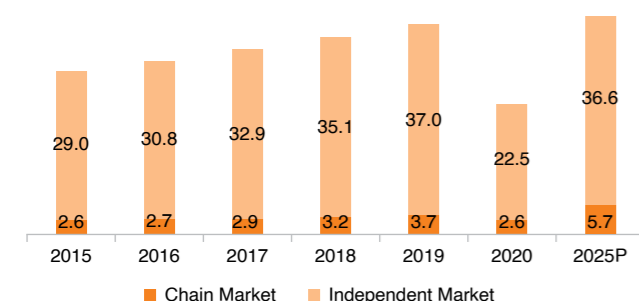
**Indonesia Food Services Market Share**

Between CY 2015 and CY 2019, the Indonesian food services market grew at a steady CAGR of 6.5%. However, as a result of COVID-19, the market shrank by (38.5)%, from US\$ 40.7 billion in CY 2019 to US\$ 25.1 billion in CY 2020. Over the following five years, the Indonesian food services industry is expected to increase at a CAGR of 11%, reaching US\$ 42.3 billion by CY 2025. The food service landscape in Indonesia is dominated by Sumatra, Java, and Bali. In CY 2020, the chain market accounted for 10.4% of the global food services market (US\$ 2.6 billion). In terms of absolute industrial size, the chain market is predicted to increase at a Compounded Annual Growth Rate ('CAGR') of 16.8% from US\$ 2.6 billion in CY 2020 to US\$ 5.7 billion in 2025. In CY 2020, the largest segment of the food services market was fine dine and casual dining restaurants accounting for US\$ 20.9 billion (84%), Followed by quick services restaurants at US\$ 2.8 billion (11%), Pubs, bars, cafes and lounge US\$ 0.8 billion (3%) and Cafes and bakery US\$ 0.6 billion (2%).

(Source: Technopak Indonesia report February 2022)

### Food Services Market Size (in US\$ Bn.)

CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020	CY 2025P
31.6	33.5	35.8	38.3	40.7	25.1	42.3



Source: Secondary Research, Technopak Analysis  
Year Mentioned is CY

### Opportunities and Challenges in the Indonesian Food Services Market

**Urbanisation driving growth:** Early urbanisation coupled with consistent growth of real estate spaces in Indonesia has resulted in the growth of the food services market in the country. In CY 2014, the total food services outlet count was estimated to be around 200,000 - 205,000 and the same has grown to 215,000 - 220,000 in CY 2020. To cater to the needs of growing population in major cities of Indonesia, the country has expansion of footprints by domestic and international food brands. In terms of number of outlets, Burger King leads the growth of chain market in terms of number of outlets and has grown at a CAGR of 34.0% in the last four years (between CY 2016 and CY 2020),

**Per Capita Expenditure:** As compared to other markets, Indonesia has relatively lower per capita spend on dining out due to less outlets. However, in the coming years, eating out frequency is expected to increase with the reduction of poverty and the dependency ratio, growing spending power, increased exposure to different culinary customs across the world, resulting in higher experimentation by consumers.

### Concentrated Growth of Food Services will expand into Newer Regions:

With vast economic, infrastructure and cultural disparities between various regions within Indonesia, the growth of the food services market is centred around Jakarta. These disparities can be further demonstrated by the high density of organised QSRs in these areas. However, according to the ADB report Country Partnership Strategy-Indonesia 2020-2024 and Indonesia's National Medium Term Development Plan (RPJNM: 2020-2024), focus on inclusive development will target infrastructural developments and other inclusive developments in other regions such as Kalimantan

and Sulawesi, will lead to increased focus and growth of these regions. This will eventually lead to a focus of food services players in these regions within Indonesia and continue the growth of the food services market in Indonesia.

**Younger Demographics:** The pandemic had certainly opened up new avenues for Indonesian food market where the increasing work from home trends have led the growing millennial population to order in or takeaway meals at their convenience and with their changed preferences, the Indonesian food market has loads of opportunities to explore various cuisines, the millennial population is certainly forming the base of growth and expansion of the industry. In CY 2020, nearly 64 million (approximately 24% of the total Indonesian population) were millennials (persons under the age bracket of 21-36 years). The Indonesian working population for CY 2020 was estimated at 186 million (67.8% of the total Indonesian population).

### QUICK SERVICE RESTAURANT (QSR)

**World:** According to a Global newswire report in 2021, the global fast food and QSR market was worth US\$ 232.3 billion. Looking ahead, the market is expected to reach US\$ 308 billion by 2027, with a 4.8-4.9% compound annual growth rate (CAGR) from 2022 to 2027. One of the primary drivers driving the market's optimistic outlook is significant expansion in the food and beverage industry, as well as the widespread adoption of franchise business models by popular restaurant chains. Furthermore, the growing working population and improving consumer lives around the world have increased fast food consumption. In addition, due to busy schedules, on-the-go food products that can be purchased and consumed while travelling is becoming increasingly popular. As a result, the market is experiencing a favourable outlook. Another growth-inducing element is the emergence of café culture, which is complemented by the availability of healthier fast food options.

QSRs are creating creative and exotic recipes that use natural, organic, and plant-based ingredients rather than artificial and processed equivalents, and they're getting a lot of traction with health-conscious customers. Other factors, such as restaurant modernisation and digitisation, as well as the use of touchscreen kiosks, kitchen-display screens, and digital sales terminals, are expected to propel the market forward.

**India:** The QSR segment of India's food service business is appealing because it satisfies the need for service speed at a time when people's lives are busy. The QSR category accounted for 46% of the chain food services segment's market share in 2019 and is expected to grow to 50% by 2024, based on the relevance of its appeal. Interestingly, in a post-COVID-19 world characterised by increased demand for quality, hygiene, affordability, and accessibility, this segment

has become substantially more relevant. There is a rising emphasis on delivering a good value for money, as well as a brand trust that ensures physical safety when getting food, making them a more popular choice.

International food chains that specialise in localised India-centric menus with strong price-value proposition have fuelled the growth of QSRs in India. The fastest increasing product category within the QSR market was burgers and sandwiches. Furthermore, the QSR category has increased as a result of changes in social dynamics, with dining out evolving from a special event to a routine and recreational activity. The QSR segment de-grew significantly in the first quarter of FY 2020-21, and first recovered through contactless engagements (food takeaway, drive-thru, and home delivery) until the confidence to dine returned. The QSR segment had the greatest average monthly spend per household as well as one of the highest yearly growth rates among all segments (compared with CDR

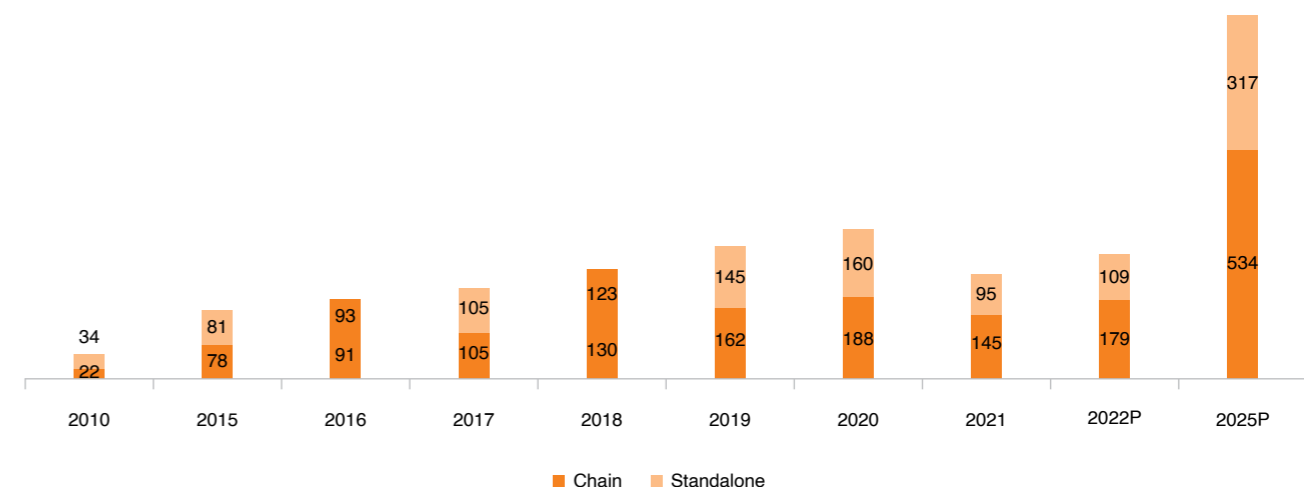
and cafes). In 2019, the QSR category accounted for 46% of the chain food services market. Because of the increased preference for eating out and the market penetration of QSR food outlets in Tier II and Tier III cities, this market share is likely to grow. For good cause, there is confidence that the Indian QSR category is at the bottom end of a protracted J-curve in demand.

The Indian population continues to expand; India's population has the highest number of millennials in the world; India's enormous agricultural base allows it to offer food at one of the lowest comparable costs among major countries. During the pandemic, this hope was verified when India's dine-in spending fell 2%, compared to a global average of 30-70%. As a result, the QSR segment's medium-term prognosis is protected: the category is expected to increase at a CAGR of 19% from ₹307 billion in 2019 to ₹742 billion in 2024.

(Source: Technopak BoK, NRAI India Food Services Report 2016).

### Total QSRs Market Size (in ₹ Bn.)

	FY 2010	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022P	FY 2025
Market Size	56	159	184	210	253	307	348	240	288	852
YOY Growth	-	-	16%	14%	20%	21%	13%	-31%	20%	-
5-Year CAGR	-	23%	-	-	-	-	-	-	-	20%



**Indonesia:** In Indonesia, the QSR industry is very competitive, with a slew of multinational and domestic firms vying for market share. Year after year, new competitors enter the market in this category. There are over 105,000 QSRs in Indonesia. Nearly 14% of overall QSR outlets are chain locations. In recent years, the number of restaurant chains in Indonesia and across the globe has expanded dramatically. Various fresh-to-market restaurant concepts are continuing to investigate and invest in new ventures. Among the key QSR brands,

Burger King and Domino's, for example, have experienced fast growth. Both the brands have had a 34% and a 23% growth in store count, respectively. While the brands that have already established themselves in the market have raised their outlet count by 6.2% to 8.2% between FY 2016 and 2020. Domestic players are rapidly entering the QSR space as a result of the growing presence of international chains in the QSR segment. Burger King is also one of the first international QSRs to introduce plant-based offerings on its Indonesian menu. This

initiative will further enable Burger King to tap the wider market opportunity in the next few years. The top seven foreign QSR brands account for roughly 13% of total outlets and around 40% of total sales in the chain QSR categories.

(Source: Technopak Indonesia Food Services Report)

## COMPANY OVERVIEW

### Corporate Snapshot

Restaurant Brands Asia Limited (formerly known as Burger King India Limited) ('RBAL' / the 'Company') embarked on its journey in 2014 and since then it has become the fastest growing international QSR chain in India during the first five years of its operations based on the number of restaurants.

(Source: Technopak)

As the exclusive national master franchisee of the BURGER KING® brand in India, it has exclusive rights to develop, establish, operate and franchise Burger King branded restaurants in India. The master franchisee arrangement provides the Company with the ability to use Burger King's globally recognised brand name to grow its business in India, while leveraging the technical, marketing and operational expertise associated with the global Burger King brand. The globally recognised Burger King brand, also known as the "HOME OF THE WHOPPER®", was founded in 1954 in the United States and is owned by Burger King Corporation, a subsidiary of Restaurant Brands International Inc., which holds a portfolio of fast food brands that are recognised around the world that includes the BURGER KING®, POPEYES®, TIM HORTONS® and FIREHOUSE SUBS® brands. The Burger King brand is the second largest fast food burger brand globally as measured by the total number of restaurants, with a global network of 19,247 restaurants in more than 100 countries and U.S. territories as at December 31, 2021.

A key focus of the business is promoting and maintaining operational quality, a people-centric culture and effective technology systems that enable the Company to optimise the performance of its restaurants, enhance the customer experience the Company offers and contribute to its growth.

### Business Performance

Since opening the first restaurant in November 2014, the Company is moving forward with clear vision and well-defined restaurant roll out strategies with the aim of growing quickly, consistently and efficiently into a pan-India QSR chain and capitalising on the growing market opportunity in India for QSR restaurants that led to building a strong network of 315 restaurants by the close of FY 2021-22. Further the approach helps to efficiently manage the supply chain and ensure cost efficiencies owing to the proximal location of restaurants and distribution centres.

In the current scenario, although the COVID-19 crisis has adversely affected the Company's ability to open new restaurants and expand the restaurant network temporarily, the Company continues to evaluate the pace and quantity of new restaurant openings and the expansion of the restaurant network and aim to increase the pace of its growth as the COVID-19 crisis subsides. On similar lines during FY 2021-22, the Company has added net 50 restaurants, growing to 315 restaurants including nine Sub-Franchised Restaurants.

Operational quality, customer-centric culture and advanced technology systems lays the foundation of the Company and enables to optimise the performance of the restaurants, enhance the customer experience and contribute to its growth. The Company plans to continue to build its restaurant network using a cluster approach and penetration strategy with the objective to provide greater convenience and accessibility for the customers across relevant geographies. The Company launches its brand from flagship locations in high traffic and high visibility locations in key metropolitan areas and cities across India and then develop new restaurants within that cluster. This approach also helps the Company to efficiently manage vertically managed and scalable supply chain and drive down costs, due to the proximity of the restaurants to each other and to the distribution centres of its third-party distributor.

Company's revenue from operations grew from ₹4,944.54 million in FY 2020-21 to ₹9,437.09 million in FY 2021-22. However, the COVID-19 crisis has had a significant impact on the Company's results of operations since the end of FY 2019-20. The Company started getting back in momentum due to the reopening of restaurants and lessening of lockdowns and other COVID-19 restrictions in FY 2021-22. The average daily sales also increased to approximately ₹100,000 in the FY 2021-22, compared to approximately ₹68,200 in FY 2020-21. In addition, in FY 2021-22, the same-store sales grew at 47%, compared to a decrease in same-store sales of (35)% in the previous FY 2020-21. The gross margin grew from ₹3,188.13 million, or 64.5% in FY 2020-21 to ₹6,205.73 million, or 65.8%, in FY 2021-22.

### Key Developments

**Acquisition:** The Company successfully completed the strategic acquisition of a controlling stake of 87.75% in PT Sari Burger Indonesia ('BK Indonesia') on March 9, 2022. Consequent to the above, BK Indonesia has become a subsidiary of the Company. Taking into account the similarity of BK Indonesia's business to ours, its shared vision and strategy, and the growth potential of the Indonesian market, it is believed that the said acquisition will support the Company's further growth and provide synergies that will make BURGER KING® a stronger QSR brand in Asia. In addition, the Company believes that diversifying the business into a new geographical

region by acquiring an already established business that operates in a manner similar to RBAL will lead to sustainable growth for the Company.

**BK Café™:** As part of the Company's aim to increase and strengthen its customer base, BK Café™ was launched in November 2021, serving a range of hot and cold coffee-based beverages, non-coffee shakes, hot chocolate and new savoury and sweet food menu items as an accompaniment with the beverages.

The Company's BK Café™ offering is also part of the focus on the growing millennial population in India and aims to continue to improvise and learn from the customers' preferences. BK Café™ was started with the same principles as that of RBAL seven years ago with the aim of ensuring the best quality, locally sourced coffee from the best-in-class supply partners. In addition, a certified Q Grader from the Coffee Quality Institute, who is also a former national barista champion, has joined the BK Café™ team has worked on the coffee blends and helped to design the BK Café™ menu and train the teams with the aim of serving the customers quality coffee. The Company believes that the incremental occasions for customers will come from introducing BK Café™ which will also help the Company to drive its revenue and margins. As of March 31, 2022, the Company had 35 BK Café™ stores open.

**Wide Variety of Food:** The Company's menu is built through extensive taste testing in order to appeal to the Indian palate and the tastes of its customers. There is a wide variety of 25 different vegetarian and non-vegetarian burgers covering both value and premium offerings. Majority of the burgers are using incremental pricing, in which the Company's burgers are priced at increments of ₹5 to ₹20, helping the customers to upgrade to higher value burgers more easily. While the Company's core strength is burgers, it continuously strives to enhance its customer experience by providing variety across our food offerings including wraps, coffee, dips, beverages, sides, snacks, shakes and desserts across different day parts, including breakfast, lunch and dinner, snack times and late night. From time to time, the Company also creates limited time offerings, such as our Twisted, Boss, and Peri-Peri WHOPPER®, which is believed to drive excitement and appeal for our premium customers. The Company has launched the premium gourmet-style burger experience that is offered through the King's Collection range, which is available in four taste profiles, Cheese, Paneer, Tandoori Chicken and Fiery Chicken. In addition, the Company has also launched specific product innovations, such as Boneless Chicken Wings, across its restaurant network in India. This wide choice and variety in the menu help to drive the frequency with which customers order the products and visit the restaurants.

In addition, the Company has also launched specific product innovations, such as Boneless Chicken Wings, across its restaurant network in India.

**Value Leadership:** The Company's aim has not only been to offer quality products that are tailored to Indian taste and preferences, but also to provide substantial value at attractive price points. The key driver of this strategy has been the Company's promotions that focus on value and variety with different taste profiles and product formats. In April 2021 and July 2021, the Company had initial trial launch and then a campaign launch, respectively, of its new "Stunner Menu" at the price points of ₹50 and ₹70 to continue its drive toward value leadership in the international QSR market in India. The Stunner Menu includes a variety of product formats and covers 11 products, including burgers, wraps, rice and a new product format called "volcano", as well as global and Indian flavour taste options, such as our Tikki Twist, Makhani, and Crispy products, at accessible value pricing. The "Stunner Menu" builds on the Company's strong variety proposition with varied promotion combining the burgers/wraps with fries, coffee and beverages. In addition, in order to make the signature WHOPPER® more accessible, the Company has launched WHOPPER® Jr.'s at attractive price points, both in vegetarian and chicken variants.

### Strategic Initiatives

**Leveraging Technology:** Technology has always been the Company's prime strategic goals. The Company utilises "360° technology" in its interactions with the customers and across the restaurant operations and management. From steps like real-time updating of restaurant menus to utilising handheld POS systems and by integrating the customer platforms with the delivery aggregators, payment gateways and wallets, the Company has worked on incorporating every feature for smooth customer experiences. In addition, since it was launched in June 2020, the BK mobile app has been downloaded over 2.96 million times as of March 31, 2022, and has been an important focus of our business due to the challenges posed by COVID-19. The BK mobile app features: (i) the Omni-Channel experience in ordering for dine-in, takeaway and delivery, (ii) the BK Crown loyalty program, (iii) rider tracking, and (iv) exclusive offers through digital coupons to encourage more user engagement. The BK mobile app also features electronic paperless billing and permits contactless ordering and payment for both takeout and dine-in. In addition, the Company utilises an integrated planning and invoicing system with the third-party distributor for purposes of planning, invoicing and automated inventory replenishment. The Company also uses biometric attendance tools to manage its employees at the restaurants. For purposes of managing the business, the management team has access to key

metrics to measure and monitor operational performance, sales and profitability, and leverage best practices across the organisation in order to drive efficiencies.

**Economies of Scale:** To attain optimum cost utilisation and bring efficiencies with expansion of margins, the Company intends to focus on growing the number of restaurants to continue spreading corporate-level fixed costs, in particular the brand building and launch expenses and the corporate-level administrative expenses, across a larger restaurant network. Further, it is intended to leverage the vertically managed and scalable shared supply chain infrastructure with the third-party distributor, including for BK Indonesia, which is expected to drive the Company's gross margins. As the number of restaurants grows using the cluster approach and penetration strategy, it is also intended to continue to drive down the distribution costs, which are embedded in the cost of material consumed, since this will enable the Company to supply multiple restaurants at lower per unit costs due to their proximity to each other and the distribution centres of the third-party distributor. It is believed these advantages will drive strategic cost efficiencies and expand the gross margins as the business grows.

**Brand Positioning:** Since the launch in November 2014, the Company's supreme focus is on building strong loyal customer base by spreading brand awareness and meeting customer expectation using its integrated marketing approach to target a broad consumer base with frequent and inclusive messaging and engage consumers at multiple touchpoints, including through sustained investment in social media and mass media channels, such as regular TV commercials, big ticket and high impact media properties. On route to become the most adored QSR brand in India, it is intended to continue targeting the large and growing millennial population in India through the marketing campaigns. In addition, it is intended to continue promoting the BK Crown loyalty program in order to engage with the customers and drive customer loyalty. It is also intended to continue striving to provide customers with a best-in-class restaurant experience with the customer proposition, menu architecture and the restaurant service, such as by leveraging the value leadership and offering a strong entry menu at attractive price points to millennials, many of whom are just entering the workforce and seeking everyday value. The Company believes this is key to bringing new and returning customers into its restaurants to purchase its products, driving the number of footfalls and same-store sales in its restaurants.

**Disciplined Expansion:** New restaurant roll-out process comprises a disciplined approach of identifying locations and building restaurants quickly and efficiently. The Company builds its restaurant network using a cluster approach, wherein the Company launches its brand from flagship locations in high-traffic and high-visibility locations across key metropolitan markets, and then develop new restaurants within that cluster. This approach helps to efficiently manage the supply chain and ensure cost efficiencies owing to the proximal location of restaurants and distribution centres.

The Company's pace of expansion was certainly impacted by COVID-19 crisis but as business activity slowly recovered during FY 2021-22 so far, as a result of the reopening of restaurants and lessening of lockdowns and other COVID-19 restrictions, the number of restaurants increased to 315 as on March 31, 2022, while maintaining nine Sub-Franchised Restaurants as of that date. As the COVID-19 crisis subsides, the management believes that the Company will be able to continue to increase the pace of growth of its restaurant network. The Company's flexibility with respect to its restaurant formats also enabled to undertake certain temporary changes to its store formats during the COVID-19 crisis, such as moving cash registers and service counters closer to the restaurant entrance to facilitate takeaway and delivery. This has also made it possible for the Company to integrate BK Café™ into its existing restaurant formats. The Company's well-defined restaurant development process has contributed to becoming one of the fastest growing QSR brands to reach 200 restaurants among international QSR brands in India during the first five years of its operations. (Source: Technopak). The Company currently plans to have 700 restaurants, open by December 2026.

**Staff Training Programmes:** The food industry domain is labour-centric and shortage with high rate of attrition aggravates the smooth operations, hence the Company created strong in-house training programmes to address the demand and supply gap. These programmes focus on building efficiencies, customer satisfaction, developing interpersonal skills and cross-functional training, and has helped improve staff's motivation and loyalty to the brand. In-house training programmes also have the benefit of tackling attrition as attrition rate is low in staff that have undertaken a training programme and have acquired new skill sets.

**KEY STRENGTHS**

Strengths	RBAL	BK Indonesia
Master Franchisee Arrangement	The master franchisee arrangement, provides with the ability to use Burger King's globally recognised brand name to grow its business in India, while leveraging the technical, marketing and operational expertise associated with the global brand. Further, provides the flexibility to tailor BK menu, promotions and pricing to the Indian tastes and preferences while meeting the quality standards.	The master franchisee arrangement, provides with the ability to use Burger King's globally recognised brand name to grow its business in Indonesia, while leveraging the technical, marketing and operational expertise associated with the global brand. Further, provides the flexibility to tailor BK menu, promotions and pricing to the Indonesian tastes and preferences while meeting the quality standards.
Unique Value Proposition	The Company's aim has not only been to offer quality products that are tailored to Indian taste and preferences, but also to provide substantial value at attractive price points. The key driver of this strategy has been the Company's promotions that focus on value and variety with different taste profiles and product formats.	The key driver of BK Indonesia strategy has been its two value menus: the "Menu Bokek", and the "King Deals" offer a full meal. Besides, BK Indonesia has extensive value offerings through third-party aggregators and actively deploys festivals/themes promotions. This enables it to reach a broad consumer base.
Wide Range of Offerings	The Company has a wide variety of 25 different vegetarian and non-vegetarian burgers covering both value and premium offerings. Menu items tailored to cater to the local Indian palate and include a wide range of vegetarian meal options, which is believed to attract additional customers into its restaurants. The Company has also separated the cooking and preparation of vegetarian, egg and non-vegetarian products in the kitchens to build trust with the customers.	Provides wide variety of burgers covering both value and premium offerings. It serves a wide range of fried chicken offerings including fried bone in chicken, chicken burgers and snacks, and its freshly-battered fried chicken, which was developed based on customer demand, is one of its key menu offerings in Indonesia.
Taste advantage and flame grilling expertise	The menu is built through extensive taste testing in order to appeal to the Indian palate and the taste of our customers. Major strength is the flame grilling expertise, and each of the restaurants has this capability, for which the Company imports specially-designed patented broiler equipment, as well as that all of the food is free from synthetic colours and artificial flavours.	Besides the taste extensively catering to the Indonesian palate, BK Indonesia as well offers its customers 'clean food' made with ingredients containing no artificial flavours, no artificial preservatives and no artificial colours. It has also removed ingredients such as MSG and high-fructose corn syrup, while still serving the same Burger King flame-grilled flavour.
Brand positioned for Millennials	The Company has positioned its brand to target the millennial population. The Company connects with them through its value leadership, strong entry menu at attractive price points and unique advertising and marketing campaigns such as "#Wraps Without Gaps, #LonelyClown", "#DateTheWhopper, #ItsNotABurgerItsAWhipper, #GreatestHack and #SoberWhopper" campaigns, which focus on the Burger King brand being about self-expression.	BK Indonesia connects with millennials, through its value leadership, innovative launches, guest-facing technology and its strong entry menu at attractive price points. Its recent advertising campaigns targeting the young population in Indonesia have included its launch of its "Menu Bokek" value menu, its plant-based WHOPPER® and the relaunch of its value-oriented fried chicken offerings, such as "King's Chicken" featuring celebrities and video games that are popular with millennials. Additionally, innovative and creative menus such as the "Tropical Delight", "New Kuro Ninja" burgers and the "Purple Seoul" burger range are aimed at attracting younger customers that seek non-traditional menus with visual appeal that can be considered interesting and exciting.
Experienced Management Teams	The Company's management team includes senior employees who have significant work experience in the food and beverage industry, retail and major fast moving consumer goods brands, Further, majority of the management team members have been associated with the Company since the start of its operations in India.	BK Indonesia's management team includes members with significant experience in the QSR and relevant businesses such as e-commerce.



## CHALLENGES SPREAD ACROSS INDIA AND INDONESIA BUSINESS

### Covid Safety Protocols and Safety Standards



#### Food Safety and Quality concerns

With the pandemic still looming, food safety and food quality have become very important. Food Regulators are playing an active role in addressing food safety concerns by educating players in the food services market and has made it mandatory for restaurants to prominently display food safety boards, including dos and don'ts with respect to hygiene, sanitation and good manufacturing practices, in addition to employing a trained food safety supervisor in their premises. Chain QSR players, particularly international brands, have stringent food safety compliance procedures and comply with all Indian rules and regulations, which has helped them build a strong brand loyalty.

#### Covid Safety Protocols and Safety Standards

Hygiene and safety have become the prime concerns post the COVID-19 pandemic. Post the lockdowns, the government has imposed heightened measures relating to sanitisation in kitchen spaces, dining facilities, delivery services and other related areas, which is expected to increase the operational costs.

#### Shortage of skilled labour and high attrition

The business is labour-intensive but has shortage of trained manpower, further mounted with high attrition rate and increased cost of retention, factors such as these leads to lack of stability and decrease in the quality of service provided to consumers.

#### High real estate prices

For companies operating in the food services industry, rentals form the major cost component. High real estate prices are exerting pressure on the profitability of companies in the food services market and deterring the growth of the outlets. With the COVID-19 pandemic, rental prices of several malls and high street spaces reduced drastically and, in some cases, rent waivers were also granted during the lockdown but with easing restrictions, landlords will re-look in the revenue models to make-up for the increased loss for lockdown years.

#### Increasing Competition

The Indian food market services is highly fragmented with many unorganised players that contribute 60% of the total food services market by revenue in FY 2020-21. Customer loyalty is low for small and mid-sized restaurants due to a number of factors such as lack of best practices in maintaining adequate hygiene standards and an increase in consumers desiring to try new experiences. This market fragmentation has facilitated international and domestic chains to grow at a fast pace, growing their market share from 6.1% in FY 2014-15 to 9.4% in FY 2019-20 and expected to grow to 16% by FY 2024-25. Players in the chain market with robust food safety and hygiene standards, strong operating procedures, consistent taste and flavour and global best practices are winning consumer loyalty and have higher customer retention rates.

## FINANCIAL REVIEW

(₹ in Million)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	9,437.09	4,944.54	14,902.73	10,039.61
Other Income	205.29	284.78	224.38	340.52
<b>Total Income</b>	<b>9,642.38</b>	<b>5,229.32</b>	<b>15,127.11</b>	<b>10,380.13</b>
Less: Cost of materials consumed	3,231.36	1,756.41	5,498.06	3,968.09
Less: Employee benefit expenses	1,539.77	1,176.04	2,668.05	2,202.84
Less: Finance cost	679.53	821.21	953.58	1,044.41
Less: Depreciation and amortisation expenses	1,356.95	1,275.45	2,335.84	2,289.14
Less: Other expenses	3,764.23	1,862.22	5,771.27	3,619.18
<b>Loss before Exceptional items and Tax Expense</b>	<b>(929.46)</b>	<b>(1,662.01)</b>	<b>(2,099.69)</b>	<b>(2,743.53)</b>
Add: Exceptional items	-	77.11	251.85	77.11
<b>Loss before Tax Expense</b>	<b>(929.46)</b>	<b>(1,739.12)</b>	<b>(2,351.54)</b>	<b>(2,820.64)</b>
Less: Tax Expense (Current & Deferred)	-	-	-	-
<b>Loss for the year (1)</b>	<b>(929.46)</b>	<b>(1,739.12)</b>	<b>(2,351.54)</b>	<b>(2,820.64)</b>
Total other comprehensive income/ (loss) for the year, net of tax (2)	(6.77)	1.00	(47.40)	128.83
<b>Total comprehensive loss for the year, net of tax (1+2)</b>	<b>(936.23)</b>	<b>(1,738.12)</b>	<b>(2,398.94)</b>	<b>(2,691.81)</b>
Equity holders of the parent	(936.23)	(1,738.12)	(2,010.75)	(2,383.49)
Non-controlling interests	NA	NA	(388.19)	(308.32)
Opening balance of retained earnings	(5,151.41)	(3,412.30)	(6,874.02)	(3,412.30)
<b>Closing balance of retained earnings</b>	<b>(6,080.87)</b>	<b>(5,151.41)</b>	<b>(9,694.23)</b>	<b>(6,874.02)</b>

During the financial year 2021-22, the Company reported total income of ₹9,642.38 million on Standalone basis and ₹15,127.11 million on a Consolidated basis, increase of 84.39% on Standalone basis and 45.73% on a Consolidated basis from the financial year 2020-21 mainly on account of increase in dine-in sales and ease of lockdown restrictions in the country. The total expenditure excluding exceptional items was ₹10,571.84 million on Standalone basis and ₹17,226.80 million on a Consolidated basis, increase of 53.41% on Standalone basis and 31.27% on a Consolidated basis from the financial year 2020-21. The Company's gross margin improved by 1.28 basis points on Standalone basis during the financial year 2021-22 at 65.76% as compared to 64.48% in FY 2020-21. The Company's gross margin improved by 2.63 basis points on Consolidated basis during the financial year 2021-22 at 63.11% as compared to 60.48% in FY 2020-21. Since the Company did not make any profit during the year, no dividends were recommended.

### Significant Changes in the Key Financial Ratios

Particulars	FY 2021-22	FY 2020-21
Debtors Turnover* (in days)	2.95	3.40
Inventory Turnover*(in days)	4.56	7.19
Current Ratio	2.25	2.19
Gross Debt Equity Ratio (excluding lease liability)	NIL	NIL
Operating Profit Margin	9.56%	3.03%
Net Profit Margin	(9.85%)	(35.17%)
Return on Net Worth	(4.77%)	(25.82%)

\*Based on days sales

## RISK MANAGEMENT

Risks	Impact	Mitigation
Operational Risk	Enterprise growth is mainly impacted due to inability to provide good quality customer services and food.	To combat this threat, the Company focusses on employee training sessions in food handling and customer service. This helps RBAL to be in compliance with the stringent quality specifications and defined quality parameters by the regulatory authorities. Further, periodic quality assessment of restaurants and vendors, helps ensure operational consistency.
Supply Chain Risk	High dependence on single third-party ingredients distributor delays the supply chain system with increased procurement costs.	RBAL maintains a long-standing relationship with the suppliers across the country to ensure optimal utilisation of the supply chain.
Consumer Attrition	Failure to keep up to changing consumer tastes and preferences can prove deterrent to growth.	We offer a diversified menu designed suitable to the local palate of the customers and also have provision of tailor-made services. Further, periodic customer surveys is conducted to capture market trends and customer preferences.
Compliance Risk	Non-compliance with the statutory norms and regulations may damage the Company's reputation and impact operations.	Company remains vigilant and ensures to adhere to food quality standards and norms issued by regulatory authorities.
Inflation Risk	Increased Inflation leads to high cost of ingredients and materials impacting company profits.	Strong relationships with suppliers of certain selected ingredients, which are subject to fluctuation in prices, thus, ensuring an insulated and de-risked bottom line. Further, the connection with a host of vendors, helps the Company attract competitive quotations and have multiple vendors ensuring cost efficiency.
Information Technology Risk	Technology failures may severely impact business operations at large scale.	All the restaurants are equipped with a centrally controlled digital menu board, and handheld POS systems and has in place documented data security policy, SOC report for POS (front end and back end), and necessary security certifications for all key applications.
Cyber Security	Hacking of websites, social media accounts; Phishing Attacks; Drive by Downloads; Insider Threats; Ransomware; Insecure Internet Connectivity; Unencrypted File sharing.	The Company doesn't store customer's financial information like complete card number, CVV number, card expiry date etc.  The Company also ensures "Data Security" by restricting its access. Proper Anti-virus systems are installed to protect Company's system from threats like hacking, phishing, ransomware, etc. The Company ensures a remote back up of all files to secure itself from the loss of essential files and the robustness of the system are checked periodically. An internal file transfer system for transferring large files is installed to prevent leakage of any confidential documents.
Employee Attrition	Shortage of Skilled labour accompanied with high attrition affects the smooth operations and leads to dissatisfied customer base.	The Company conducts in-house training sessions for overall development of its employees and have strong appreciation reward policies to keep the employees motivated.
ESG	ESG risks include those related to climate change impacts mitigation and adaptation, environmental management practices and duty of care, working and safety condition, respect for human rights, anti-bribery and corruption practices, and compliance to relevant laws and regulations.	The Company is working on mitigating Environment related risk. The Company has in place a robust policy dealing with anti-bribery and corruption practices. The Company also ensures compliance with relevant laws and regulations.

## HUMAN RESOURCES

Workforce management considerations form the integral part of the Company's growth strategy. The Company's investment in human resources includes creating a positive, safe and collaborative work environment that attracts and retains right talent that are focussed to deliver greater customer experiences and help build the brand image stronger. A well-defined internal growth path called RAP (Rewarding Ace Performance) is in place for restaurant employees – from crew to restaurant managers. "Queen at Restaurant Brands Asia Limited" is the Company's own concept of encouraging and developing the women workforce to take on more challenges and grow up in the career ladder along with managing other responsibilities. Company's internal growth mobility programs allow employees to get trained and move to supervisory roles. More than 40% of the restaurant level supervisory / managerial positions were filled in through this program – cross-functional movements are encouraged so that the development of individuals is horizontal as well as vertical. As part of the commitment, the Company is participating in initiatives such as the Taare Hamare initiative, which has included hiring specially-abled members of the community (persons with hearing and speech disability) to work for RBAL and providing them with training and equal opportunity to develop and improve themselves.

To improve customer experience, apt focus is given to imparting training to the employees. For this reason, Company has put the principles of "Customer First" and "Customer Delight" at the centre of its operations. In addition, a core part of the culture is the "ZEST" employee program, which stands for "Zealous, Energy, Smiles and Thank you", which focusses on instilling passion and enthusiasm in employees. For the Company, employee's safety and wellbeing hold prime importance. The Company has been continuously educating employees on health and welfare and adhering to all the safety and sanitisation protocols at restaurants and offices.

## ADEQUACY OF INTERNAL CONTROL SYSTEMS

The Company has a detailed and well-defined internal control system for safeguarding its financial information and assets from unauthorised use or disposition. The Company also abides by all the applicable regulatory laws and legislations. The Company's overall governance system including all policies and procedures are properly documented under expert supervision. The Company has a technically trained and skilled internal control team responsible for continuous monitoring of its controls. Further to oversee the adequacy and efficacy of the system, the Company has appointed an external team. The Audit Committee of the Company conducts periodic reviews of audit reports submitted by the internal audit team. Key observations are discussed and communicated to the management who undertakes corrective actions to augment the efficiency of the internal control system.

## COMMUNITY INITIATIVES

As one of the most loved QSR brands, the Company embraces its social responsibilities as well. The Company believes that besides revenue generation, emphasis should be placed on social and community service. While the Company is not currently mandated to comply with the provisions of corporate social responsibility in terms of the Companies Act, the Company supports the Room to Read, which is a non-profit organisation for improving literacy and gender equality in education in India and the developing world.

## OUTLOOK

India's economy is estimated to grow by 8.2% in FY 2022-23, sharply slower than the International Monetary Fund's (IMF) earlier forecast of 9% as the impact of Russia's invasion of Ukraine weighs heavily on prices and disruptions of supply chains. In its latest World Economic Outlook April 2022 report, the IMF forecasted India's economy to grow by 6.9% in 2023-24. India, however, will retain its tag as the fastest growing major global economy. The organised QSR sub-segment in India was estimated at ₹348 billion in Fiscal 2020 and is projected to grow at a CAGR of 20% to ₹852 billion by Fiscal 2025. Growth in the QSR sub-segment is expected to be driven by the chain QSR market, which was approximately 54% of the total QSR sub-segment in Fiscal 2020 and is estimated to be approximately 63% of the total QSR sub-segment by Fiscal 2025.

Indonesia's GDP has been steadily expanding, and all macro indicators, such as increasing urbanisation, diminishing dependence, increasing per capita income, and young demographics, are all pointing to further expansion. BK Indonesia intends to extend the restaurant network and increase customer traffic by utilising its cluster approach and penetration strategy. Furthermore, protecting people's health and safety, integrating technology throughout corporate operations, and improving customer experience remain top priorities. For better understanding and catering to continuously changing consumer tastes and preferences, introduced various digital integration channels. Multi-pronged growth strategy aimed at further scaling the firm, consolidating market leadership and raising obstacles to entrance for competitors. Sustainability initiatives in place throughout the system through employment equality, eco-friendly food packaging and clean usage of ingredients. From billboards and traditional print media to a nationwide omni-channel approach with a growing emphasis on digital marketing, the strategy has evolved.

The Company strongly believes that the quality of a Company's business is directly proportional to the quality of its gross margins, particularly in the QSR industry. The Company has launched the concept of BK Café™ where it is planning new

menu implementations that address distinct day parts without cannibalism, allowing for a 24-hour operation. The Company plans to service all order modes Drive through, Takeout, Dine-in & Delivery with separate third-party Delivery window and waiting area and an enhanced experience, open air- and air-conditioned seating, play areas for kids and Restroom. The Company will be able to achieve further economies of scale through operational leverage and expand margins and profitability by leveraging its vertically managed and scalable shared supply chain infrastructure, increasing bargaining power with suppliers, and spreading corporate-level costs across a larger number of restaurants.

### CAUTIONARY STATEMENT

Statements in this report describing the Company's objectives, projections, estimates and expectations may constitute "forward-looking statements" within the meaning of applicable laws and regulations that involve risks and uncertainties. Such statements represent the intention of the management and the efforts being put in place by them to achieve certain goals. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances. Therefore, the investors are requested to make their own independent assessments and judgements by considering all relevant factors before making any investment decision.

## Directors' Report

To,  
The Members,  
**Restaurant Brands Asia Limited**  
*(Formerly known as Burger King India Limited)*

Your Directors present the Ninth (9<sup>th</sup>) Annual Report on the Company's business and operations, together with the Audited Financial Statements for the financial year ended March 31, 2022 and other accompanying reports, notes and certificates.

### FINANCIAL HIGHLIGHTS AND PERFORMANCE

The Financial highlights of the Company for the year ended March 31, 2022 are as follows:

(₹ in Million)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	9,437.09	4,944.54	14,902.73	10,039.61
Other Income	205.29	284.78	224.38	340.52
<b>Total Income</b>	<b>9,642.38</b>	<b>5,229.32</b>	<b>15,127.11</b>	<b>10,380.13</b>
Less: Cost of materials consumed	3,231.36	1,756.41	5,498.06	3,968.09
Less: Employee benefit expenses	1,539.77	1,176.04	2,668.05	2,202.84
Less: Finance cost	679.53	821.21	953.58	1,044.41
Less: Depreciation and amortisation expenses	1,356.95	1,275.45	2,335.84	2,289.14
Less: Other expenses	3,764.23	1,862.22	5,771.27	3,619.18
<b>Loss before Exceptional items and Tax Expense</b>	<b>(929.46)</b>	<b>(1,662.01)</b>	<b>(2,099.69)</b>	<b>(2,743.53)</b>
Add: Exceptional items	-	77.11	251.85	77.11
<b>Loss before Tax Expense</b>	<b>(929.46)</b>	<b>(1,739.12)</b>	<b>(2,351.54)</b>	<b>(2,820.64)</b>
Less: Tax Expense (Current & Deferred)	-	-	-	-
<b>Loss for the year (1)</b>	<b>(929.46)</b>	<b>(1,739.12)</b>	<b>(2,351.54)</b>	<b>(2,820.64)</b>
Total other comprehensive income/ (loss) for the year, net of tax (2)	(6.77)	1.00	(47.40)	128.83
<b>Total comprehensive loss for the year, net of tax (1+2)</b>	<b>(936.23)</b>	<b>(1,738.12)</b>	<b>(2,398.94)</b>	<b>(2,691.81)</b>
Equity holders of the parent	(936.23)	(1,738.12)	(2,010.75)	(2,383.49)
Non-controlling interests	NA	NA	(388.19)	(308.32)
Opening balance of retained earnings	(5,151.41)	(3,412.30)	(6,874.02)	(3,412.30)
<b>Closing balance of retained earnings</b>	<b>(6,080.87)</b>	<b>(5,151.41)</b>	<b>(9,694.23)</b>	<b>(6,874.02)</b>

During the financial year 2021-22, the Company reported total income of ₹9,642.38 million on Standalone basis and ₹15,127.11 million on a Consolidated basis, increase of 84.39% on Standalone basis and 45.73% on a Consolidated basis from the financial year 2020-21 mainly on account of increase in dine-in sales and ease of lockdown restrictions in the country. The total expenditure excluding exceptional items was ₹10,571.84 million on Standalone basis and ₹17,226.80 million on a Consolidated basis, increase of 53.41% on Standalone basis and 31.27% on a Consolidated basis from the financial year 2020-21. The Company's gross margin improved by 1.28 basis points on Standalone basis during the financial year 2021-22 at 65.76% as compared to 64.48% in financial year 2020-21. The Company's gross margin improved by 2.63 basis points on Consolidated basis during the financial year 2021-22 at 63.11% as compared to 60.48% in financial year 2020-21.

## COMPANY OVERVIEW AND STATE OF COMPANY AFFAIRS

Restaurant Brands Asia Limited ('the Company') is one of the fastest growing international Quick Service Restaurant ('QSR') chains in India during the first five years of its operations. As the national master franchisee of the BURGER KING® brand in India, the Company has exclusive rights to develop, establish, own, operate and franchise Burger King branded restaurants in India. As of March 31, 2022, the Company had a widespread network of 315 restaurants, including 9 sub-franchisee restaurants in the country. The master franchisee arrangement provides the Company with the ability to use Burger King's globally recognised brand name to grow its business in India, while leveraging the technical, marketing and operational expertise associated with the global Burger King brand.

A key focus of the business is promoting and maintaining operational quality, a people-centric culture and an effective technology system that enables us to optimise the performance of the restaurants and enhance customer experience, thus, offering and contributing to the Company's growth.

The Company possesses following competitive strengths:

- Exclusive national master franchise rights in India
- Strong customer proposition
- Brand positioning for millennials
- Vertically managed and scalable supply chain
- Operational quality, a people-centric operating culture, and effective technology systems
- Well defined restaurant roll-out and development process
- Experienced and professional management team

The Company successfully completed the acquisition of controlling stake of 87.75% in PT Sari Burger Indonesia ('BK Indonesia') on March 9, 2022. Consequent to the above, BK Indonesia has become a subsidiary of the Company wherein the Company holds 87.75% of its equity shares. Taking into account the similarity of BK Indonesia's business to ours, its shared vision and strategy, and the growth potential of the Indonesian market, it is believed that the said acquisition will support the Company's further growth and provide synergies that will make BURGER KING® a stronger QSR brand in Asia. In addition, the Company believes that diversifying the business into a new geographical region by acquiring an already established business that operates in a manner similar to us will lead to sustainable growth for the Company.

In view of expanding business in other geographies and also evaluating addition of other brands as a part of the portfolio of the Company, the name of the Company was changed from "Burger King India Limited" to "Restaurant Brands Asia Limited" with effect from February 2, 2022.

Please refer to the section on Business Overview in the Management Discussion and Analysis for a detailed overview and state of company affairs.

### DIVIDEND & APPROPRIATIONS

Since the Company did not make any profit during the financial year, the Directors of your Company do not recommend any dividend for the financial year under review.

### TRANSFER TO RESERVES

In view of the losses during the financial year, no amount is proposed to be transferred to the reserve, except as required under any statute.

### INCREASE IN SHARE CAPITAL

#### (a) Authorised Share Capital

During the financial year under review, Authorized Share Capital of the Company was increased from ₹5,050,000,000/- divided into 505,000,000 equity shares of ₹10/- each to ₹6,000,000,000/- divided into 600,000,000 equity shares of ₹10/- each and accordingly capital clause of Memorandum of Association was altered.

The Authorized Share Capital of the Company is ₹6,000,000,000/- (Rupees Six Hundred Crore Only) divided into 600,000,000 (Sixty Crore) equity shares of ₹10/- each as on March 31, 2022.

#### (b) Issued, Subscribed and Paid-up Share Capital

During the financial year under review, Company issued and allotted:

- 1) 108,480,018 equity shares of face value of ₹10/- each at a premium of ₹119.25/- per equity share to Qualified Institutional Buyers ('QIBs') through Qualified Institutions Placement ('QIP') of equity shares on February 16, 2022.
- 2) 1,289,080 equity shares of face value of ₹10/- each pursuant to exercise of stock options granted by the Company in terms of the Company's Employees Stock Options Scheme, 2015.

The Issued, Subscribed and Paid-up Share Capital of the Company is ₹4,927,487,420/- divided into 492,748,742 equity shares of ₹10/- each as on March 31, 2022.

#### (c) Utilization of proceeds of Preferential Allotment, Initial Public Offer and QIP

There has been no deviation in the use of proceeds of the Preferential Issue, Initial Public Offer and QIP from the objects stated in the Offer document as per Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,

2015 ('SEBI Listing Regulations'). The Company has been disclosing on a quarterly basis to the Audit Committee, the uses / application of proceeds / funds raised from Preferential Issue, Initial Public Offer and QIP and the same is also filed with the Stock Exchanges on a quarterly basis, as applicable.

### DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### DIRECTORS

##### Re-appointment

In accordance with the provisions of the Companies Act, 2013 ('the Act') and the Articles of Association of the Company:

1. Mr. Amit Manocha, Non-Executive Director of the Company, was due to retire by rotation at the 8<sup>th</sup> Annual General Meeting and being eligible, had offered himself for re-appointment and was re-appointed at the Annual General Meeting held on August 25, 2021.
2. Mr. Ajay Kaul, Non-Executive Director of the Company, is due to retire by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment at the ensuing Annual General Meeting.

Resolution seeking his re-appointment along with his profile as required under Regulation 36(3) of SEBI Listing Regulations forms part of the Notice of 9<sup>th</sup> Annual General Meeting.

### BOARD OF DIRECTORS, MEETINGS AND ITS COMMITTEES

#### Composition of Board of Directors

The Composition of the Board of Directors as on March 31, 2022 is hereunder:

Sr. No.	Name of the Director	Designation/Status	DIN
1.	Mr. Shivakumar Dega	Chairman and Independent Director	00364444
2.	Mr. Rajeev Varman	Whole-time Director and CEO	03576356
3.	Mrs. Tara Subramaniam	Independent Director	07654007
4.	Mr. Sandeep Chaudhary	Independent Director	06968827
5.	Mr. Amit Manocha	Non- Executive Director	01864156
6.	Mr. Jaspal Singh Sabharwal	Non- Executive Director	00899094
7.	Mr. Ajay Kaul	Non- Executive Director	00062135
8.	Mr. Rafael Odorizzi De Oliveira	Non- Executive Director	09492506

#### Number of Board Meetings

During the financial year ended March 31, 2022, the Board of Directors met 9 (nine) times viz., on, May 26, 2021, August 13, 2021, August 26, 2021, October 29, 2021, November 12, 2021, December 15, 2021, January 24, 2022, March 7, 2022 and March 29, 2022. The maximum interval between any two meetings did not exceed 120 days.

Details of the meetings of the Board along with the attendance of the Directors therein have been disclosed as

### Appointments and Resignations

During the year under review,

1. Mr. Peter Darrell Perdue resigned from the directorship of the Company w.e.f. October 30, 2021.
2. Mr. Ekrem Ozer was appointed as the Non-Executive Director of the Company w.e.f. October 29, 2021. He then resigned from the directorship of the Company w.e.f. January 29, 2022.
3. Mr. Rafael Odorizzi De Oliveira was appointed as the Non-Executive Director of the Company w.e.f. February 3, 2022.

The Board appreciates the valuable contribution made by Mr. Peter Darrell Perdue and Mr. Ekrem Ozer during their tenure on the Board of the Company.

### KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel ('KMP') of the Company as per Section 2(51) and 203 of the Act as on March 31, 2022 are as follows:

Name of the KMP	Designation
Mr. Rajeev Varman	Whole-time Director and Chief Executive Officer
Mr. Sumit Zaveri	Chief Financial Officer
Ms. Madhulika Rawat	Company Secretary and Compliance Officer

part of the Corporate Governance Report forming part of this Annual Report.

### Audit Committee

The details pertaining to the composition, terms of reference and other details of the Audit Committee of the Board of Directors of your Company and the meetings thereof held during the financial year are given in the Report on Corporate Governance forming part of this Annual Report.

The recommendations of the Audit Committee in terms of its Charter were considered positively by the Board of Directors of your Company from time to time during the financial year.

#### Nomination and Remuneration Committee

The details including the composition, terms of reference of the Nomination and Remuneration Committee and the meetings thereof held during the financial year and other matters provided in Section 178(3) of the Act are given in the Report on Corporate Governance section forming part of this Annual Report.

#### Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters

In accordance with the provisions of Section 134(3)(e); sub section (3) and (4) of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations, the Company has formulated Nomination and Remuneration policy to provide a framework for remuneration of members of the board of directors of the Company, key managerial personnel, and other employees of the Company.

The Nomination and Remuneration Policy of the Company can be accessed on the website of the Company at <https://www.burgerking.in/investor-relations>.

#### Other Committees

The details of other Committees of the Board are given under the Report on Corporate Governance section forming part of this Annual Report.

#### Declaration by Independent Directors:

Pursuant to the provisions under Section 134(3)(d) of the Act, with respect to statement on declaration given by Independent Directors under Section 149(6) of the Act, the Board hereby confirms that all the Independent Directors of the Company have given a declaration and have confirmed that they meet the criteria of independence as provided in the said Section 149(6) and relevant Regulation of SEBI Listing Regulations.

Terms and conditions for Independent Directors are put up on the website of the Company and can be accessed at <https://www.burgerking.in/investor-relations>.

#### Formal Annual Evaluation

The Company has devised a policy for performance evaluation of its individual directors, the Board and the Committees constituted by it, which includes criteria for performance evaluation.

In line with the requirements of the Act and SEBI Listing Regulations, the Board has carried out an annual evaluation of its own performance, working of the Committees and the Directors individually.

The Board performance was evaluated based on inputs received from all the Directors after considering criteria such as Board's effectiveness in decision making, in providing necessary advice and suggestions to the Company's management, etc.

A separate meeting of the Independent Directors was also held during the financial year on January 24, 2022 for evaluation of the performance of the Non-Independent Directors, the Board as a whole and that of the Chairman.

The Nomination and Remuneration Committee has also reviewed the performance of the individual directors based on their knowledge, level of preparation and effective participation in meetings, contribution towards positive growth of the Company, etc.

#### Familiarization programme for Independent Directors

Towards familiarization of the Independent Directors with the Company, periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company, global business environment, business strategy and risk involved including their roles, rights, responsibility in the Company, nature of the industry in which the Company operates, business model of the Company and related matters.

The details of such programs for familiarisation of the Independent Directors with the Company are available on the website of the Company at the web link: <https://www.burgerking.in/investor-relations>.

### STATUTORY DISCLOSURES

#### Requirements for maintenance of cost records

The Company is not required to maintain the cost records as specified by Central Government under Section 148(1) of the Act and rules made thereunder.

#### Vigil Mechanism & Whistleblower policy

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. The Vigil Mechanism & Whistleblower Policy provides a channel to the employees, directors and other stakeholders to report about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct, regulatory requirements, incorrect or misrepresentation of any financial statements and such other matters.

#### Annual Return

As required under Section 92(3) of the Act, Annual Return is hosted on the website of the Company at [www.burgerking.in](http://www.burgerking.in)

#### Particulars of contracts or arrangements with related parties

All related party transactions entered into during the financial year under review were approved by the audit committee and the board, as required, from time to time and the same are disclosed in the notes forming part of the financial statements provided in this Annual Report.

Particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC-2 under Rule 8(2) of the Companies (Accounts) Rules, 2014 is enclosed as "Annexure I".

All transactions with related parties are in accordance with the policy on related party transactions formulated by the Company.

#### Particulars of Loan, Guarantee and Investments

Details of loans given, investments made or guarantees given or security provided, if any, as per the provisions of Section 186 of the Act and Regulation 34(3) read with Schedule V of the SEBI Listing Regulations are given in the notes forming part of the financial statements provided in this Annual Report.

#### Deposits

The Company has not accepted any deposits from the public within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

As the Company has not accepted any deposit during the financial year under review there is no non-compliance with the requirements of Chapter V of the Act.

#### Risk Management Policy

The Company has a robust strategy to identify and evaluate business risks and opportunities. This strategy seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage and helps in identifying risks trend, exposure and potential impact analysis at a Company level as well as for different business segments.

Board has constituted a Risk Management Committee of the Board, to assist the Board with regard to the identification, evaluation and mitigation of operational, strategic and external risks. More details on risks and threats have been disclosed in the section "Management Discussion and Analysis".

#### Internal Financial Control and their adequacy

Considering the size and nature of the business, presently adequate internal controls systems with reference to financial statements are in place. However, as and when Company achieves further growth and higher level of operations, the Company will review the internal control system to match the size and scale of operations, if required.

The Company has proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against unauthorized use or disposition and that the transactions are authorised and recorded correctly.

#### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is provided herein below;

(A) Conservation of Energy		
(i)	The steps taken or impact on conservation of energy	Reduced use of electricity and gas is structurally build in the Company's store construction design and the Company sources the equipments like holding units, friers, etc. that ensures reduced consumption of energy and gas. Also electrical system installation ensures minimum fluctuation resulting in withdrawal of right amount of power.
(ii)	The steps taken by the company for utilising alternate sources of energy	Introduction of E-bikes for restaurants
(iii)	The capital investment on energy conservation equipments	Nil

<b>(B) Technology absorption</b>		
(i) The efforts made towards technology absorption		Nil
(ii) The benefits derived like product improvement, cost reduction, product development or import substitution		Nil
(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-		
(a) The details of Technology imported;		Nil
(b) The year of Import;		
(c) Whether the technology been fully absorbed;		
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and		
(iv) The expenditure incurred on Research and Development.		Nil
<b>(C) Foreign Exchange Earnings and Outgo</b>		
(i) Foreign Exchange Earnings by the Company		-
(ii) Foreign Exchange Expenditure by the Company (₹ in Million)*		11,246.40

\*Amount disclosed includes amount paid towards investment made in BK Indonesia amounting to ₹10,830.83 million.

### Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this policy is to lay clear guidelines and provide right direction in case of any reported incidence of sexual harassment across the Company's offices, and take appropriate decision in resolving such issues. An Internal Complaints Committee ('ICC') has been set up to redress the complaints received regarding sexual harassment.

During the financial year under review, five complaints with respect to sexual harassment were received and resolved by the Committee.

There were no unresolved complaints at the end of the financial year under review.

### Material changes and commitments affecting the financial position of the Company

#### A. Acquisition of BK Indonesia

The Company successfully completed the acquisition of controlling stake of 87.75% in BK Indonesia on March 9, 2022. Consequent to the above, BK Indonesia has become a subsidiary of the Company. Taking into account the similarity of BK Indonesia's business to ours, its shared vision and strategy, and the growth potential of the Indonesian market, it is believed that the said acquisition will support the Company's further growth and provide synergies that will make BURGER KING® a stronger QSR brand in Asia. In addition, the Company believes that diversifying the business into a new geographical region by acquiring an already established business that operates in a manner similar to us will lead to sustainable growth for the Company.

#### B. Impact of COVID 19 outbreak

COVID-19 pandemic has had a significant impact on the business operations of the Company for the year ended March 31, 2022 and March 31, 2021. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of the financial statements, in determination of the recoverability and carrying value of financial assets and non-financial assets. The impact of the current surge in COVID-19 pandemic on the overall economic environment is uncertain and may affect the underlying assumptions and estimates used to prepare the Company's financial statements, whereby actual outcome may differ from those assumptions and estimates considered as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions. The Company continues to take various precautionary measures to ensure health and safety of its customers, employees and their families from COVID-19.

Since Company operates in QSR Segment, its inventory includes food items which are perishable in nature. Based on the situation of COVID-19 resulting in overall decline in customer frequencies, the Company had provided for food inventory and related commitments amounting to ₹28.80 million during the year ended March 31, 2021.

Also, the Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per the notification of Ministry of Corporate Affairs ('MCA') dated July 24, 2020 and subsequently amended on June 18, 2021 in respect of IND - AS 116 for all rent concessions which are granted due to COVID-19 pandemic. As per the requirements of MCA notification, total lease concessions confirmed till March 31, 2022 of ₹169.51 million has been adjusted

under rent expenses. Out of the total lease concessions confirmed till March 31, 2021 of ₹425.87 million, ₹249.84 million has been accounted under rent expenses (to the extent available) and balance of ₹176.03 million has been accounted under other income for the year ended March 31, 2021.

#### C. Commitments

As per the Share Subscription cum Shareholders' Agreement executed between the Company, PT Mitra Adiperkasa TBK, and BK Indonesia on December 16, 2021, as amended ('SSHA'), the Company is committed to infuse USD 15 million in one or more tranches against the issuance of new shares by BK Indonesia.

### Details in respect of frauds reported by Auditors under sub-section (12) of Section 143 other than those which are reportable to the Central Government

During the financial year under review, no frauds were reported by the Auditors under Section 143(12) of the Act other than those which are reportable to the Central Government.

### Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

As per the information available with the Board of Directors, there were no such orders passed against the Company.

#### Change in the nature of business

There was no change in the nature of business during the financial year under review.

### Subsidiaries, Joint Ventures or Associate Companies and Consolidated Financial Statements

#### A. PT Sari Burger Indonesia ('BK Indonesia')

BK Indonesia has become the subsidiary of the Company w.e.f. March 9, 2022 consequent to the acquisition and the fresh capital infusion. The Company holds 87.75% stake in BK Indonesia. It is the material subsidiary of the Company. The acquisition of BK Indonesia is considered to be common control transaction under the relevant accounting standard and accordingly the financial statements have been consolidated using pooling of interest method, considering the date of acquisition to be April 1, 2020.

BK Indonesia is the national master franchise of the BURGER KING® brand in Indonesia, it has exclusive rights to develop, establish, own, operate and franchise Burger King branded restaurants in Indonesia. As on March 31, 2022, BK Indonesia has 177 restaurants.

BK Indonesia generated revenue of ₹5,465.64 million during the financial year 2021-22, increase of 7% from

the financial year 2020-21. BK Indonesia incurred a loss of ₹1,170.22 million during the financial year 2021-22.

#### B. PT Sari Chicken Indonesia

PT Sari Chicken Indonesia (incorporated by BK Indonesia on March 29, 2022 as its wholly owned subsidiary) has also become subsidiary of the Company w.e.f. March 29, 2022. PT Sari Chicken Indonesia is yet to commence its business operations. There has neither been any capital subscription nor any financial transaction in PT Sari Chicken Indonesia till date.

The Consolidated financial statement is also being presented in addition to the Standalone financial statements of the Company in this Annual Report.

Further, there were no other companies which has/ have become/ ceased to become a Subsidiary/ Joint Ventures/ Associate Companies during financial year 2021-22.

Further, there were no other companies which has/ have become/ ceased to become a Subsidiary/ Joint Ventures/ Associate Companies during financial year 2021-22.

#### Corporate Social Responsibility Policy

The Corporate Social Responsibility Policy of the Company can be accessed on the website of the Company at <https://www.burgerking.in/investor-relations>.

#### Employee Stock Option Scheme

The Company had implemented the BK Employee Stock Option Scheme 2015 ('ESOS 2015' / 'Scheme'). The objective of the ESOS 2015 is to attract and retain talent by way of rewarding their association and performance and to motivate them to contribute to the overall corporate growth and profitability.

The ESOS 2015 was originally approved by the Board of Directors on September 21, 2015 and the shareholders (being a private company at that time) vide an ordinary resolution passed on September 21, 2015. Options were granted from time to time thereafter. Subsequently, the ESOS 2015 was amended basis applicable laws vide shareholders' resolutions dated April 25, 2018, June 28, 2019 October 23, 2019 and November 13, 2020.

The ESOS 2015 being a pre IPO Scheme was also ratified by the shareholders of the Company subsequent to the IPO of the Company by passing a special resolution on January 28, 2021.

The ESOS 2015 was further amended pursuant to the approval of the Nomination and Remuneration Committee vide its resolution dated March 25, 2022 and Board of Directors resolution dated March 29, 2022 to align the ESOS 2015 with provisions made under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SEBI (SBEB and SE) Regulations').

The current ESOS 2015 envisages grant not exceeding a total number of 15,226,900 options to the eligible employees which includes options which were already granted and options which have been exercised in the past. The ESOS 2015 contemplates a statutory minimum vesting period of one year to maximum of five years. After vesting of options, the employees earn a right (but not an obligation) to exercise the vested options on or after the vesting date within the maximum exercise period of three years with a flexibility for shorter exercise periods in case of termination of employees or for reasons including resignation, retirement or death.

Upon exercise of one vested option, the employees can obtain one equity share of the Company subject to the payment of exercise price and satisfaction of any tax obligation arising thereon. However, some grants made in past contemplated cashless exercise of options. Equity shares allotted by the Company under the ESOS 2015 shall rank *pari passu* in all respects with the existing fully paid equity shares.

The Nomination and Remuneration Committee administers the ESOS 2015 and acts as the compensation committee as envisaged under the SEBI (SBEB and SE) Regulations.

The disclosures pertaining to stock options granted by the Company under the aforesaid Scheme and as required under the applicable provisions of the Act and the SEBI (SBEB and SE) Regulations is uploaded on the website at <https://www.burgerking.in/financials>.

A certificate from the Secretarial Auditor of the Company, confirming that the aforesaid Scheme has been implemented in accordance with the SEBI (SBEB and SE) Regulations will be open for inspection at the ensuing 9<sup>th</sup> Annual General Meeting.

### HUMAN RESOURCES

As of March 31, 2022, the number of employees increased to 7,784 employees compared to 4,955 as of March 31, 2021 due to reopening of restaurants and the lessening of lockdowns and restrictions. The Company believes that its employees are its strongest brand attribute, and the Company strives to provide them a positive, friendly, safe and collaborative working environment. The Company does this by hiring the right talent, implementing structured and on-the-job employee training programs that cover every aspect of a restaurant's operations, and by promoting a culture of meritocracy. The Company regards human resources as a valuable asset. The Company encourages a performance driven culture and enables the employees with focused training at regular intervals. Further, the training needs at all divisions are periodically assessed and training programmes are conducted using internal resources and/or engaging external facilitators and trainers. The Company has also made significant investments in the promotion and employment of

women and diversity in the business. The Company feels that the promotion and employment of women and diversity in its business strengthen the workforce and enhances the ability to enhance customer experience. The Company embraces diversity and is committed to engaging with the communities where the restaurants are located, and this has been a guiding principle of the Company throughout its growth. As part of the commitment, the Company is participating in initiatives such as the Taare Hamare initiative, which has included hiring specially-abled members of the community (persons with hearing and speech disability) to work for the Company and providing them with training and equal opportunity to develop and improve themselves.

### PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided separately as "Annexure II" to this Report.

Details of employee remuneration as required under provisions of Section 197(12) of the Act and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Annual Report.

In terms of Section 136(1) of the Act and the rules made thereunder, the Report and Financial Statements are being sent to the shareholders excluding the aforesaid information. Any shareholder interested in obtaining copy of the aforesaid information, may send an email to the Company Secretary and Compliance Officer at [investor@burgerking.in](mailto:investor@burgerking.in).

### AUDITORS

#### Statutory Auditors

M/s. S R B C & CO LLP, Chartered Accountants, (Firm Registration No. 324982E) were appointed as the statutory auditors of the Company for a second term of 5 years by the Members at the Annual General Meeting ('AGM') held on August 29, 2019 and they shall hold the office till the conclusion of the AGM to be held for the financial year March 31, 2024.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. Also, no fraud has been reported by the auditor as per Section 143(12) of the Act.

#### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Mehta and Mehta, Practicing Company Secretaries as

the Secretarial Auditors for conducting the secretarial audit for the financial year 2021-22.

In terms of the provisions of sub-section (1) of Section 204 of the Act, the Secretarial Audit Report given by the Secretarial auditor in Form MR-3 is annexed as "Annexure III" of the Director's Report. The Secretarial Audit report does not contain any qualifications, reservation or adverse remarks.

#### Internal Auditor

The Company had appointed M/s. S.S. Kothari Mehta and Co. Chartered Accountants as the internal auditors of the Company for the financial year 2021-22 as per the requirements of the Act.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act, your Directors, to the best of their knowledge and belief and according to information and explanation obtained by them, confirm that:

1. In the preparation of the annual financial statements for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation related to material departures;
2. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2022 and of the loss of the Company for that period;
3. They have taken proper and sufficient care for the 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 fraud and other irregularities;
4. They have prepared the annual financial statements on a going concern basis;
5. They have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively; and
6. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.

### CORPORATE GOVERNANCE AND STATEMENT ON COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the corporate governance requirements under the Act, and as stipulated under the SEBI Listing Regulations. A separate section on corporate governance under the SEBI Listing Regulations, along with the certificate from the Practicing Company Secretary

confirming the compliance, is annexed and forms part of this Annual Report.

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of Board of Directors and General Meetings.

### MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion and Analysis is annexed and forms part of this Annual Report.

### DIVIDEND DISTRIBUTION POLICY

The above policy is enclosed as "Annexure IV" to the Director's Report and also available on the Company's website at [www.burgerking.in](http://www.burgerking.in).

### BUSINESS RESPONSIBILITY REPORT (BRR)

Pursuant to Regulation 34 of the SEBI Listing Regulations, BRR forms part as "Annexure V" to this Report, which describes the initiatives taken by the Company from an environmental, social and governance perspective.

### OTHER DISCLOSURES

In terms of the applicable provisions of the Act and SEBI Listing Regulations your Company additionally discloses that, during the financial year under review no disclosure or reporting is required with respect to the following:

- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of sweat equity shares; and
- Buyback of shares

### ACKNOWLEDGEMENTS AND APPRECIATION

The Directors wish to convey their appreciation to all of the Company's employees for their enormous personal efforts as well as their collective contribution to the Company's performance. The Directors would also like to thank the shareholders, customers, dealers, suppliers, bankers, Government and all the other business associates for the continuous support given by them to the Company and their confidence in its management.

For and on behalf of the Board of Directors  
**For Restaurant Brands Asia Limited**  
(Formerly known as Burger King India Limited)

<b>Shivakumar Dega</b> Chairman & Independent Director DIN: 00364444	<b>Rajeev Varman</b> Whole-time Director & CEO DIN: 03576356
--	--

Place: Mumbai  
Date: May 30, 2022

## Annexure I

### FORM NO. AOC-2

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

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

1. **Details of contracts or arrangements or transactions not at arm's length basis:** NIL
2. **Details of material contracts or arrangements or transactions at arm's length basis:**
  - a. **Name(s) of the related party:** QSR Indoburger Pte. Ltd. ('QSR Indo')

**Nature of relationship:** QSR Indo is a related party of the Company within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is a wholly owned subsidiary of the ultimate holding company of the Company i.e. F&B Asia Ventures (Singapore) Pte. Ltd. ('F&B Asia'). F&B Asia is a member of the "promoter and promoter group" of the Company.
  - b. **Nature of contracts/ arrangements/ transactions:** Sale and Purchase Agreement ('SPA')
  - c. **Duration of the contracts/ arrangements/ transactions:** NA
  - d. **Salient terms of the contracts or arrangements or transactions including the value, if any:** Acquisition by the Company of 66.48% stake in PT Sari Burger Indonesia ('BK Indonesia'), by purchase of 332,876 equity shares from QSR Indo, a related party of the Company at an equity value arrived at by adjusting the enterprise value of IDR 2,601 billion equivalent to USD 183 million (on a cash free and debt free basis for 100% of the shares of BK Indonesia), for cash, debt and debt like adjustments, normalized working capital, any profit linked plans or profit sharing arrangements with employees and partners and non-operating liabilities as agreed in the SPA, payable in one or more tranches, and on such terms and conditions as mentioned in the SPA.
  - e. **Date(s) of approval by the Board, if any:** December 15, 2021 and March 7, 2022
  - f. **Amount paid as advances, if any:** NA

For and on behalf of the Board of Directors  
**For Restaurant Brands Asia Limited**  
(Formerly known as Burger King India Limited)

**Shivakumar Dega**  
Chairman & Independent Director  
DIN: 00364444  
**Place:** Mumbai  
**Date:** May 30, 2022

**Rajeev Varman**  
Whole-time Director & CEO  
DIN: 03576356

## Annexure II

### STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (a) **The ratio of remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each director, CFO, CEO, Company Secretary or Manager, if any, in the financial year:**

Name	Designation	Ratio of remuneration of each Director to the median remuneration of employees for financial year 2021-22	% Increase in remuneration
<b>Non-Executive Director</b>			
Mr. Shivakumar Dega <sup>(3)</sup>	Independent Director	3.94	N.A.
Mr. Sandeep Chaudhary <sup>(3)</sup>	Independent Director	2.72	N.A.
Ms. Tara Subramaniam <sup>(3)</sup>	Independent Director	5.32	N.A.
Mr. Amit Manocha <sup>(4)</sup>	Non-Executive Director	-	N.A.
Mr. Jaspal Singh Sabharwal <sup>(4)</sup>	Non-Executive Director	-	N.A.
Mr. Ajay Kaul <sup>(4)</sup>	Non-Executive Director	-	N.A.
Mr. Peter Perdue <sup>(5)</sup>	Non-Executive Director	-	N.A.
Mr. Ekrem Ozer <sup>(6)</sup>	Non-Executive Director	-	N.A.
Mr. Rafael Odorizzi De Oliveira <sup>(4)</sup>	Non-Executive Director	-	N.A.
<b>Executive Director and Key Managerial Personnel</b>			
Mr. Rajeev Varman <sup>(2)</sup>	Whole-time Director and Chief Executive Officer	332.35	Nil
Mr. Sumit Zaveri	Chief Financial Officer	N.A.	9%
Ms. Madhulika Rawat	Company Secretary	N.A.	9%

Notes:

- 1) To derive median, only employees on the payroll of the Company are taken into consideration.
- 2) Remuneration of Mr. Rajeev Varman includes all components including variable bonus and excluding gratuity.
- 3) Mr. Shivakumar Dega, Mrs. Tara Subramaniam, Mr. Sandeep Chaudhary receive only sitting fees which are not considered as remuneration for the purpose of calculation of median remuneration.
- 4) Mr. Amit Manocha, Mr. Jaspal Singh Sabharwal, Mr. Ajay Kaul and Mr. Rafael Odorizzi De Oliveira are Non-Executive Directors and they did not receive any remuneration.
- 5) Mr. Peter Perdue ceased to be associated with the Company as a Non-Executive Director w.e.f. October 30, 2021.
- 6) Mr. Ekrem Ozer ceased to be associated with the Company as a Non-Executive Director w.e.f. January 29, 2022.

- (b) **The percentage increase in the median remuneration of employees in the financial year**  
2.07%
- (c) **The number of permanent employees on the rolls of Company**  
Permanent employees on the rolls of the Company as on March 31, 2022 were **7,784**.
- (d) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**  
Average increase already made in the salaries of employees other than the managerial personnel in the last financial year - 11.75%  
Increase in the managerial remuneration - NIL



**(e) Affirmation that the remuneration is as per the remuneration policy of the Company**

It is hereby affirmed that the remuneration paid to:

- (1) directors, key managerial personnel and members of senior management is as per Nomination and Remuneration Policy of the Company; and
- (2) other employees of the Company are as per the Human Resource Philosophy of the Company.

For and on behalf of the Board of Directors

**For Restaurant Brands Asia Limited**

**(Formerly known as Burger King India Limited)**

**Shivakumar Dega**

Chairman & Independent Director

DIN: 00364444

**Rajeev Varman**

Whole-time Director & CEO

DIN: 03576356

**Place:** Mumbai

**Date:** May 30, 2022

## Annexure III

**FORM MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies*

*(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members,

**RESTAURANT BRANDS ASIA LIMITED**

**(Formerly known as Burger King India Limited)**

Unit Nos.1003 to 1007,

10<sup>th</sup> Floor, Mittal Commercial, Asan Pada Road,

Chimatpada, Marol,

Andheri (East) Mumbai - 400 059

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Restaurant Brands Asia Limited** (hereinafter called 'the Company'). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed here under and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 (during the period under review not applicable to the company);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (during the period under review not applicable to the Company);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the period under review not applicable to the Company);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (during the period under review not applicable to the Company);

(vi) The Food Safety and Standards, Act 2006;

We have examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines, Standards, etc.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all the Directors. Meetings held at shorter notice are in compliance with the provisions of the Act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

**We further report that** during the audit period the Company had the following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- a. The members of the Company approved the change in the name of the Company from 'BURGER KING INDIA LIMITED' to 'RESTAURANT BRANDS ASIA LIMITED' via postal ballot dated January 20, 2022.
- b. The members of the Company passed a special resolution for alteration of the provisions of Memorandum of Association with respect to its object. The new object clause of the Company is read as follows:

III A 1. To develop, promote, establish, own, acquire, operate, manage and maintain directly or indirectly, restaurants (including quick service restaurants), eating houses, kiosks, fast food outlets, cafeterias, food courts, tea and coffee houses, soda fountains, taverns, canteens, catering services or other store formats and provide therein all types of amenities, facilities, conveniences, refreshments, in the territory of India or elsewhere in the word and to licence to other franchisee, the right to develop, establish, operate and maintain, restaurants, eating houses, kiosks, fast food outlets, cafeterias, food courts, tea and coffee houses, soda fountains, taverns, canteens, catering services or other store formats in particular locations or regions within the territory of India or elsewhere in the world.

- c. The members of the company approved the increase authorised share capital from ₹505,00,00,000/- (Rupees Five Hundred and Five Crores Only) divided into 50,50,00,000 equity shares of ₹10/- each to 600,00,00,000/- (Rupees Six Hundred Crores Only) divided into 60,00,00,000 equity shares of ₹10/- each via postal ballot dated January 20, 2022.

- d. The members of the Company approved the issue of securities by means of Qualified Institutional Placement, Preferential Issue, and/or any other permitted mode/ any combination thereof via postal ballot dated January 20, 2021.

Further, the Fund Raising Committee passed the resolution for the allotment of 10,84,80,018 equity shares under Qualified Institutional Placement via circular resolution dated February 16, 2022.

- e. The Nomination and Remuneration Committee allotted the following shares under the applicable ESOP Scheme of the Company:

Sr. No.	Date of Allotment	Number of Shares allotted
1	April 22, 2021	5,24,335
2	June 22, 2021	18,928
3	August 31, 2021	68,250
4	September 27, 2021	3,61,670
5	October 27, 2021	71,813
6	December 21, 2021	2,27,142
7	January 21, 2022	5,678
8	March 25, 2022	11,264
<b>Total</b>		<b>12,89,080</b>

- f. The Board of Directors of the Company at its meeting held on December 15, 2021 approved the investment by the Company through takeover or acquisition of controlling stake in PT Sari Burger Indonesia ('BK Indonesia').
- g. The Board of Directors of the Company at its meeting held on October 29, 2021 approved the proposed acquisition of controlling stake in BK Indonesia.
- h. The Company successfully completed the acquisition of controlling stake of 87.75% in BK Indonesia on March 9, 2022.

For **Mehta & Mehta**,  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

**Dipti Mehta**  
Partner  
FCS No: 3667  
CP No: 23905  
UDIN: F003667D000423471

Place: Mumbai  
Date: May 30, 2022

*Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.*

**ANNEXURE A**

To,  
The Members,  
**RESTAURANT BRANDS ASIA LIMITED**  
Unit Nos.1003 to 1007,  
10<sup>th</sup> Floor, Mittal Commercial, Asan Pada Road,  
Chimatpada, Marol,  
Andheri (East) Mumbai – 400 059

Our report of even date is to be read along with this letter.

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred in Secretarial Audit Report in Form MR-3, the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
- 7) The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Mehta & Mehta**,  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

**Dipti Mehta**  
Partner  
FCS No: 3667  
CP No: 23905

UDIN: F003667D000423471

**Place:** Mumbai  
**Date:** May 30, 2022

## Annexure IV

### DIVIDEND DISTRIBUTION POLICY

#### INTRODUCTION AND OBJECTIVE

In compliance with the provisions of the Companies Act, 2013 and rules made thereunder (the 'Act') and Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations), as amended from time to time, this Policy provides guidance for declaration of dividend and its pay-out by Restaurant Brands Asia Limited (the 'Company'). The Company in compliance with the requirements of Regulation 43A on voluntary basis as a part of good corporate governance, has adopted this Dividend Distribution Policy (the 'Policy') *inter-alia* to elaborate the parameters to be considered by the Board before declaring / recommending any dividend distribution, keeping in view the Company's policy of meeting the long term capital requirement from internal cash accruals and appropriately rewarding shareholders. The Board of Directors may, at their discretion deviate from the parameters listed in the Policy. The Policy is not an alternative to the decision of the Board for recommending / declaring dividend, which takes into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided by the Board.

#### PARAMETERS TO BE CONSIDERED FOR DECLARING / RECOMMENDING DIVIDEND

##### a) Financial / Internal factors

- Profits earned during the financial year, accumulated reserves and distributable profits
- Working capital and capital expenditure requirement
- Financial commitments with respect to the borrowings undertaken / proposed to be undertaken and interest thereon
- Financial requirement for business expansion and/or diversification
- Capital requirements for maintenance of appropriate capital adequacy ratio
- Provisioning for financial implications arising out of unforeseen events and/or contingencies
- Past dividend declaration trend of the Company
- Such other factors and/or material events which the Board of Directors may consider relevant

##### b) External Factors

- Legal requirements / regulatory restrictions
- Macro Economic environment
- Cost of borrowing and covenants, if any, with lenders
- Business outlook for the future years
- Government policies
- Prevalent market practices

#### CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS OF THE COMPANY MAY OR MAY NOT EXPECT DIVIDEND

While the decision to declare / recommend dividend shall primarily be dependent on the parameters mentioned above, the shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

- Broad adverse macro economic scenario which may require the Board to retain a larger portion of profits to build up reserves
- Proposed expansion / diversification plans requiring higher capital allocation
- Decision to undertake any acquisitions, amalgamation, merger, joint ventures etc. which requires significant capital outflow
- Regulatory restrictions / obligations which may restrict the issue of dividends
- Requirement of higher working capital to support business and operations of the Company
- Proposal for corporate action requiring significant capital outflow such as buy-back of securities
- Cost of raising funds from alternate sources
- Funds for meeting contingent liabilities
- In the event of loss or inadequacy of profit or cash flow available for distribution
- Other factors beyond control of the Company like natural calamities, fire etc. effecting the operations of the Company
- Any other factor as deemed appropriate by the Board of Directors.

#### UTILIZATION OF RETAINED EARNINGS

The Company would utilise retained earnings in a manner which is in the interest of the Company and its stakeholders. Retained earnings of the Company may be utilised for the following:

- Implementation of expansion / diversification plans
- Funding for capex
- Repayment of debt
- Issue of fully paid-up bonus shares
- Support business / operational requirements of the Company
- Such other events which the Board of Directors may consider relevant

#### OTHER PARAMETERS TO BE CONSIDERED FOR DIVIDEND TO VARIOUS CLASSES OF SHARES

Currently, the Company has issued equity shares and preference shares and has only one class of equity shares which rank pari-passu which respect to voting and dividend

rights. In the event of the Company issuing any other class(es) of shares, this Policy shall be updated to include parameters to be considered while declaring dividend to such class(es) of shares.

#### DIVIDEND PAY-OUT RATIO AND FREQUENCY

The dividend pay-out ratio shall be as determined by the Board of Directors as a percentage of the post tax distributable profits of the Company as on the end of financial year immediately preceding the financial year in which the dividend is being declared. The Board may normally declare dividend twice a year (interim and final) within this range.

#### DISCLOSURES

The Policy shall be disclosed on the website of the Company.

#### REVIEW OF POLICY

The Board may amend, abrogate, modify or revise any or all provisions of this Policy. However, amendments in the Act or in the Listing Regulations shall be binding even if not incorporated in this Policy.

## Annexure V

### BUSINESS RESPONSIBILITY REPORT

As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

#### SECTION A - GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN)	L55204MH2013FLC249986
2. Name of the Company	RESTAURANT BRANDS ASIA LIMITED (Formerly known as Burger King India Limited)
3. Registered Office and Corporate Office	Unit Nos. 1003 to 1007, 10 <sup>th</sup> Floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai - 400 059
4. Website	<a href="http://www.burgerking.in">www.burgerking.in</a>
5. E-mail Id	investor@burgerking.in
6. Financial Year ('FY') reported	April 1, 2021 to March 31, 2022
7. Sections that the Company is engaged in (Industrial Activity code-wise)	Division 56 – Food & Beverage Service Activities Group 561 – Restaurants & Mobile Food Services Group 562 – Event Catering & Other Food Service Activities Group 563 – Beverage Service Activities
8. List three key products/services that the Company manufactures/provides (as in Balance Sheet)	Food & Beverages and Restaurant business
9. Locations where business activity is undertaken by the Company	
(a) Number of International Locations (Provide details of major 5)	NA
(b) Number of National Locations	3 Restaurant Support Centres and 315 Restaurants (including 9 sub-franchisee restaurant)
10. Markets served by the Company - Local/ State/National/ International	The Company operates in India

#### SECTION B - FINANCIAL DETAILS OF THE COMPANY

1. Paid-up Capital (As on March 31, 2022)	₹4,92,74,87,420/-
2. Total Turnover	₹9,437.09 million
3. Total Loss after Taxes	(₹929.46 million)
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after taxes	Nil
5. List of activities in which Corporate Social Responsibility (CSR) expenditures have been incurred	Not Applicable

#### SECTION C - OTHER DETAILS

##### 1. Does the Company have any Subsidiary Company/Companies?

Yes

##### 2. Do the Subsidiary Company/Companies participate in the BR initiatives of the Parent Company? If yes, then indicate the number of such Subsidiary Company(s)?

PT Sari Burger Indonesia ('BK Indonesia') has become the subsidiary of the Company w.e.f. March 9, 2022.

PT Sari Chicken Indonesia (incorporated by BK Indonesia on March 29, 2022 as its wholly owned subsidiary) has also become subsidiary of the Company w.e.f. March 29, 2022. As on date, PT Sari Chicken Indonesia is yet to commence its business operations.

The Company aims to include its subsidiaries to participate in sustainability initiatives in future.

##### 3. Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

The Company engages with all its key stakeholders (e.g. suppliers, employees, investors, community, etc.) and communicates its business responsibility policies to the concerned stakeholders' from time to time through meets, trainings, website etc. Some of the key principles of business responsibility that the Company stands for are even included, to the extent possible, in the agreement signed with suppliers / vendors / service providers etc. The percentage of such stakeholders is less than 30%.

#### SECTION D - BUSINESS RESPONSIBILITY INFORMATION

##### 1. Details of Director/Directors responsible for BR

###### a. Details of Director/Directors responsible for the implementation of the BR policy/policies

Sr. No.	Particulars	Details
1.	DIN	03576356
2.	Name	Rajeev Varman
3.	Designation	Whole-time Director & CEO

###### b. Details of the BR Head

Sr. No.	Particulars	Details
1.	DIN (if applicable)	Not Applicable
2.	Name	Namrata Tiwari
3.	Designation	Chief People Officer
4.	Telephone Number	+91 22 7193 3000
5.	E-Mail ID	ntiwari@burgerking.in

##### 2. Principle-wise (as per NVGs) BR policy/policies

###### a) Details of Compliance (Reply in Y/N)

The nine (9) principles outlined in National Voluntary Guidelines are as follows:

- P1-** Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
- P2-** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- P3-** Businesses should promote the well-being of all employees
- P4-** Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
- P5-** Businesses should respect and promote human rights
- P6-** Businesses should respect, protect and make efforts to restore the environment
- P7-** Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
- P8-** Businesses should support inclusive growth and equitable development
- P9-** Businesses should engage with and provide value to their customers and consumers in a responsible manner

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for.....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant Stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been prepared based on relevant feedback / inputs from internal stakeholders. Further, the Company engages with the key external stakeholders and evaluates their feedback, which may help in making changes / improvements to the policies.								
3.	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Policy is based on the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of Business published by the Ministry of Corporate Affairs.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ Owner/CEO/ appropriate Board of Directors?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified Committee of the Board/Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	The Policy is available on the website of the Company at <a href="http://www.burgerking.in">www.burgerking.in</a>								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out an independent audit/evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options) – Not Applicable

its Annual Report and is available on Company's website: [www.burgerking.in](http://www.burgerking.in)

### SECTION E – PRINCIPLE-WISE PERFORMANCE

#### Principle 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ Others?

The policy relating to ethics, bribery and corruption primarily applies to all worldwide employees, officers, and directors of the Company and its subsidiaries and affiliates. Some of the key principles of business responsibility that the Company stands for are even

included, to the extent possible, in the agreement signed with suppliers / vendors / service providers etc.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Based on the organization's influence and interaction with its stakeholders, the Company has identified the following as its stakeholders:

- Employees
- Shareholders
- Customers
- Suppliers / Vendors
- Government Agencies

The Company handles complaints / notices received from the respective stakeholders with seriousness and resolves the complaints within the reasonable time and / or within time permitted under the statutory regulations.

Stakeholders	Complaints Reported	Complaints Resolved	Complaints Pending
Employees	2	2	0
Shareholders	62	62	0
Customers	11	6	5

For other stakeholders, we are in the process of maintaining the count of complaints received and resolution thereof.

#### Principle 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

1. List three products or services whose design has incorporated social or environmental concerns, risks and/or opportunities

The Company continuously follows the principles of safety and sustainability as a manner of doing business.

The key philosophies that the Company follows on the lines of sustainability are as follows:

- a) The Company sources 100% antibiotic residue free chicken from sustainable sources which are used in the Company's products.
- b) With an initiative to save our environment, all the food is served in sustainable, recyclable and compostable packaging. The Company has substantially reduced the use of plastic from items that are used for customer service by moving to products made out of more sustainable and bio degradable products. All the paper packaging in food grade is certified safe for packing food.

The Company has also implemented a take back/ buy back programme for collection of plastic waste.

- c) All the food that the Company serves to its customers are free from Synthetic Colours and Artificial Flavours.
- d) Reduced use of electricity and gas is structurally build in the Company's store construction design and the Company sources the equipments like holding units, friers, etc. that ensures reduced consumption of energy and gas. Also electrical system installation ensures minimum fluctuation resulting in withdrawal of right amount of power.
- e) E-delivery bikes Sustainable Mobility through use of electric bikes: The Company has introduced e-bikes in its fleet of motorbikes used for food delivery. This is a small step towards combating/ reducing the growing air pollution problem in large Indian cities. Going forward the Company will continue to increase its fleet of e-bikes and thereby also reduce its carbon footprint arising from vehicular emissions.

2. Does the Company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company encourages sustainable sourcing and strive towards constantly increasing the value of purchase from sustainable sources. The Company's vendors source all the poultry products from farms that do not use any antibiotic. Only cage free eggs are sourced for the restaurants. Most of the Company's vendor source palm form used in the manufacture of food products that they supply to the Company from sustainable sources. The fries' vendors work with 2500+ local farmers on a contract farming model for regular and sustainable supply of potatoes ensuring improved and consistent realization for farmers and also provides complete farm traceability for produce sourced from these farmers. The Company also sources high end arabica coffee which is grown and roasted locally.

3. Has the Company taken steps to procure goods and services from local and small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

As a policy the Company followed the procedure of maximizing sourcing of goods from local sources, with an exception of few ingredients and capital

goods that are manufactured specifically for the brand globally. The Company closely works with vendors to enable them to expand their capacities on account of increase in the scale of business and also by working closely with them to build their capability in supplying other products within the Company's range.

We also work closely with Micro, Small & Medium Enterprise ('MSME') vendors and currently we have ~361 MSME vendors with whom we are actively engaged with.

4. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

As a policy the Company has continuously reduced the plastic waste generated at the stores. Waste oil generated at the stores is disposed through designated vendors for production of bio-diesel and other approved by-products.

**Principle 3: BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES**

Details are mentioned below:

- Total number of employees – 7,784
- Number of employees hired on temporary/contractual/casual basis - 18
- Number of permanent women employees – 2,243
- Number of permanent employees with disabilities – 17
- Do you have an employee association that is recognized by management - No
- What percentage of your permanent employees is members of this recognized employee association? – Not Applicable
- Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year -

S.no.	Category	Open at the beginning of the FY	Filed during the FY	Pending as on end of the FY
1	Child labour / forced labour / involuntary labour	0	0	0
2	Sexual harassment	0	5	0
3	Discriminatory employment	0	0	0

- What percentage of under-mentioned employees that were given safety and skill upgradation training in the previous year:

- Permanent employees – 97.60%
- Permanent women employees – 98.31%
- Casual/temporary/contractual employees – NIL
- Employees with disabilities – 100%

**Principle 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALISED**

- Has the Company mapped its internal and external stakeholders?**

Based on the organization's influence and interaction that the organization that has with stakeholders, the following have been identified as its stakeholders:

- Employees
- Shareholders
- Customers
- Suppliers / Vendors
- Government Agencies

- Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?**

Except identifying and maintaining a list of MSME vendors, which is required statutorily, the Company is currently in the process of creating a definition of disadvantaged, vulnerable & marginalised stakeholders. Post which the Company would start identifying the same within the stakeholders it works / interacts with.

- Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders?**

The Company is participating in initiatives such as the Taare Hamare initiative, which has included hiring specially-abled members of the community (persons with hearing and speech disability) to work for the Company and providing them with training and equal opportunity to develop and improve themselves.

**Principle 5 - BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

- Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ Others?**

The principles of Human Rights are ensured through policies on Code of Conduct and Employee policies protecting the rights and interest of the employees.

Some of the key principles of business responsibility that the Company stands for are even included, to the extent possible, in the agreement signed with suppliers /vendors / service providers etc.

- How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

No legal complaints regarding Human Rights have been received during FY 2021-22.

**Principle 6: BUSINESS SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT**

- Does the policy related to Principle 6 cover only the Company or extends to the group/joint ventures/ suppliers/contractors/NGO's/others**

The policy relating to Respecting, Protecting and Restoring the Environment covers all the directors and employees of the Company across all its functions and units.

- Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

No, the Company is currently working towards sustainable sourcing of palm oil, which will cover its vendors and its own consumption requirement of palm oil consumed at all its stores. In addition, the Company understands the environmental impact of use of plastic and have taken various steps to reduce the use of plastic in the stores.

As the initiatives evolve, the Company would start sharing the details of the same with its stakeholders through the Company's website.

- Does the company identify and assess potential environmental risks? Y/N**

No

- Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

No

- Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

No

- Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes

- Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year**

Nil

**Principle 7: BUSINESSES WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER**

- Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with**

- National Restaurant Association of India
- Restaurant Association of India

- Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

No

**Principle 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

- Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

The Company is participating in initiatives such as the Taare Hamare, which has included hiring specially-abled members of the community (persons with hearing and speech disability) to work for the Company and providing them with training and equal opportunity to develop and improve themselves.

Also as a part of the effort to support the society, the Company has identified Girl Child Education and support as an initiative for the Company and makes and endeavor to make an impact for the same.

- Are the programmes/projects undertaken (through in-house team/own foundation/external NGO's/ Government structures/any other organization)**

The Company currently pursues its objective by working together and supporting the NGO of Rooms to Read.

The Company initiative Taare Hamare is undertaken by in house team.

3. **Have you done any impact assessment of your initiative?**  
No

4. **What is your company's direct contribution to community development projects - Amount in ₹ and the details of the projects undertaken.**  
The Company is currently supporting the NGOs in providing assistance to them to help them raise funds through the Company's stores for their objectives.

5. **Have you taken steps undertaken to ensure that community development initiatives are successfully adopted by the community? Please explain in 50 words, or so.**

At this moment the implementation of the initiatives is completely left at the discretion of the NGOs that the Company works with. However, the company is also actively engaged in the implementation of the initiatives.

**Principle 9 - BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER**

1. **What Percentage of customer complaints/ consumer cases pending as on the end of the financial year**

Sr. No	Particular	Count
1	Number of Consumer Notices received during FY 2021-22.	6
2	Number of pending Consumer Complaints in courts as on March 31, 2022.	50
3	Number of Consumer Complaints in courts received during FY 2021-2022.	5

Apart from above as at March 31, 2022, there were NIL unresolved complaints which have been received by the company at various platforms.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)**

The Company and its vendors (with respect to products that they supply to us) adhere to applicable regulations with respect to labelling requirements as applicable. In addition, the Company has eliminated the use of Synthetic Colours and Artificial Flavours from foods that it serves to the customers and the same is also clearly brought out as a part of product display in all the stores.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

No

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

The Company has a robust mechanism to receive feedback from customers that visits the stores for Dine In. In addition, the Company regularly seek customer feedback regarding the products on aggregators platform for the Company to understand the customer feedback and constantly identify areas of improvement. The Company evaluates the quantitative feedback to see the health of customer satisfaction and qualitative feedback to enable the Company to evaluate and identify areas of improvement to provide enhanced level of food and service experience.

The Company regularly undertakes brand and product related research to understand customer feedback of products, brand health and recall / awareness of the brand and products in the minds of the consumers.

# Report on Corporate Governance

The Corporate Governance role is not concerned with the running of the business of the company per se, but with giving overall direction to the enterprise, with overseeing and controlling the executive actions of management and with satisfying legitimate expectations of accountability and regulation by interests beyond the corporate boundaries.

- Bob Tricker, Expert in Corporate Governance (1984)

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that good Corporate Governance is an important component in enhancing stakeholders' value and it emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. The Company is committed in its responsibility towards the community, fairness, professionalism, and environment in which it operates, towards its employees and business partners and towards society in general. The Company has in place processes and systems whereby the Company complies with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). As a Company, we believe in implementing Corporate Governance practices that go beyond meeting the letter of law. The Company has comprehensively adopted practices mandated in the SEBI Listing Regulations.



## BOARD OF DIRECTORS

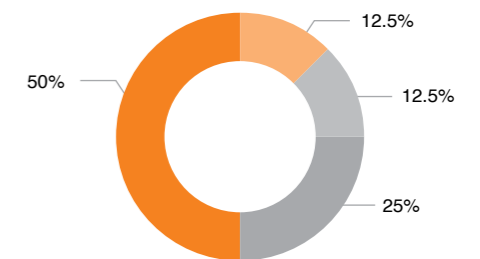
The Board of Directors (the 'Board') is the primary direct stakeholder influencing corporate governance. The Board must ensure that the company's corporate governance

policies incorporate the corporate strategy, risk management, accountability, transparency, and ethical business practices.

The Board of the Company consists of eminent individuals from industry, management, technical, financial, human resource and legal field. The Company is managed by the Board of Directors in co-ordination with the senior management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with the statutory as well as business requirements. Detailed profile of our Directors is available on the website of the Company at [www.burgerking.in](http://www.burgerking.in) and also forms part of this Annual Report.

## Composition and Category of Directors

The Board comprises of an optimum combination of Executive, Non-Executive, Independent Directors and Woman Director as required under the Companies Act, 2013 ('the Act') and SEBI Listing Regulations. As on date, the Board comprises of eight (8) Directors, out of which three (3) are Independent Directors, four (4) are Non-Executive Directors and one (1) Executive Director.



■ Chairman, Non-Executive and Independent Director  
■ Executive Director  
■ Non-Executive and Independent Director  
■ Non-Executive Director

## Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets.

During the financial year 2021-22, the Board met 9 (nine) times on May 26, 2021, August 13, 2021, August 26, 2021, October 29, 2021, November 12, 2021, December 15, 2021, January 24, 2022, March 7, 2022 and March 29, 2022. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Act and the SEBI Listing Regulations.

Attendance of Directors at the Board Meetings held during the financial year 2021-22 and the last Annual General Meeting held on August 25, 2021 and the number of other Directorship(s) and Committee Membership(s) or Chairpersonship(s) held by Directors:

Name of Director	No. of Board Meetings during the year		Attendance at last AGM	No. of other Directorships (as on 31.03.2022)	No. of Board Committees in which director is a Member / Chairperson (as on 31.03.2022)		Shareholding of Non-Executive Directors (as on 31.03.2022)
	Held	Attended			Member	Chairperson	
<b>Chairman &amp; Independent Director</b>							
Mr. Shivakumar Dega	9	9	Yes	1	2	1	Nil
<b>Independent Directors</b>							
Mrs. Tara Subramaniam	9	9	Yes	1	2	1	6,000
Mr. Sandeep Chaudhary	9	9	Yes	3	0	0	6,950
<b>Whole-time Director &amp; Chief Executive Officer</b>							
Mr. Rajeev Varman	9	9	Yes	0	0	0	NA
<b>Non-Executive Officer</b>							
Mr. Amit Manocha	9	8	Yes	1	1	0	Nil
Mr. Jaspal Singh Sabharwal	9	7	Yes	2	1	0	Nil
Mr. Ajay Kaul	9	7	Yes	1	0	0	Nil
Mr. Peter Perdue <sup>8</sup>	9	4	Yes	0	0	0	Nil
Mr. Ekrem Ozer <sup>9</sup>	9	3	NA	0	0	0	Nil
Mr. Rafael Odorizzi De Oliveira <sup>10</sup>	9	2	NA	0	0	0	Nil

**Notes:**

1. Directorships exclude foreign companies, companies formed under Section 25 of the Companies Act, 1956 and Section 8 of the Companies Act, 2013.
2. Above mentioned directorship(s) includes directorships in all listed, unlisted and private limited companies.
3. As required by Regulation 26 of the SEBI Listing Regulations, the disclosure includes membership(s)/ chairpersonship(s) of the Audit Committee and Stakeholders' Relationship Committee in Indian Public Companies (listed and unlisted) including membership(s)/ chairpersonship(s) in the Company.
4. Membership(s) of Committees includes chairpersonship(s), if any.
5. None of the directors hold directorship(s) in more than 20 companies of which directorship in public companies does not exceed 10 in line with the provisions of Section 165 of the Companies Act, 2013 and in listed entities does not exceed 7 in line with the provision of Regulation 17A of SEBI Listing Regulations.
6. No director holds membership(s) of more than 10 committees of board, nor is a chairperson of more than 5 committees of board across all listed entities in which he/she is a director.
7. None of the director of the Company, holds directorship in other listed companies as on March 31, 2022.
8. Mr. Peter Perdue ceased to be Non-Executive Director of the Company w.e.f. October 30, 2021.
9. Mr. Ekrem Ozer was appointed as a Non-Executive Director of the Company w.e.f. October 29, 2021 and ceased to be Non-Executive Director of the Company w.e.f. January 29, 2022.
10. Mr. Rafael Odorizzi De Oliveira was appointed as a Non-Executive Director of the Company w.e.f. February 3, 2022.

**Separate Meeting of Independent Directors**

A separate meeting of the Independent Directors was held on January 24, 2022 without the presence of executive directors or management representatives, *inter alia*, to discuss the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company taking into account the views of executive and non-executive directors and the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All Independent Directors of the Company attended the meeting.

**Disclosure of relationships between Directors inter-se**

None of the present Directors are having any inter-se relationship and each one of them are Independent to each other.

**List of core skills/ expertise/ competencies as identified by the Board of Directors**

Particulars	Shivakumar Dega	Rajeev Varman	Sandeep Chaudhary	Tara Subramaniam	Amit Manocha	Ajay Kaul	Jaspal Singh Sabharwal	Rafael Odorizzi De Oliveria
Professional competencies <sup>1</sup>	✓	✓	✓	✓	✓	✓	✓	✓
Behavioural competencies <sup>2</sup>	✓	✓	✓	✓	✓	✓	✓	✓
Leadership and Management skills <sup>3</sup>	✓	✓	✓	✓	✓	✓	✓	✓
Technical competencies <sup>4</sup>								
• Industry knowledge and experience	✓	✓	-	-	✓	✓	✓	✓
• Governance including Legal Compliance	✓	✓	-	✓	✓	-	-	-
• Business Strategy	✓	✓	-	-	✓	✓	✓	✓
• Consumer Insights	✓	✓	-	-	-	✓	✓	-
• Information Technology	✓	-	✓	-	✓	✓	-	-
• Human Resource	✓	✓	✓	-	-	-	-	-
• Finance & Banking	✓	-	-	✓	✓	-	-	-

**1. Professional competencies**

The attitude and character that shape director's responses and behaviour in the decision making process of the Board of Directors. The ability of members to have ethical and professional approach to the performance oriented decisions of the Board of Directors.

**2. Behavioural competencies**

The expertise that directors bring to their role by possessing ability to think strategically, analyze information, make rightful and fair decisions, communicate, lead and influence the Board decisions in a rightful manner.

**3. Leadership and Management skills**

Strong leadership & management experience, Business Development, Strategic thinking & vision, decision making. Entrepreneurial skills to evaluate risk and rewards and perform advisory role.

**4. Technical competencies**

The director's understanding and appropriate application of essential practical and theoretical knowledge of Food Service Industry, Retail, Business, Finance, Strategy, Human Resource, Legal & Compliance, Corporate Governance, Information Technology, Consumer insights.

**Familiarisation Programmes for Independent Directors**

Towards familiarization of the Independent Directors with the Company, periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company, global business environment, business strategy and risk involved including their roles, rights, responsibility in the Company, nature of the industry in which the Company operates, business model of the Company and related matters.

The details of such programs for familiarisation of the Independent Directors with the Company are available on

the website of the Company at the web link: [https:// www.burgerking.in/corporate-governance](https://www.burgerking.in/corporate-governance).

**Independent Directors**

The Board of Directors of the Company consists of three (3) Independent Directors and the Board confirms that in its opinion all the independent directors fulfil the conditions as specified in the Act and SEBI Listing Regulations and are independent of the management.

**AUDIT COMMITTEE**

The constitution and terms of reference of the Audit Committee are in compliance with Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations, as may be applicable.



## Terms of Reference

The terms of reference of Audit Committee are as follows:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board the appointment, remuneration and terms of appointment of the statutory auditor of the Company;
- Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- Approving payments to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - o Matters required to be included in the Director's Responsibility Statement to be included in the Director's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
  - o Changes, if any, in accounting policies and practices and reasons for the same;
  - o Major accounting entries involving estimates based on the exercise of judgment by management;
  - o Significant adjustments made in the financial statements arising out of audit findings;
  - o Compliance with listing and other legal requirements relating to financial statements;
  - o Disclosure of any related party transactions; and
  - o Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- Approval or any subsequent modifications of transactions of the Company with related parties;
- Scrutinizing of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluating of internal financial controls and risk management systems;
- Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussing with internal auditors on any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing the functioning of the whistle blower mechanism;
- Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/ or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority;
- Reviewing the utilization of loans and/ or advances from/ investment by the holding company in any subsidiary exceeding rupees 100 crore or 10% of the asset size

of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision i.e. April 1, 2019, and henceforth;

- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and

• To monitor and review:

- (a) the mechanism to track the compliances under SEBI (Prohibition of Insider Trading) Regulations, 2015; and
- (b) the Compliances under SEBI (Prohibition of Insider Trading) Regulations, 2015.

## Composition of Audit Committee

The composition of the Audit Committee is given below:

Name of Members	Position	Category
Mrs. Tara Subramaniam	Chairperson	Independent Director
Mr. Shivakumar Dega	Member	Independent Director
Mr. Amit Manocha	Member	Non-Executive Director

## Number of Meetings held and attendance of the Members

The details of Meetings held and attended by the members during the financial year 2021-22 are given below:

Name of Members	Meeting held	Date of Meeting						
		May 26, 2021	August 13, 2021	October 29, 2021	November 12, 2021	December 15, 2021	January 24, 2022	March 7, 2022
Mrs. Tara Subramaniam	7							
Mr. Shivakumar Dega	7							
Mr. Amit Manocha	7							

: Present : Leave of Absence

The maximum gap between two meetings was not more than 120 days.

Ms. Madhulika Rawat, Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

Minutes of all the meetings of the Audit Committee are placed before the Board for information.

The Chairperson of the Committee, Mrs. Tara Subramaniam, had attended the last Annual General Meeting of the Company, which was held on August 25, 2021.

## NOMINATION AND REMUNERATION COMMITTEE

The constitution and the terms of reference of the Nomination and Remuneration Committee ('NRC') are in compliance with Section 178(1) of the Act and Regulation 19 of the SEBI Listing Regulations.

## Terms of Reference

The terms of reference of the NRC are as follows:

- Formulating the criteria for determining qualifications, positive attributes and independence of a Director and

recommending to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;

- Formulating of criteria for evaluation of the performance of the independent directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who qualify to become Directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every Director's performance;
- Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Analysing, monitoring and reviewing various human resource and compensation matters;
- Determining the company's policy on specific remuneration packages for executive directors including

- pension rights and any compensation payment, and determining remuneration packages of such directors;
- Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021 as amended;
- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - o The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  - o The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.
- Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority; and
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.







### Composition of NRC

The composition of NRC is given below:

Name of Members	Position	Category
Mr. Sandeep Chaudhary	Chairman	Independent Director
Mr. Shivakumar Dega	Member	Independent Director
Mr. Amit Manocha	Member	Non-Executive Director

### Number of Meetings held and attendance of the Members

The details of Meetings held and attended by the members during the financial year 2021-22 are given below:

Name of Members	No. of Meetings Held	Date of Meeting	
		October 29, 2021	January 24, 2022
Mr. Sandeep Chaudhary	2		
Mr. Shivakumar Dega	2		
Mr. Amit Manocha	2		

 : Present  : Leave of Absence

Ms. Madhulika Rawat, Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

Minutes of all the meetings of NRC are placed before the Board for information.

The Chairman of the Committee, Mr. Sandeep Chaudhary, had attended the last Annual General Meeting of the Company, which was held on August 25, 2021.

### Performance Evaluation Criteria for Independent Directors

The performance evaluation criteria for independent directors are determined by the NRC. An indicative list of factors that may be evaluated includes participation and contribution by a director, effective deployment of knowledge and expertise, conduct and commitment.

### Remuneration to Directors

#### a) Executive Directors

All elements of the remuneration package of Mr. Rajeev Varman are as follows:

Particulars	₹ Per annum
Basic Salary	1,200,000
PF Employer Contribution	144,000
Gratuity Provision	57,720
House Rent Allowance	600,000
Position Allowance	27,998,280
<b>Total Fixed Salary</b>	<b>30,000,000</b>

Other Benefits and Perquisites Car for official purpose, Group Medical Coverage, Group Personal Accident and Group Term Life Insurance, telecommunication facility, as per Company's policy.

Incentive / Variable Pay Upto ₹30 million (Rupees Thirty Million) per annum

Stock Options 3,549,108 Options have been granted as per the Employee Stock Option Scheme of the Company on August 30, 2019. Further, as may be granted by NRC of the Company from time to time as per Employee Stock Option Scheme of the Company.

Service contracts, Director & CEO is 5 years starting from April 1, 2019 and the terms of severance, notice period and termination will be governed as per the terms and conditions of agreement entered with him by the Company.

The total remuneration paid/ accrued to Mr. Rajeev Varman in the financial year 2021-22 is as follows:

Particulars	Amount in ₹
Gross Salary	2,99,42,280
Variable Bonus	3,00,00,000
<b>Total</b>	<b>5,99,42,280</b>

#### Performance criteria for Performance Linked Incentive

The annual variable pay compensation in the form of annual incentive and annual increment for the executive director will be determined by NRC based on the Company's and individual's performance as against the pre-agreed objectives for the year.

#### b) Non-Executive Directors:

The Non-Executive Independent Directors are paid remuneration by way of sitting fees.

The Non-Executive Independent Directors are paid sitting fees for each meeting of the Board or Committees

of Board attended by them. Pursuant to the limits approved by the Board, all directors being non-executive independent directors are paid sitting fees of ₹50,000/- for attending each meeting of the Board and ₹20,000/- for attending each meeting of the Board committees. Further, an Independent Director who acts as the chairman/ chairperson of the audit committee meeting is entitled to receive ₹50,000/- for each audit committee meeting attended. The actual out of pocket expenses incurred for attending meetings of the Board or a committee thereof and other Company related expenses are borne by the Company, from time to time. The Non-Executive Directors do not have any material pecuniary relationship or transactions with the Company.

The sitting fees paid during the financial year 2021-22 to the Non-Executive Independent Directors for attending the Board and Committee Meetings for the financial year 2021-22, are as follows:

Name of the Director	Sitting Fees (₹)
Mr. Shivakumar Dega	710,000
Mr. Sandeep Chaudhary	490,000
Mrs. Tara Subramaniam	960,000

No remuneration by way of commission to the Non-Executive Directors was proposed for the financial year 2021-22.

The criteria for making payment to Executive and Non-Executive Directors has also been posted on the Company's website and can be accessed at [www.burgerking.in](http://www.burgerking.in).

### STAKEHOLDERS' RELATIONSHIP COMMITTEE

The constitution and the terms of reference of the Stakeholders' Relationship Committee ('SRC') are in compliance with Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations.

#### Terms of Reference

The terms of reference of the SRC are as follows:

- Consider and resolve grievances of security holders of the Company, including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.;
- Review of the measures taken for effective exercise of voting rights by shareholders. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
- Review of various measures and initiatives taken by the Company for reducing the quantum of

unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

- Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- To approve, register, refuse to register transfer or transmission of shares and other securities;
- To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
- Allotment and listing of shares;
- To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/ security(ies) certificate(s) of the Company;

- To authorise affixation of common seal of the Company;
- To approve the transmission of shares or other securities arising as a result of death of the sole/ any joint shareholder;
- To dematerialize or rematerialize the issued shares;
- Ensure proper and timely attendance and redressal of investor queries and grievances;
- Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and
- To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- Monitoring and reviewing the risk management plan of the Company;
- Reviewing risks related to cyber security and evaluating the treatment including initiating mitigation actions; and
- Any other matters in line with the business requirements and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year 2021-22, Mrs. Tara Subramaniam, Independent Director of the Company was appointed as a Member of the RMC pursuant to the amendment in the SEBI Listing Regulations.

The composition of the RMC as on March 31, 2022 is as follows:




Name of Members	Position	Category
Mr. Rajeev Varman	Chairman	Whole-time Director and Chief Executive Officer
Ms. Tara Subramaniam	Member	Independent Director
Mr. Amit Manocha	Member	Non-Executive Director
Mr. Jaspal Singh Sabharwal	Member	Non-Executive Director
Mr. Sumit Zaveri	Member	Chief Financial Officer
Mr. Abhishek Gupta*	Member	Chief Business Development and Operations Support Officer.

\* Mr. Abhishek Gupta ceased to be the member of RMC w.e.f. April 11, 2022 due to his resignation.

Minutes of all the meetings of RMC are placed before the Board for information.

### Composition and Attendance of SRC

The composition of SRC and attendance of Committee members during the financial year 2021-22 are given below:

Name of Member	Position	Category	No. of Meetings	
			Held	Attended
Mr. Shivakumar Dega	Chairman	Independent Director	1	
Mrs. Tara Subramaniam	Member	Independent Director	1	
Mr. Jaspal Singh Sabharwal	Member	Non-Executive Director	1	

 : Present  : Leave of Absence

The SRC met once during the financial year 2021-22 on January 24, 2022.

Minutes of all the meetings of SRC are placed before the Board for information.

The Chairman of the Committee, Mr. Shivakumar Dega, had attended the last Annual General Meeting of the Company, which was held on August 25, 2021.

### Name and Designation of Compliance Officer:

Ms. Madhulika Rawat, the Company Secretary is the Compliance Officer of the Company.

The details of shareholders' complaints received and disposed off, after the listing of shares of the Company, during the year under review are as under:

Number of Investor Complaints	
Pending at the beginning of the financial year	Nil
Received during the financial year	62
Disposed off during the financial year	62
Pending at the end of the financial year	Nil

### RISK MANAGEMENT COMMITTEE

The constitution and terms of reference of the Risk Management Committee ('RMC') are in compliance with Regulation 21 of the SEBI Listing Regulations.













### Terms of Reference

The terms of reference of the RMC are as follows:

- To formulate a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks;
  - c) Business continuity plan;

### Number of Meetings held and attendance of the Members

The details of Meetings held and attended by the members during the financial year 2021-22 are given below:

Name of Members	No. of Meetings Held	Date of Meeting	
		January 24, 2022	March 29, 2022
Mr. Rajeev Varman	2		
Ms. Tara Subramaniam	2		
Mr. Amit Manocha	2		
Mr. Jaspal Singh Sabharwal	2		
Mr. Sumit Zaveri	2		
Mr. Abhishek Gupta	2		

 : Present  : Leave of Absence

## BORROWING, INVESTMENT, LOANS AND FINANCE COMMITTEE

The Borrowing Committee of the Board of Directors was constituted on February 12, 2020, pursuant to Section 179 of the Act, *inter alia*, to consider and approve the following matters on behalf of the Board of Directors:

- to borrow monies;
- to invest the funds of the Company; and
- to grant loans or give guarantee or provide security in respect of loans.

The Borrowing Committee of the Board of Directors was renamed as the Borrowing, Investment, Loans and Finance Committee ('BILF Committee') on February 9, 2021 to include the powers for opening and closing of bank accounts and other banking related operations.

### Terms of Reference

The terms of reference of the BILF Committee are as follows:

- To approve the amount of each facility to be availed at any point of time or from time to time within the borrowing limits as approved;
- To negotiate, finalise, modify, settle and accept the terms and conditions of any and each such facility, including security thereof, and agree to such changes and modifications in the said terms and conditions as may be suggested by the respective Financial Institution(s)/ Bank(s) and/or other lender(s) and / or entity/person and as may be agreed to in the best interests of the Company for each facility;
- To approve, create or cause to be created on behalf of the Company, a mortgage by deposit of title deeds in favour of a Security Trustee, or other entity nominated by Bank / Financial Institute or other lender(s) by depositing the documents of title, evidences, deeds and writings in respect of "Identified Properties" and the other necessary security by way of Legal Mortgage, Hypothecation, charge or other appropriate mechanisms in favour of the Lender(s) and / or a Security Trustee for the benefit of the Lender(s) and also to approve, finalize and execute or cause to be executed on behalf of the Company requisite security documents, mandates, agreements, assignments, powers of attorney, promissory notes and all other agreements, documents, deeds, instruments and other writings ("facility documents") in favour of the concerned Financial Institution(s)/Bank(s)/Lender(s) or other entity in connection with each of any Facilities;
- To appoint one or more Security Trustee(s), facility Agent(s), Lead Bank, Legal Counsel(s), Issuing & Paying Agent(s), Registrar & Transfer Agent(s), Custodian(s), Escrow Agent(s), engage and avail of services from

Rating agencies and/or any other intermediary(ies) in connection with the availment of any Facilities and matters to be undertaken in furtherance of any facility obtained by the Company;

- To approve, finalise, modify, settle and execute all documents / deeds / writings / papers / agreements / undertakings as may be required or considered necessary and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, expedient, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to facility(s) or in respect of any other related matter in this regard;
- To invest and deal with the moneys of the Company in equity and equity related instruments, debt, money market instruments, such as Debentures, Bonds, Commercial Papers, Instruments, Securities issued by bodies corporate, institutions, corporations, government, others including investments in certificate of deposits (CDs), fixed deposits or other instruments, etc. of Banks, Inter-corporate Deposits, Units of Mutual Funds, inter corporate loans and such other securities and / or any other instruments/papers whether in India or abroad from time to time;
- To give corporate guarantees or give loans or provide security in respect of loans up to a limit of ₹10 Crores at any point;
- To open bank account (s) of any type/ and/or nomenclature and /or appoint or add new signatories or change the current signatories for operating existing as well as newly opened bank account(s) and /or close existing account(s) with any of the bank(s) and / or issue such instructions as may be deemed necessary for smooth operations of the Company's day to day banking transactions;
- To sub-delegate authority from time to time, to one or more employee(s), official(s), person(s) as they deem fit as Authorised Representative of the Company; and
- To do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, expedient, proper or desirable.







### Composition of BILF Committee

The composition of the BILF Committee is given below:

Name of Members	Position	Category
Mrs. Tara Subramaniam	Chairperson	Independent Director
Mr. Rajeev Varman	Member	Whole-time Director and CEO
Mr. Amit Manocha	Member	Non-Executive Director

## Number of Meetings held and attendance of the Members

The details of Meetings held and attended by the members during the financial year 2021-22 are given below:

Name of Members	No. of Meetings Held	Date of Meeting	
		June 23, 2021	February 18, 2022
Mrs. Tara Subramaniam	2		
Mr. Rajeev Varman	2		
Mr. Amit Manocha	2		

 : Present  : Leave of Absence

Ms. Madhulika Rawat, Company Secretary and Compliance Officer of the Company, acts as the Secretary to the BILF Committee.

Minutes of all the meetings of BILF Committee are placed before the Board for information.

## FUND RAISING COMMITTEE

The Fund Raising Committee of the Board of Directors was constituted on December 15, 2021, *inter alia*, to undertake various actions w.r.t. the fund raising in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ('SEBI ICDR Regulations') and the Companies Act, 2013 and the applicable rules made thereunder (including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, each including any amendment(s), statutory modification(s), or re-enactment(s) thereof and other matters incidental thereto.

### Terms of Reference

The terms of reference of the Fund Raising Committee are as follows:

#### General

- To analyze various options for infusion of capital and funds by issue of various securities including equity shares, preference shares, debentures, bonds, other debt securities, etc.;
- To approve issue of securities in one or more tranches to various potential Investors within the overall limit as approved by the Board / Shareholders and determine price/ price range for the securities;
- To engage/ appoint the issue management and issue related agencies;
- To incur necessary expenditure relating to capital and fund raising exercise;
- To perform all activities with regard to fund raising by various methods/means/options under the authority of Board and Shareholders; and

- To do all such acts, deeds as the Board may delegate in connection with the capital and fund raising exercise.

### Specific w.r.t. Qualified Institutions Placement ('QIP')

- offer, issue and allot the Equity Shares, subject to such terms and conditions, as determined by the Fund Raising Committee, in its absolute discretion;
- determining the terms and conditions of the QIP, including among other things, the terms of the QIP, including timing (i.e. issue opening and / or issue closing dates) of the QIP, number of Equity Shares to be allotted, the pricing, in accordance with the SEBI ICDR Regulations (including discount, if any), the objects of the QIP and the monitoring of the same;
- approve, finalise, and execute the preliminary placement document and the placement document and to approve and finalise the application form, confirmation of allocation notes, and any other documents in this regard;
- issue and allot such number of Equity Shares, as may be necessary in accordance with the terms of the QIP, subject to the provisions of the memorandum of association and articles of association of the Company and ranking pari passu with the existing Equity Shares in all respects;
- approve, finalise, execute, and amend / modify agreements and documents, including any powers of attorney, lock-up letters, and agreements in connection with the appointment of any intermediaries and / or advisors (including for marketing, listing, trading, and appointment of book running lead managers / legal counsel / bankers / advisors / registrars / any other intermediaries as required) and to pay any fees, commission, costs, charges and other expenses in connection therewith;
- provide such declarations, affidavits, certificates, consents and / or authorities as required from time to time;
- seek any consents and approvals, including, among others, consent from the Company's lenders, customers,

- vendors, and other parties with whom the Company has entered into agreements and from concerned statutory and regulatory authorities;
- h) file requisite documents with the Securities and Exchange Board of India, the stock exchanges where the Equity Shares are listed (“Stock Exchanges”), the Government of India, the Reserve Bank of India, and any other statutory and / or regulatory authorities, and any amendments, supplements or additional documents in relation thereto, as may be required;
- i) seeking the listing of the Equity Shares on the Stock Exchanges, submitting the listing application to such Stock Exchanges and taking all actions that may be necessary in connection with obtaining such listing approvals (both in - principle and final listing and trading approvals);
- j) opening one or more bank accounts in the name of the Company, as may be required, subject to requisite approvals, if any, and to give such instructions including closure thereof as may be required and deemed appropriate by the Board;
- k) approving the issue price and finalize allocation of the Equity Shares on the basis of the bids / applications received;
- l) acceptance and appropriation of the proceeds of the QIP;
- m) to determine and vary the utilization of the proceeds of the QIP in accordance with applicable law, subject to placement of any statement of variation before the audit committee of the Company in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended;
- n) affix the common seal of the Company, as required, on any agreement, undertaking, deed or other document, in the presence of any one or more of the directors of the Company or any one or more of the officers of
- the Company as may be authorised by the Board in accordance with the memorandum of association and articles of association of the Company;
- o) further authorise and empower any director(s) and / or officer(s) of the Company to execute and deliver, for and on behalf of the Company, any and all other documents or instruments and doing or causing to be done any and all acts or things as the director(s) / officer(s) may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing, or in connection with the QIP, and any documents or instruments so executed and delivered or acts and things done or caused to be done by the director(s) / officer(s) shall be conclusive evidence of the authority of the director(s) / officer(s) and the Company in doing so; and
- p) subject to applicable law, do all such incidental and ancillary acts and things as may be deemed necessary (including liaising with concerned statutory and other relevant authorities for approvals, permissions, consents and / or sanctions necessary or desirable and agreeing, as it may deem fit or as it may suo moto decided to be in the best interest of the Company, to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions), undertaking all actions and compliances necessary under applicable law, and to give such directions that may be necessary or settle any issues, questions, difficulties or doubts that may arise in regard to or in connection with any matter(s) referred as above.










#### Composition of Fund Raising Committee

The composition of the Fund Raising Committee is given below:

Name of Members	Position	Category
Mrs. Tara Subramaniam	Chairperson	Independent Director
Mr. Shivakumar Dega	Member	Independent Director
Mr. Amit Manocha	Member	Non-Executive Director

#### Number of Meetings held and attendance of the Members

The details of Meetings held and attended by the members during the financial year 2021-22 are given below:

Name of Members	No. of meetings Held	Date of Meeting		
		February 10, 2022	February 15 2022	February 15, 2022
Mrs. Tara Subramaniam	3			
Mr. Rajeev Varman	3			
Mr. Amit Manocha	3			

 : Present  : Leave of Absence

Ms. Madhulika Rawat, Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Fund Raising Committee.

Minutes of all the meetings of Fund Raising Committee are placed before the Board for information.

#### GENERAL BODY MEETINGS

Details of last three Annual General Meetings of the Company held are as under:

Date	Time	Whether Special Resolution Passed or not	Special Resolutions passed	Location
August 29, 2019	10:30 a.m.	Yes	1. Approval of proposed grant of options equal to or exceeding 1% of issued capital to identified employee.	Unit Nos. 1003 to 1007, 10 <sup>th</sup> Floor, Mittal Commercias, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai – 400 059.
November 13, 2020	10:00 a.m	Yes	1. Amendment in the “BK Employee Stock Option Scheme 2015” (“ESOS 2015”/ “Scheme”). 2. Extending Benefits of Amendment in BK Employee Stock Option Scheme 2015 to the Employees / Directors of the Holding Company and Subsidiary Company (ies). 3. Issue of Equity Shares on Preferential Basis. 4. Incentive / Variable Pay to Mr. Rajeev Varman (DIN:03576356), Whole-time Director & CEO of the Company.	Through Video Conferencing / Other Audio Visual Means. The venue of the meeting shall be deemed to be the Registered Office of the Company at Unit Nos. 1003 to 1007, 10 <sup>th</sup> Floor, Mittal Commercias, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai – 400 059.
August 25, 2021	11:00 a.m.	Yes	1. Alteration of certain articles of the Articles of Association of the Company.	Through Video Conferencing / Other Audio Visual Means. The venue of the meeting shall be deemed to be the Registered Office of the Company at Unit Nos. 1003 to 1007, 10 <sup>th</sup> Floor, Mittal Commercias, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai – 400 059.

Details of Extra-Ordinary General Meeting of the Company held during the year is as under:

There were no Extra-Ordinary General Meetings of the Company held during the financial year 2021-22.

#### Postal Ballot:

During the financial year under review, the Company had conducted 2 (two) Postal Ballots.

The details of the postal ballot are as follows:

Date of postal ballot notice: December 15, 2021

Date of declaration of result: January 21, 2022

Voting period: Wednesday, December 22, 2021 to Thursday, January 20, 2022

Date of approval: January 20, 2022

Sr. no.	Name of Resolution	Type of Resolution	No. of votes polled	Votes cast in favour		Votes cast against	
				No. of votes	%	No. of votes	%
1	To increase Authorized Share Capital of the Company and consequent alteration of the Capital Clause of the Memorandum of Association of the Company	Ordinary	290406578	290401992	99.9984	4586	0.0016
2	To issue securities by means of Qualified Institutions Placement, Preferential Issue, and/ or any other permitted mode/ any combination thereof	Special	290406526	283701310	97.6911	6705216	2.3089
3.	To increase limit prescribed under Section 186 of Companies Act, 2013	Special	290406526	284238454	97.8761	6168072	2.1239

Sr. no.	Name of Resolution	Type of Resolution	No. of votes polled	Votes cast in favour		Votes cast against	
				No. of votes	%	No. of votes	%
4.	To undertake a related party transaction with QSR Indoburger Pte. Ltd. as part of acquisition of controlling stake in PT Sari Burger Indonesia	Ordinary	88595466	82463388	93.0786	6132078	6.9214
5.	To change the name of the Company from Burger King India Limited to Restaurant Brands Asia Limited	Special	290406579	290398463	99.9972	8116	0.0028
6.	To change the Object Clause in Memorandum of Association of the Company	Special	290405201	290400732	99.9985	4469	0.0015
7.	To appoint Mr. Ekrem Ozer (DIN: 09381216) as a Non-Executive Director of the Company	Ordinary	290406526	289801505	99.7917	605021	0.2083
8.	To approve ratification of Article 105 of the Articles of Association of the Company	Special	290406153	257130682	88.5417	33275471	11.4583
9.	To approve ratification of Article 139(d) of the Articles of Association of the Company	Special	290406153	257130655	88.5417	33275498	11.4583
10.	To alter Articles of Association of the Company	Special	290406154	247104138	85.0892	43302016	14.9108

Date of postal ballot notice: March 24, 2022

Date of declaration of result: April 28, 2022

Voting period: Tuesday, March 29, 2022 to Wednesday, April 27, 2022

Date of approval: April 27, 2022

Name of Resolution	Type of Resolution	No. of votes polled	Votes cast in favour		Votes cast against	
			No. of votes	%	No. of votes	%
To appoint Mr. Rafael Odorizzi De Oliveira (DIN: 09492506) as Non-Executive (Non- Independent) Director of the Company	Ordinary	337154945	311880465	92.5036	25274480	7.4964

### Procedure for Postal Ballot

In compliance with Section 108, 110 and other applicable provisions the Act, as amended, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Ministry of Corporate Affairs, Government of India's General Circular No.14/2020 dated April 8, 2020 read with General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021 and General Circular No. 20/2021 dated December 8, 2021 ('MCA Circulars'), the Postal Ballot Notice was sent only by email to those members who had registered their email address with their Depository Participant(s) ('DP') or with Link Intime India Private Limited, Registrar and Share Transfer Agent of

the Company ('LIPL'). Physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope were not sent to the members for these postal ballots in accordance with MCA Circulars.

In compliance with Regulation 44 of the SEBI Listing Regulations as amended from time to time, the Company had appointed LIPL for providing the e-voting facility to all its members. The Company also published a notice in the newspapers declaring the details and requirements as mandated by the Act and applicable rules.

Voting Rights were in proportion to the shares held by members whose names appeared in the Register of Members/ List of Beneficial Owners in the total paid-up equity share capital of Company as on the cut-off date. Members were requested to vote through remote e-voting only on or before the close of voting period.

Ms. Ashwini Inamdar, failing her Mr. Atul Mehta, Partner, Mehta & Mehta, Practicing Company Secretaries was appointed as Scrutinizer for conducting the postal ballot/e-Voting process in a fair and transparent manner.

The Scrutinizer completed the scrutiny and submitted the report to the Chairman, and consolidated results of the voting were announced and communicated simultaneously to the Stock Exchanges, Depository, Registrar and Share Transfer Agent of the Company and were also displayed on the Company's website [www.burgerking.in](http://www.burgerking.in)

The Resolutions, as set out in the Postal Ballot Notice dated December 15, 2021 and March 24, 2022 were passed with requisite majority.

There is no immediate proposal for passing any resolution through postal ballot.

### DISCLOSURES

#### Related party transactions

During the Financial Year 2021-22, there were no materially significant related party transactions that could have potential conflict with the interests of the Company at large. Further, details of related party transactions are presented in Note No. 34 to Financial Statement in the Annual Report

A copy of the policy on dealing with related party transactions has been posted on the Company's website and can be accessed at <https://www.burgerking.in/corporate-governance>.

#### Compliances by the Company

The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India ('SEBI') and other statutory authorities on all matters related to capital markets and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities relating to the capital markets, during the last three years.

However, the Company had filed an application for adjudication of penalties on October 11, 2019 with the Registrar of Companies ('RoC') in relation to the failure of receipt of monies in a separate bank account in accordance with Section 42(6) of the Act. Subsequently, the RoC issued an order dated February 3, 2020 (the 'Order') imposing a penalty of ₹0.2 million on the Company and ₹0.1 million each on Mr. Rajeev Varman, Whole-time Director and CEO, Ms. Ranjana Saboo, the former Company Secretary and Compliance Officer and Mr. Sumit P. Zaveri, Chief Financial Officer of the Company (collectively referred to as the "Addresses to the Order"). The Company and the Addresses to the Order have complied with the Order and have paid a collective penalty of ₹0.5 million on February 18, 2020.

### Whistle Blower Policy / Vigil Mechanism

Pursuant to Section 177(9) and (10) of the Act, and Regulation 22 of the SEBI Listing Regulations, the Company has formulated Whistle Blower Policy for Vigil Mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. <https://www.burgerking.in/corporate-governance>.

### Compliance with Mandatory Requirements of the Listing Regulations & Adoption of Non-Mandatory Requirements of the Listing Regulations

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to corporate governance.

In addition, the Company also strives to adhere and comply with the following discretionary requirements specified under Regulation 27(1) and Part E of the Schedule II of Listing Regulations, to the extent applicable:

- Modified opinion(s) in Audit Report: Company's financial statements have unmodified audit opinions.
- Reporting of Internal Auditor: Internal auditor of the Company directly reports to the Audit committee.
- Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: The Chairman of the Company is an Independent Director and is not related to the Whole-time Director and Chief Executive Officer of the Company.

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations to the extent applicable.

### Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) referred to in Section 133 of the Act. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

### Web link where policy for determining 'material' subsidiaries is disclosed

As required under the SEBI Listing Regulations a policy for determining material subsidiary has been formulated. The

policy for determining material subsidiary is available on the website of the Company at [https:// www.burgerking.in/corporate-governance](https://www.burgerking.in/corporate-governance).

### Disclosure of commodity price risks or foreign exchange risk and hedging activities

#### Commodity Price Risk

Considering the Company's nature of business, the Company is exposed to Commodity Price Risk in terms of few of its raw materials being used in its food products. The Company has a mechanism to regularly monitor the change in the commodity prices and accordingly manages the procurement in order to mitigate/reduce the impact of commodity price risk.

### Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

Particulars of Issue	Shares Issued	Amount Raised	Details of utilization of funds
Preferential Allotment	15,712,820 equity shares of face value of ₹10/- each at a premium of ₹48.50/- (Rupees forty-eight fifty paise Only) per equity share to Amansa Investments Limited	₹919,199,970/- (Rupees Ninety One Crore Ninety One Lakh Ninety Nine Thousand Nine Hundred and Seventy Only)	There were no instances of deviation(s) or variation(s) in the utilization of proceeds of preferential allotment as mentioned in the objects stated in the Offer letter issued to Amansa Investments Limited
Qualified Institutions Placement	108,480,018 equity shares of face value ₹10/- each to eligible qualified institutional buyers at an issue price of ₹129.25/- per equity share (including a premium of ₹119.25/- per equity share)	₹14,021,042,326.50/- (One Thousand Four Hundred and Two Crore Ten Lakhs hundred Twenty-Six and Fifty Paise only)	There were no instances of deviation(s) or variation(s) in the utilization of proceeds of Qualified Institutions Placement as mentioned in the objects stated in the Offer letter.

### Certificate under Regulation 34(3) of SEBI Listing Regulations

A certificate from M/s. Mehta & Mehta, Company Secretaries, has been obtained, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of a Company by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any other statutory authority and accordingly the same forms part of this report as "Annexure A".

### Recommendation of Committee not accepted by Board

All the recommendations of the Committees are positively accepted by the Board of Directors.

### Fees paid to Statutory Auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to Statutory Auditor of the Company and other firms in the network entity of which the

### Foreign Exchange Risk

The Company manages foreign exchange risk with appropriate hedging activities consistent with the policies of the Company.

The Company has availed the financial assistance by way of non-fund based facility to cover the risk arising out of foreign exchange transactions/ payments from Banks; and thereby entered into foreign exchange transactions including cash/ tomorrow/spot and forward contracts, to reduce or extinguish an existing identified risk on an ongoing basis during the life of the any transaction or for transformation of risk exposure and to hedge in any transaction, as specifically permitted by the Reserve Bank of India.

Statutory Auditor are a part, during the financial year ended March 31, 2022, is ₹ 59.59 Million.

### Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this policy is to lay clear guidelines and provide right direction in case of any reported incidence of sexual harassment across the Company's offices, and take appropriate decision in resolving such issues. An Internal Complaints Committee ('ICC') has been set up to redress the complaints received regarding sexual harassment.

During the financial year under review, 5 complaints with respect to sexual harassment were received and resolved by the ICC and no complaint was pending to be resolved.

**This Corporate Governance Report of the Company for the financial year ended March 31, 2022 is in compliance with the requirements of Corporate Governance under the SEBI Listing Regulations, as applicable.**

### Disclosure by the Company and its subsidiaries of loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount

There were no loans and advances given by the Company and its subsidiaries to any firms/ companies in which directors are interested.

### MEANS OF COMMUNICATION

- Quarterly Results are published in Financial Express, English daily newspaper circulating in substantially the whole of India and in Loksatta, Marathi vernacular daily newspaper and are also posted on the Company's website [www.burgerking.in](http://www.burgerking.in).
- Official media releases are sent to the Stock Exchanges before their release to the media for wider dissemination. Presentations made to media, analysts, institutional investors, etc. are posted on the Company's website.
- The Company's website contains a separate dedicated section "Investor Relations". It contains comprehensive database of information of interest to our investors including the financial results and Annual Report of the

Company, any price sensitive information disclosed to the regulatory authorities from time to time, business activities and the services rendered/ facilities extended by the Company to our investors, in a user friendly manner. The basic information about the Company as called for in terms of Regulation 46 of the SEBI Listing Regulations is provided on Company's website and the same is updated regularly.

- Annual Report containing, *inter alia*, Audited Annual Accounts, Director's Report, Auditor's Report and other important information is circulated to Member and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report and is displayed on Company's website.
- The quarterly Shareholding Pattern and Corporate Governance Report of the Company are filed with National Stock Exchange of India Limited through NEAPS and with BSE Limited through BSE Listing Portal. The Shareholding Pattern is also displayed on the Company's website under the "Investor Relations" section.
- The Company has also designated the e-mail ID: investor@burgerking.in exclusively for investor servicing.

### GENERAL SHAREHOLDERS' INFORMATION

CIN	: L55204MH2013FLC249986
Registered Office Address	: Unit Nos. 1003 to 1007, 10 <sup>th</sup> Floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai-400 059
Date, Time and Venue of Annual General Meeting	: September 14, 2022 at 4:00 p.m.(IST) through Video Conferencing/Other Audio Visual Means facility [Deemed Venue for Meeting: Registered Office: Unit Nos. 1003 to 1007, 10 <sup>th</sup> Floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai-400 059]
Financial year	: April 1 to March 31
Cut-off Date	: Wednesday, September 7, 2022 [For determining eligibility of shareholders who will be entitled to vote electronically on the resolutions mentioned in the Notice convening the AGM either through remote e-Voting or voting at the AGM]
Dividend Payment Date	: Not Applicable
Listing on Stock Exchanges	: The equity shares of the Company are listed on: 1. BSE Limited ('BSE') Phiroze Jeejeeboy Towers, Dalal Street, Fort, Mumbai- 400 001 2. National Stock Exchange of India Limited ('NSE') Exchange Plaza, 5 <sup>th</sup> Floor, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra(E), Mumbai- 400 051
Stock Code	: The BSE Scrip code of equity shares is 543248 The NSE Scrip symbol of equity shares is RBA.
ISIN	: INE07T201019
Listing Fees	: Annual listing fees for the year 2022-23 (as applicable) have been paid by the Company to the Stock Exchanges.

The equity shares of the Company have not been suspended from trading on the said Stock Exchanges or by any Regulatory/ Statutory Authority.

### Tentative calendar of the Board Meetings for consideration of quarterly results for the Financial Year 2022-23

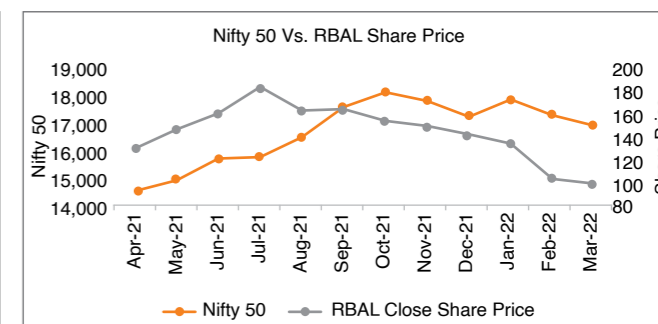
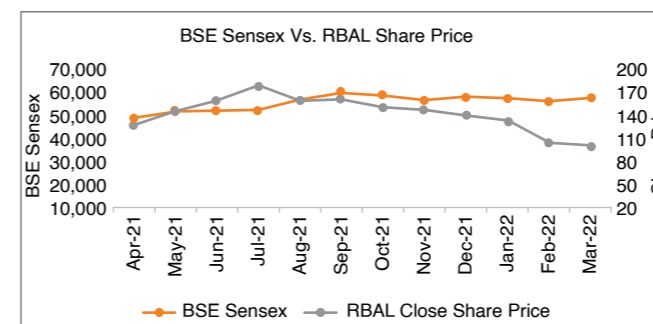
For the quarter ended June 30, 2022	: On or before August 14, 2022
For the quarter and half year ended September 30, 2022	: On or before November 14, 2022
For the quarter ended December 31, 2022	: On or before February 14, 2023
For the quarter and year ended March 31, 2023	: On or before May 30, 2023

### Market Price Data and performance in comparison to broad based indices

Month-Year	Share price on BSE (RBA)			BSE Sensex
	High	Low	Close	
April 2021	140.75	126.35	129.85	48,782.36
May 2021	159.30	126.15	145.65	51,937.44
June 2021	167.00	144.50	159.00	52,482.71
July 2021	185.00	157.05	180.40	52,586.84
August 2021	189.95	145.45	161.25	57,552.39
September 2021	167.60	156.55	162.45	59,126.36
October 2021	171.85	149.05	152.60	59,306.93
November 2021	168.70	143.15	148.65	57,064.87
December 2021	165.90	140.10	141.55	58,253.82
January 2022	149.20	129.40	133.90	58,014.17
February 2022	143.05	95.20	104.75	56,247.28
March 2022	114.00	96.40	100.70	58,568.51

Month-Year	Share price on NSE (RBA)			Nifty 50
	High	Low	Close	
April 2021	140.90	126.25	129.85	14,613.85
May 2021	159.40	126.10	145.65	14,983.53
June 2021	167.00	146.05	158.95	15,733.68
July 2021	185.00	157.00	180.85	15,783.10
August 2021	189.70	145.25	161.25	16,470.46
September 2021	167.90	156.50	162.45	17,508.61
October 2021	171.90	149.20	152.65	18,020.22
November 2021	169.00	143.00	148.45	17,718.89
December 2021	165.80	140.00	141.55	17,174.27
January 2022	149.30	129.30	133.90	17,770.62
February 2022	143.20	95.00	104.65	17,225.94
March 2022	111.90	96.40	100.75	16,864.67

Source: BSE and NSE Website



### Registrar and Transfer Agent ('RTA')

Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai- 400 083  
Tel: +91 22 4918 6000  
Fax: +91 22 4918 6060  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

### Share Transfer System

During the financial year under review, RTA of the Company ensured compliance with all the procedural requirements with respect to transfer, transmission and transposition of shares and formalities with respect to name deletion, sub-division, consolidation, renewal, exchange and endorsement of share certificates.

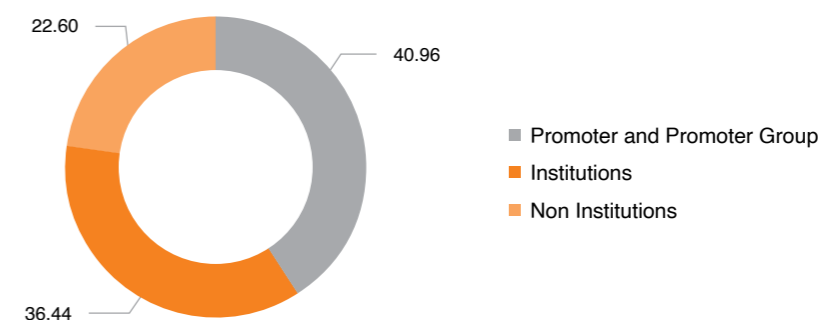
SEBI has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, the Company / its RTA are not accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation. However, investors are not barred from holding shares in physical form.

Transfers in electronic form are much simpler and quicker as the shareholders have to approach their respective depository participants and the transfers are processed by NSDL/ CDSL, as the case may be, with no requirement of any separate communication to be made to the Company.

### Shareholding Pattern as on March 31, 2022

Category Code	Category of shareholder	No. of Shareholders	Total no. of Shares	As a percentage of (A+B+C) (%)
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>			
(1)	Indian	0	0	0
(2)	Foreign	2	201,811,111	40.96
	<b>Total Shareholding of promoter and Promoter Group</b>	<b>2</b>	<b>201,811,111</b>	<b>40.96</b>
<b>(B)</b>	<b>Public Shareholding</b>			
(1)	Institutions	80	179,591,515	36.44
(2)	Non Institutions	289,486	111,346,116	22.60
	<b>Total Public Shareholding</b>		<b>290,937,631</b>	<b>59.04</b>
<b>(C)</b>	<b>Shares held by Custodians and against which the depository receipts have been issued</b>			
(1)	Promoter and Promoter Group	0	0	0
(2)	Public	0	0	0
	<b>TOTAL(A)+(B)+(C)</b>	<b>289,568</b>	<b>492,748,742</b>	<b>100.00</b>

### Category-Wise Shareholding (%)

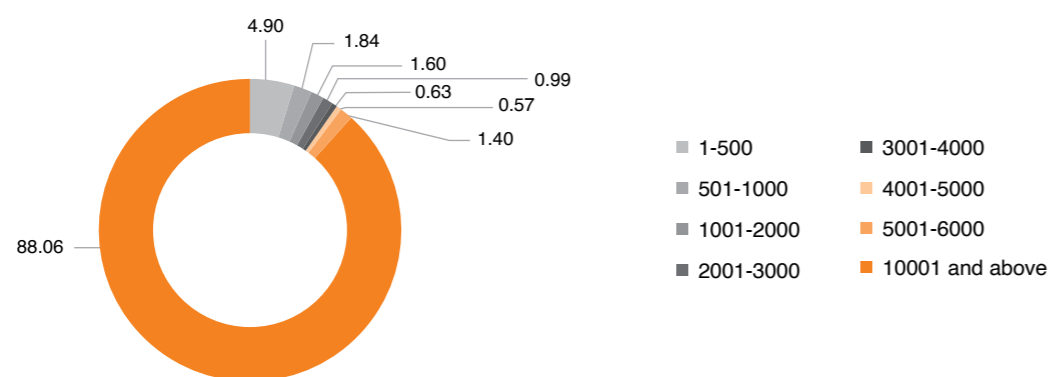




### Distribution of Shareholding as on March 31, 2022

No. of Equity Shares held	No. of Shareholders	No. of Shares	% of total shares
1 - 500	272,308	24,124,744	4.90
501 - 1000	11,550	9,058,519	1.84
1001 - 2000	5,257	7,887,216	1.60
2001 - 3000	1,934	4,924,774	0.99
3001 - 4000	874	3,102,906	0.63
4001 - 5000	597	2,808,643	0.57
5001 - 10000	958	6,900,671	1.40
10001 - Above	700	433,941,269	88.06

\* Without consolidating the folios on the basis of PAN



### Dematerialisation of shares

As at March 31, 2022, 492,748,740 equity shares out of 492,748,742 equity shares, forming 99.99% of the Company's paid up capital are held in the dematerialised form with National Securities Depository Ltd. ('NSDL') and Central Depository Services (India) Ltd. ('CDSL') and 2 equity shares are held in physical form. The equity shares are frequently traded on BSE Ltd. and National Stock Exchange of India Ltd.

### Outstanding ADRs/ GDRs/ Warrants or any convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding ADRs/GDRs/ Warrants or any convertible instruments.

### Reconciliation of share capital audit report

Pursuant to Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018, a Practicing Company Secretary shall carry out a Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the company's shares are listed. The audit confirms that the total

listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

### Plant locations

The Company has 315 Restaurants (including 9 sub-franchisees), as on March 31, 2022. Further, the Company has 3 Restaurant Support Centres in Mumbai, Delhi and Bangalore.

### Disclosures with respect to demat suspense account/ unclaimed suspense account

As on the date of this report there are no shares lying in the Demat Suspense Account/ Unclaimed Suspense Account.

### Address for Correspondence Registered and Corporate Office

Unit Nos. 1003 to 1007, 10<sup>th</sup> Floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai-400 059

### Credit Rating

The credit ratings of the Company as at the end of March 31, 2022 is as follows:

ICRA rating of A-/A2+; outlook stable for long term/ short term unallocated amount of ₹100 Crore.

### Compliance Certificate for the Corporate Governance

The Company has obtained certificate affirming the Compliances of conditions of Corporate Governance from M/s. Mehta & Mehta, Company Secretaries which is forming part of this report as "Annexure B". M/s. Mehta & Mehta has confirmed that the Company has complied with the conditions of Corporate Governance as prescribed under SEBI Listing Regulations.

### Code of conduct

The Company has adopted the code of conduct for the board of directors and senior management personnel. The code has been circulated to all the members of the Board and senior management and the same has been put on the Company's website [www.burgerking.in](http://www.burgerking.in). The Board members and senior management have affirmed their compliance with the code

and a declaration signed by the CEO of the Company is given below:

"It is hereby declared that the Company has obtained from all members of the Board and senior management personnel affirmation that they have complied with the code of conduct for directors and senior management of the Company for the financial year 2021-22".

Rajeev Varman

Whole-time Director and CEO

### CEO/CFO Certification

Mr. Rajeev Varman, Whole-time Director and CEO and Mr. Sumit Zaveri, Chief Financial Officer of the Company have certified to the Board with regard to the compliance in terms of Regulation 17(8) of the SEBI Listing Regulations. The same forms part of this report as "Annexure C".

## Annexure A

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
**Restaurant Brands Asia Limited**  
Unit Nos.1003 to 1007,  
10<sup>th</sup> Floor, Mittal Commercial, Asan Pada Road,  
Chimatpada, Marol,  
Andheri (East), Mumbai - 400 059

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Restaurant Brands Asia Limited** having CIN L55204MH2013FLC249986 and having registered office Unit Nos.1003 to 1007, 10<sup>th</sup> Floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai – 400 059 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me / us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in Company
1	Ajay Kaul	00062135	29/10/2018
2	Shivakumar Dega	00364444	14/10/2019
3	Jaspal Singh Sabharwal	00899094	18/11/2013
4	Amit Manocha	01864156	07/07/2016
5	Rajeev Varman	03576356	27/02/2014
6	Sandeep Chaudhary	06968827	14/10/2019
7	Tara Subramaniam	07654007	14/10/2019
8	Rafael Odorizzi De Oliveira	09492506	03/02/2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Mehta & Mehta**,  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

**Dipti Mehta**  
Partner  
FCS No: 3667  
CP No: 23905  
UDIN: F003667D000423537

Place: Mumbai  
Date: May 30, 2022

## Annexure B

### CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
**Restaurant Brands Asia Limited**

We have examined the compliance of conditions of Corporate Governance by **Restaurant Brands Asia Limited** (hereinafter referred as 'Company') for the Financial year ended March 31, 2022 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'Listing Regulations').

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For **Mehta & Mehta**,  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

**Dipti Mehta**  
Partner  
FCS No: 3667  
CP No: 23905

Place: Mumbai  
Date: May 30, 2022

UDIN: F003667D000423565

## Annexure C

To,  
The Board of Directors  
**Restaurant Brands Asia Limited**  
(Formerly known as Burger King India Limited)

### COMPLIANCE CERTIFICATE

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For **Restaurant Brands Asia Limited**  
(Formerly known as Burger King India Limited)

**Rajeev Varman**  
Whole-time Director & CEO

**Sumit Zaveri**  
Chief Financial Officer

Place: Mumbai  
Date: May 30, 2022

## INDEPENDENT AUDITOR'S REPORT

To  
the Members of  
**Restaurant Brands Asia Limited**  
(formerly known as Burger King India Limited)

### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying standalone financial statements of Restaurant Brands Asia Limited (formerly known as Burger King India Limited) ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including 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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss including other 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 (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Significant estimates and judgment related to Leases</b> (as described in note 18 of the Ind AS financial statements)	Our audit procedures included amongst others, the following: <ul style="list-style-type: none"> <li>• Obtained understanding of the leases accounting process, evaluated the design, implementation and tested the operative effectiveness of key internal financial controls with respect to the leases in relation to assessment of the terms and conditions of lease contracts for determining the lease term, discount rate.</li> <li>• Evaluated management's assumptions and estimates for the lease arrangement is in accordance with Ind AS 116 and verified the lease terms and supporting documentation for samples selected.</li> </ul>

Key audit matters	How our audit addressed the key audit matter
<p>The Company identifies lease term based on the executed agreements along with any amendment agreements/Term Sheets including lock in period for lessee, exercise of optional extensions of lease term, legal enforceability etc.</p> <p>As at March 31, 2022, the Company has ₹ 6,092.32 Million (March 31, 2021 ₹ 5,131.28 Million) of Right of Use (ROU) assets.</p> <p>During the current financial year, the practical expedient with respect to rent concessions occurring as a direct consequence of the Covid-19 pandemic was extended by a year, accounting of which requires significant judgement in implementation.</p> <p>Application of lease Accounting requires significant judgement and estimate based on terms of the underlying lease agreements, discounting rate and Initial direct cost, hence we have considered this as a key audit matter considering the significance of amounts involved.</p>	<ul style="list-style-type: none"> <li>Evaluated the appropriateness of discount rate applied on the leases.</li> <li>We selected samples and recomputed lease liability and right of use asset balances as at the year-end.</li> <li>Evaluated the applicability of practical expedient to different lease arrangements and verified the lease concession accounting applied by the Company in accordance with the guidance issued under Ind AS 116.</li> <li>Verified the accuracy of the underlying lease data to original contract or other supporting information and verified the arithmetic accuracy of the Ind AS 116 calculations for the sample selected.</li> <li>Assessed the disclosures in the Ind AS financial statements pertaining to Leases including key assumptions in line with requirements of Ind AS 116.</li> </ul>
<p><b>Revenue Recognition</b> (as described in note 24 of the Ind AS financial statements)</p> <p>The Company's primary source of revenue is from sale of foods, beverages from chain of quick service restaurants (QSR) stores or through online ordering and delivery. Revenue comprises high volume of individually small transactions which increases the risk of revenue being recognized inappropriately and which highlights the criticality of sound internal processes of summarizing and recording sales revenue and deposit of cash collected into bank accounts to mitigate error and fraud risk.</p> <p>In view of the above and since revenue is a key performance indicator of the Company, we have identified revenue recognition as an area of audit risk and have therefore been identified as a key audit matter.</p>	<p>Our audit procedures included, among others the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of revenue recognition process, evaluated the design, implementation and on sample basis, tested the operative effectiveness of key internal financial controls including segregation of duties with respect to the revenue recognition and deposit of cash collected into banks including those related to the reconciliation of sales record to cash / credit card / online receipts, preparation, posting and approval of journal entries on the test basis.</li> <li>Performed cash counts / checked management's cash count verification, for samples selected, at selected stores and examined whether the cash balances are in agreement with the cash receipts reported in the daily collection report.</li> <li>Performed analytical procedures on sales performance of individually significant stores, including day wise and month wise sales analysis. Enquired explanation for any major variances, if any.</li> <li>Assessed the disclosures relating to revenue recognition in the Ind AS financial statements.</li> </ul>
<p><b>Impairment of Non - Financial assets</b> (as described in note 2(j) and 2.3(d) of the financial statements)</p> <p>In accordance with the requirements of Ind AS 36 'Impairment of Assets', the Company performs an impairment assessment of the cash generating units to determine whether the recoverable value is below the carrying amount as at March 31, 2022.</p> <p>Discounted cash flow model requires significant judgment and estimation in respect of cash flow forecasts and discount rate. Changes in certain methodologies and assumptions can lead to significant changes in the assessment of the recoverable value.</p> <p>The assessment of the recoverable amount requires significant judgment, in particular, relating to estimated cash flow projections and discount rates. Due to the level of judgments involved, impact of COVID-19 on QSR Industry and significance to the Company's financial position, this is considered to be a key audit matter.</p>	<p>Our audit procedures included amongst others, the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of impairment of non-financial assets process, evaluated the design, implementation and tested the operative effectiveness of key internal financial controls followed by the management to determine indicators of impairment and the recoverable amounts of cash generating units</li> <li>Evaluated appropriateness of the model used in determining the value in use of the cash generating units</li> <li>Assessed the data used to calculate the recoverable amount with the financial budgets approved by management of the Company</li> <li>Analysed the performance of the cash generating units and evaluated the assumptions used in computation of value in use as at March 31, 2022, including understanding management's estimate of business impact based on current market and economic conditions arising from the COVID 19 pandemic</li> </ul>

Key audit matters	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> <li>Tested the arithmetical accuracy of the computation of recoverable amounts of cash generating units.</li> <li>Obtained understanding of the key assumptions considered for assessment of future cash flows and the discounting factor considered.</li> <li>We involved valuation specialist to assist in evaluating the methodology used and significant assumptions used to determine the recoverable value.</li> <li>Assessed the disclosures in the Ind AS financial statement in accordance with Ind AS 36.</li> </ul>

### Other Information

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 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

### Responsibilities of Management 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 loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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 statements 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities 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 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 with reference to financial statements 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 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 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's

report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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 the Statement of Other Comprehensive Loss, the Cash Flow Statement and 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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 does not have any pending litigations which would impact its financial position;
- 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.
- iv.
  - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The management has represented that, to the best of its knowledge and belief, no

funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.

#### For S R B C & CO LLP

Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**  
Partner  
Membership Number: 49365  
UDIN: 22049365AJWDXV3273

Place of Signature: Mumbai  
Date: May 30, 2022

**ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 OF THE SECTION ON “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE**

**Re: Restaurant Brands Asia Limited (formerly known as Burger King India Limited) (“the Company”)**

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements included in property, plant and equipment are held in the name of the Company. In case of certain lease agreement of immovable properties, as disclosed in note 3 to the financial statements, the lease agreements are not duly executed in favour of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management

is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.

- (b) The Company has not been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has not provided advances in the nature of loans, stood guarantee or provided security to a bank or financial institutions in respect of loans taken by companies, firms, Limited Liability Partnerships or any other parties. During the year the Company has provided loans to employees as follows:

(₹ in Million)

Particulars	Amount
Aggregate amount of loan granted during the year	
- Others (Loan to employees)	5.23
Balance outstanding as at balance sheet date in respect of above cases	
- Others (Loan to employees)	5.67

- (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company’s interest.
- (c) The Company has not granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. The Company has granted loans during the year to other parties i.e. employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76

of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it.

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) The dues of goods and services tax, provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

(₹ in Million)

Name of the statute	Nature of the dues	Amount (₹ In million)	Period to which the amount relates	Forum where the dispute is pending
Haryana Value Added Tax Act, 2003	Value Added Tax	0.52	2015-16, 2016-17 and 2017-18	Excise & Taxation Assessing Authority
Rajasthan Value Added Tax Act, 2003	Value Added Tax	0.11	2017-18	Office of Assistant Commissioner
Karnataka Value Added Tax, 2003	Value Added Tax (Penalty paid)	0.36*	2017-18	Joint Commissioner of Commercial Taxes (Appeal)
Maharashtra Value Added Tax, 2002	Value Added Tax	0.69	2017-18	Deputy Commissioner of State Tax
Delhi Value Added Tax, 2004	Value Added Tax	3.53	2014-15 to 2016-17	Department of Trade and Taxes

\*Pre-Deposit paid of ₹ 0.15 million

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any associate or joint venture. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) Monies raised during the year by the Company by way of initial public offer / further public offer (including debt instruments) were applied for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilization have been invested in deposits with banks. The maximum amount of idle/surplus funds invested during the year was ₹ 1,560 million, of which ₹ 888.85 million was outstanding at the end of the year.
- (b) The Company has not made any preferential allotment or private placement of fully convertible debentures/partially or optionally convertible debentures during the year under audit. The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment / private placement of shares during the year. The funds raised, have been used for the purposes for which the funds were raised. The idle/surplus funds amounting to ₹ 2,542.24 million were not required for immediate utilization and have been gainfully invested in deposits with banks and short-term investments. The maximum amount of idle/surplus funds invested during the year was ₹ 2,542.24 million, of which ₹ 2,542.24 million was outstanding at the end of the year.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) In our opinion, the Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a) to 3(xii)(c) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year. In the immediately preceding financial year, the Company had incurred cash losses amounting to ₹ 539.50 million.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 41 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 48 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 48 to the financial statements.

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**

Partner

Membership Number: 49365

UDIN: 22049365AJWDXV3273

Place of Signature: Mumbai

Date: May 30, 2022

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF RESTAURANT BRANDS ASIA LIMITED (FORMERLY KNOWN AS BURGER KING INDIA LIMITED)

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

We have audited the internal financial controls with reference to standalone financial statements of Restaurant Brands Asia Limited (formerly known as Burger King India Limited) ("the Company") as of March 31, 2022, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these standalone

financial statements were established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, 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 with reference to these standalone financial statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A Company's internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements 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 WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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, the Company has, in all material respects, adequate internal financial controls with reference to these

standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as of March 31, 2022, 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 issued by the ICAI.

### For S R B C & CO LLP

Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**

Partner  
Membership Number: 49365  
UDIN: 22049365AJWDXV3273

Place of Signature: Mumbai  
Date: May 30, 2022



## Standalone Balance Sheet

As at March 31, 2022

Particulars	Note	As at	
		March 31, 2022	March 31, 2021
(₹ in Million)			
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	5,128.15	4,458.90
Right-of-use assets	4	6,092.32	5,131.28
Capital work-in-progress	3	106.74	300.65
Intangible assets	5	353.77	265.25
Financial assets			
(a) Investments	6	11,082.68	-
(b) Loans	7	-	3.36
(c) Other financial assets	8	325.49	286.92
Income tax assets		71.80	14.96
Other non-current assets	9	210.09	23.54
		<b>23,371.04</b>	<b>10,484.86</b>
<b>Current assets</b>			
Inventories	10	135.44	100.34
Financial assets			
(a) Investments	6	4,022.58	1,242.86
(b) Trade receivables	11	92.48	59.83
(c) Cash and cash equivalents	12	144.34	248.66
(d) Bank balances other than cash and cash equivalents	13	918.38	1,912.28
(e) Loans	7	5.67	-
(f) Other financial assets	14	78.54	70.77
Other current assets	15	131.12	162.50
		<b>5,528.55</b>	<b>3,797.24</b>
<b>Total Assets</b>		<b>28,899.59</b>	<b>14,282.10</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share capital	16	4,927.49	3,829.80
Other equity	17	14,575.55	2,904.91
<b>Total Equity</b>		<b>19,503.04</b>	<b>6,734.71</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease Liabilities	18	6,680.12	5,594.09
Provisions	19	255.59	209.29
Other non-current liabilities	20	6.84	8.37
		<b>6,942.55</b>	<b>5,811.75</b>
<b>Current liabilities</b>			
Financial liabilities			
(a) Lease liabilities	18	440.69	378.49
(b) Trade payables			
(i) total outstanding dues of micro and small enterprises	21	0.57	6.20
(ii) total outstanding dues other than micro and small enterprises	21	1,357.72	1,133.76
(c) Other financial liabilities	22	464.35	99.10
Other current liabilities	23	148.23	91.20
Provisions	19	42.44	26.89
		<b>2,454.00</b>	<b>1,735.64</b>
<b>Total Equity and Liabilities</b>		<b>28,899.59</b>	<b>14,282.10</b>
Summary of Significant accounting policies	2		

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date attached  
For **S R B C & CO LLP**  
Chartered Accountants  
Firm Registration Number: 324982E/E300003

**per Ravi Bansal**  
Partner  
Membership No: 49365

Place: Mumbai  
Date: May 30, 2022

**For and on behalf of the Board of Directors of  
Restaurant Brands Asia Limited** (formerly known as Burger King India Limited)

**Rajeev Varman**  
Whole-time Director & Chief Executive Officer  
DIN: 03576356  
Place: Mumbai

**Sumit Zaveri**  
Chief Financial Officer

Place: Mumbai  
Date: May 30, 2022

**Shivakumar Dega**  
Director  
DIN: 00364444  
Place: Mumbai

**Madhulika Rawat**  
Company Secretary  
Membership No: F8765

Place: Mumbai

**Tara Subramaniam**  
Director  
DIN: 07654007  
Place: London

## Statement of Standalone Profit and Loss

For the year ended March 31, 2022

Particulars	Note	For the year ended	
		March 31, 2022	March 31, 2021
(₹ in Million)			
<b>Income</b>			
Revenue from operations	24	9,437.09	4,944.54
Other income	25	205.29	284.78
<b>Total Income</b>		<b>9,642.38</b>	<b>5,229.32</b>
<b>Expenses</b>			
Cost of materials consumed	26	3,231.36	1,756.41
Employee benefits expenses	27	1,539.77	1,176.04
Finance costs	28	679.53	821.21
Depreciation and amortisation expenses	29	1,356.95	1,275.45
Other expenses	30	3,764.23	1,862.22
<b>Total Expenses</b>		<b>10,571.84</b>	<b>6,891.33</b>
<b>Loss before exceptional items and tax</b>		<b>(929.46)</b>	<b>(1,662.01)</b>
Exceptional items	45	-	77.11
<b>Loss before tax</b>		<b>(929.46)</b>	<b>(1,739.12)</b>
<b>Tax expenses</b>			
Current tax	31	-	-
Deferred tax		-	-
<b>Loss for the year</b>		<b>(929.46)</b>	<b>(1,739.12)</b>
<b>Other Comprehensive income/(loss)</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Re-measurement (losses)/gains on defined benefit plans		(6.77)	1.00
Income tax on above		-	-
<b>Total other comprehensive income/(loss) for the year, net of tax</b>		<b>(6.77)</b>	<b>1.00</b>
<b>Total comprehensive loss for the year, net of tax</b>		<b>(936.23)</b>	<b>(1,738.12)</b>
<b>Earnings per equity share</b>			
Face value of ₹10 each			
<b>Basic and Diluted (in ₹)</b>	32	<b>(2.34)</b>	<b>(5.47)</b>
Summary of Significant accounting policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached  
For **S R B C & CO LLP**  
Chartered Accountants  
Firm Registration Number: 324982E/E300003

**per Ravi Bansal**  
Partner  
Membership No: 49365

Place: Mumbai  
Date: May 30, 2022

**For and on behalf of the Board of Directors of  
Restaurant Brands Asia Limited** (formerly known as Burger King India Limited)

**Rajeev Varman**  
Whole-time Director & Chief Executive Officer  
DIN: 03576356  
Place: Mumbai

**Sumit Zaveri**  
Chief Financial Officer

Place: Mumbai  
Date: May 30, 2022

**Shivakumar Dega**  
Director  
DIN: 00364444  
Place: Mumbai

**Madhulika Rawat**  
Company Secretary  
Membership No: F8765

Place: Mumbai

## Statement of Standalone Cash Flows

For the year ended March 31, 2022

Particulars	(₹ in Million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Cash flow from operating activities</b>		
<b>Loss before tax</b>	<b>(929.46)</b>	<b>(1,739.12)</b>
Adjustments for:		
Depreciation and amortization expenses	705.18	665.85
Depreciation on Right of use assets	651.77	609.60
Property, Plant and Equipment written off	0.03	48.87
Interest Income on fixed deposits	(83.12)	(39.79)
Provisions written back	(0.24)	(1.74)
Gain on termination of lease	(4.54)	(4.15)
Gain on remeasurement of lease	(2.23)	(29.83)
Lease concessions	(169.51)	(425.87)
Finance cost	679.53	821.21
Employee stock compensation expense	38.12	82.30
Notional interest on interest free security deposit	(27.17)	(18.36)
Profit on sale of Current Investments (including MTM impact)	(56.34)	(13.24)
<b>Operating profit/ (loss) before working capital changes</b>	<b>802.02</b>	<b>(44.27)</b>
<b>Movements in working capital</b>		
Decrease / (increase) in other financial assets	(13.52)	19.28
Decrease / (increase) in other non-current assets	(0.93)	2.73
Decrease/ (increase) in Other Current Assets	21.95	(11.84)
Increase in inventories	(35.10)	(5.99)
Increase in trade receivables	(32.65)	(27.63)
Increase in trade payables	218.33	323.95
Increase in provisions	25.74	6.42
Increase in Other Liabilities	55.49	29.09
<b>Cash generated in operations</b>	<b>1,041.33</b>	<b>291.74</b>
Direct taxes paid (net of refunds)	(56.84)	(4.53)
<b>Net cash flows generated from operating activities (A)</b>	<b>984.49</b>	<b>287.21</b>
<b>Cash flows from investing activities</b>		
Purchase of Property, Plant and Equipment, including Right-of-use assets, CWIP and capital advances*	(1,157.04)	(350.21)
Purchase of Current Investments	(18,841.81)	(2,628.86)
Proceeds from sale of Current Investments	16,118.44	1,586.63
Investment in subsidiary	(11,082.68)	-
Maturity of/ (investment in) bank deposits (having original maturity of more than three months and remaining maturity of less than twelve months) (net) and other bank balances	993.91	(1,672.39)
Interest received on Fixed deposit	84.78	24.84
Maturity of/ (investment in) in non- current bank deposits	(0.43)	0.62
<b>Net cash flows used in investing activities (B)</b>	<b>(13,884.83)</b>	<b>(3,039.37)</b>

## Statement of Standalone Cash Flows (Contd.)

For the year ended March 31, 2022

Particulars	(₹ in Million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity shares (net of issue expenses)	13,584.92	5,622.38
Proceeds from the exercise of employee stock option	68.10	5.59
Proceeds from share application money	10.52	-
Repayment of borrowings	-	(1,985.16)
Payment of interest/processing fees on term loan	-	(134.26)
Payment of lease liabilities (including interest on lease liabilities)*	(867.52)	(548.27)
<b>Net cash flows from financing activities (C)</b>	<b>12,796.02</b>	<b>2,960.28</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A + B + C)</b>	<b>(104.32)</b>	<b>208.12</b>
Cash and cash equivalents at the beginning of the year	248.66	40.54
<b>Cash and cash equivalents at the end of the year</b>	<b>144.34</b>	<b>248.66</b>
Net increase/ (decrease) in cash and cash equivalents	(104.32)	208.12
<b>Components of cash and cash equivalents</b>		
Cash on hand	33.35	27.68
With banks in current account	85.99	220.98
With banks in fixed deposits with original maturity less than 3 months	25.00	-
<b>Cash and cash equivalents as per note 12</b>	<b>144.34</b>	<b>248.66</b>
<b>Total Cash and cash equivalents for the purposes of cash flow statement</b>	<b>144.34</b>	<b>248.66</b>

Figures in brackets indicate outflows

\*Refer Note 18 -Leases regarding non-cash adjustment relating to leases.

Summary of Significant accounting policies

2

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date attached  
For **S R B C & CO LLP**  
Chartered Accountants  
Firm Registration Number: 324982E/E300003

**For and on behalf of the Board of Directors of  
Restaurant Brands Asia Limited** (formerly known as Burger King India Limited)

**per Ravi Bansal**  
Partner  
Membership No: 49365

**Rajeev Varman**  
Whole-time Director & Chief Executive Officer  
DIN: 03576356  
Place: Mumbai

**Shivakumar Dega**  
Director  
DIN: 00364444  
Place: Mumbai

**Tara Subramaniam**  
Director  
DIN: 07654007  
Place: London

**Sumit Zaveri**  
Chief Financial Officer

**Madhulika Rawat**  
Company Secretary  
Membership No: F8765

Place: Mumbai  
Date: May 30, 2022

Place: Mumbai  
Date: May 30, 2022

Place: Mumbai

## Statement of Standalone Changes in Equity

For the year ended March 31, 2022

### (A) EQUITY SHARE CAPITAL

Equity shares of ₹10 each issued, subscribed and fully paid

Particulars	No. of shares	(₹ in Million)
		₹ in Million
At April 01, 2020	277,741,785	2,777.42
Changes during the year	105,237,859	1,052.38
At March 31, 2021	382,979,644	3,829.80
At April 01, 2021	382,979,644	3,829.80
Changes during the year	109,769,098	1,097.69
At March 31, 2022	492,748,742	4,927.49

### (B) OTHER EQUITY

For year ended March 31, 2021

Particulars	(₹ in Million)					
	Securities premium	Share based payment reserve	Share application money pending allotment	Retained earnings	Other Comprehensive Income	Total other equity
As at April 01, 2020	3,361.08	40.88	-	(3,412.30)	(12.82)	(23.15)
Loss for the year	-	-	-	(1,739.12)	-	(1,739.12)
Re-measurement gains on defined benefit plans	-	-	-	-	1.00	1.00
<b>Total comprehensive (loss)/ income</b>	-	-	-	<b>(1,739.11)</b>	<b>1.00</b>	<b>(1,738.12)</b>
Money received (net)	-	-	0.20	-	-	0.20
Share based compensation to employees	35.86	90.60	-	-	-	126.46
Transfer to securities premium on issue of shares	4,953.01	(35.86)	-	-	-	4,917.15
Share issue expenses (IPO)	(377.62)	-	-	-	-	(377.62)
At March 31, 2021	7,972.33	95.62	0.20	(5,151.41)	(11.82)	2,904.91

## Statement of Standalone Changes in Equity (Contd.)

For the year ended March 31, 2022

For year ended March 31, 2022

Particulars	(₹ in Million)					
	Securities premium	Share based payment reserve	Share application money pending allotment	Retained earnings	Other Comprehensive Income	Total other equity
As at April 01, 2021	7,972.33	95.62	0.20	(5,151.41)	(11.82)	2,904.91
Loss for the year	-	-	-	(929.46)	-	(929.46)
Re-measurement losses on defined benefit plans	-	-	-	-	(6.77)	(6.77)
<b>Total comprehensive loss</b>	-	-	-	<b>(929.46)</b>	<b>(6.77)</b>	<b>(936.23)</b>
Shares converted/money received (net)	-	-	10.52	-	-	10.52
Share based compensation to employees	21.73	41.16	-	-	-	62.89
Transfer to securities premium on issue of shares	12,991.46	(21.73)	-	-	-	12,969.73
Share issue expenses (IPO)	(0.15)	-	-	-	-	(0.15)
Qualified Institutional Placement ("QIP") expenses	(436.12)	-	-	-	-	(436.12)
At March 31, 2022	20,549.25	115.05	10.72	(6,080.87)	(18.59)	14,575.55

Summary of significant accounting policies (Refer Note 2)

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date attached  
For **S R B C & CO LLP**  
Chartered Accountants  
Firm Registration Number: 324982E/E300003

**per Ravi Bansal**  
Partner  
Membership No: 49365

Place: Mumbai  
Date: May 30, 2022

**For and on behalf of the Board of Directors of  
Restaurant Brands Asia Limited** (formerly known as Burger King India Limited)

**Rajeev Varman**  
Whole-time Director & Chief Executive Officer  
DIN: 03576356  
Place: Mumbai

**Sumit Zaveri**  
Chief Financial Officer

Place: Mumbai  
Date: May 30, 2022

**Shivakumar Dega**  
Director  
DIN: 00364444  
Place: Mumbai

**Madhulika Rawat**  
Company Secretary  
Membership No: F8765

Place: Mumbai

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 1 :

#### CORPORATE INFORMATION

Restaurant Brands Asia Limited (Formerly known as Burger King India Limited) ("the Company") is a company incorporated on November 11, 2013 under Companies Act, 1956. The Company is into the business of Quick Service Restaurants under the brand name of "Burger King". The Company is a subsidiary of QSR Asia Pte. Ltd.

The registered office of the Company is located at office no. 1003 to 1007, B wing, 10<sup>th</sup> floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai - 400059. As on March 31, 2022, the Company had 306 Company-operated restaurants and 9 sub-franchise restaurants located across different cities of India.

The financial statements were approved by the Board of directors on May 30, 2022.

### NOTE 2

#### SIGNIFICANT ACCOUNTING POLICIES

##### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

These financial statements have been prepared on a historical cost basis, except for the following assets and liabilities, which have been measured at fair value:

- Certain financial assets measured at fair value (refer accounting policy regarding financial instruments)
- Share based payments

The financial statements are presented in "INR" and all values are stated as INR million, except when otherwise indicated.

##### 2.2 Summary of significant accounting policies

###### a. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current

classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

###### b. Foreign currencies

###### Functional and presentation currency

The Company's financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency.

###### Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's functional currency using spot rates at the date; the transaction first qualifies for recognition. Monetary assets and

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

liabilities denominated in foreign currencies are translated into the functional currency at exchange rates at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit or loss as expense or income in the year in which they occur or arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

###### c. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or,
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and investment in mutual fund measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, management analyses the movements in the values of assets and liabilities, which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

###### d. Revenue recognition

###### Revenue from contract with customer

Revenues from contracts with customers are recognised when the performance obligations towards customer when control has been transferred at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company acts as the principal in

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

An entity collects Goods and Services Tax ("GST") on behalf of the government and not on its own account. Hence, it is excluded from revenue i.e. revenue is net of GST.

### Sale of goods

The Company recognises revenue from sale of food through Company's owned stores and are recognised when the items are delivered to or carried out by customers.

### Sale of products- customer loyalty programme (deferred revenue)

For customer loyalty programmes, the fair value of the consideration received or receivable in respect of the initial sale is allocated between the award credits and the other components of the sale. The amount allocated to award credits is deferred and is recognised as revenue when the award credits are redeemed and the Company has fulfilled its obligations to supply the discounted products under the terms of the programme or when it is no longer probable that the award credits will be redeemed. The deferred income related to loyalty credits granted has been estimated with reference to the fair value of products for which they could be redeemed. This is because the fair value of loyalty credits is not directly observable. The fair value of the customers' right to buy products at a discount for which the loyalty credits can be redeemed takes into account the amount of discount available to customers who have earned the loyalty credits remaining unutilised and the expected forfeiture rate.

### Dividend income

Dividend income is recognised when Company's right to receive dividend is established by the reporting date.

### Income from sub-franchisee operations

Sub-Franchisee income includes onetime initial fees and royalty income on sales. One time initial fees are non-refundable and are recognised over the

term of contract. Royalty income is recognised on accrual basis based on the terms of the agreement over a period of time.

### Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate ("EIR"), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

### Contract balances

#### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (n) Financial instruments – initial recognition and subsequent measurement.

#### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

### e. Taxes

Tax expense for the year comprises of current tax and deferred tax.

#### Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of reporting period in India where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

### Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the

extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income (OCI) or in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### f. Property, plant and equipment

Property, plant and equipment (PPE) are stated at the cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation and accumulated impairment loss, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use and initial estimate of restoration liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. The present value of the expected cost for the restoration of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

recognised from the balance sheet and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

**Depreciation on Property, Plant and Equipment**  
Depreciation is provided on straight line method on a pro-rata basis from the date of use. The rates of depreciation are based on technical evaluation of the economic life of assets by the management, which are given below and are equal to or greater than the corresponding rates prescribed in Schedule II to the Companies Act, 2013:

Property, plant and equipment:	Economic life (Years):
Leasehold improvement	Lower of 15 years or lease period
Furniture and Fixtures	
- Restaurants	8 years
- Office	
Restaurant equipments	
- Kitchen equipments	10 years
- Other equipments	5 years
Office equipments	5 years
Computers	3 years
Servers and networks	6 years
(Included in Computers in Note 3)	
Vehicles	8 years

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at-least as at each reporting date to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life.

Gains or losses arising from disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised

in the statement of profit and loss when the asset is disposed.

### g. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any. An intangible asset is recognized, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. The Company capitalises software costs where it is reasonably estimated that the software has an enduring useful life. The Company capitalises one-time initial franchisee fees paid for opening of each store.

The useful lives of intangible assets are assessed as either finite or indefinite. There are no intangible assets assessed with indefinite useful life.

Intangible assets with finite lives are amortised on a straight line basis over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets are amortised on a straight line basis as follows:

Intangible assets:	Economic life (Years)
Software	5 years
Franchisee fees	20 years

Gains or losses arising from the de-recognition of an intangible asset are measured as the difference

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

### h. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### Right-of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, deferred lease components of security deposits and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Right-of-Use Leasehold Restaurants and Restaurant Equipments are amortised over a period of lease term.

#### Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made

over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2016, the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

#### Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of restaurant and equipment (i.e., those leases that have a lease term of 12 months or less from the

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment's that are of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense in statement of profit and loss.

### i. Inventories

Inventories (comprising of food, beverages, condiments, paper & packing materials) are valued at lower of cost (determined on first in first out basis) or net realisable value. However, materials and other items held for use the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### j. Impairment of financial and non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash - generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation

multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

### k. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

### Contingent Liability

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

### l. Retirement and other employee benefits

#### Defined Contribution plan

State governed Provident Fund and Employees State Insurance Corporation are considered as

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

defined contribution plan and contributions thereto are charged to the statement of profit and loss for the year when an employee renders the related service. There are no other obligations, other than contribution payable to the respective funds.

### Defined Benefit plan

#### Gratuity

Gratuity liability is a defined benefit scheme. The liability recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Profit or Loss as past service cost.

#### Leave Encashment

Accumulated leaves, which are expected to be utilised within the next 12 months, are treated as current employee benefit. The Company treats the entire leave as current liability in the balance sheet,

since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. It is measured based on an actuarial valuation done by an independent actuary on the projected unit credit method at the end of each financial year.

### m. Share - based payments

Senior executives of the company receive remuneration in the form of share-based payment, whereby employees render services as consideration for equity instruments (equity-settled transactions).

#### Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### n. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial assets

##### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

#### Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### Investment in Subsidiary

The Company has accounted for its investments in Subsidiary at cost less impairment loss (if any).

#### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

#### De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying



## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost; and
- Financial assets measured at Fair value through other comprehensive income (FVTOCI)

For trade receivables, other receivables and other financial assets, the Company follows 'simplified approach' for recognition of impairment loss allowance.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognised initially at fair value.

The Company's financial liabilities include trade and other payables and borrowings.

#### Subsequent measurement

The Company measures all financial liabilities at amortised cost using the Effective Interest Rate ('EIR') method except for financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Amortised

cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Financial liabilities held for trading are measured at fair value through profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

#### De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### o. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

#### p. Exceptional Items

Exceptional items are transactions which due to their size or incidence are separately disclosed

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

to enable full understanding of the Company's financial performance.

#### q. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### r. Cash flow statement

Cash flows are reported using indirect method, whereby profit/ loss before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash and cash equivalents in the cash flow comprise cash at bank, cash/ cheques in hand and short-term investments with an original maturity of three months or less.

#### s. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

### 2.3 Significant accounting judgements estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and

the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements, are mentioned below:

#### a) Useful lives of Property, Plant and equipment:

Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice, period of underlying lease term etc and same is reviewed periodically, including at each financial year end. Management reviews the useful economic lives at least once a year and any changes could affect the depreciation rates prospectively and hence the asset carrying values. The Company also reviews its property, plant and equipment and intangible assets, for possible impairment if there are events or changes in circumstances that indicate that carrying amount of assets may not be recoverable. In assessing the property, plant and equipment and intangible assets for impairment, factors leading to significant reduction in profits, the Company's business plans and changes in regulatory/ economic environment are taken into consideration.

#### b) Provision for decommissioning

The Company has recognised a provision for site restoration obligation associated with the stores opened. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the furniture/fixtures from the stores and the expected timing of those costs. The Company estimates that the costs would be realised upon the expiration of the lease and calculates the provision using the Discounted Cash Flow (DCF) method.

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### c) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases attrition rates and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Further details about gratuity obligations are given in Note 33.

### d) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

### e) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together

with future tax planning strategies. Further details about Deferred tax assets are given in Note 31.

### f) Lease Term

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company included the renewal period as part of the lease term for leases of restaurant and equipment due to the significance of these assets to its operations and also investments made in leasehold improvements.

### g) Fair Value Measurement

For estimates relating to fair value of financial instruments, refer Note 39 of financial statements.

### h) Estimation of uncertainties relating to the global health pandemic from COVID-19

Refer Note 46 to the financial statements.

### i) Standards Issued but not Effective

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to Company from April 1, 2022.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 103 – Business Combination
- iii. Ind AS 109 – Financial Instrument
- iv. Ind AS 16 – Property, Plant and Equipment
- v. Ind AS 37 –Provisions, Contingent Liabilities and Contingent Assets
- vi. Ind AS 41 – Agriculture

Ind AS 101 and Ind AS 41 are not applicable to the Company and the application of other standards are not expected to have any significant impact on the Company's financial statements

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

	Leasehold Improvements [Refer note (i)]	Restaurants Equipments	Furniture and Fixtures	Computers	Office Equipments	Vehicles	Total
<b>Gross Carrying Amount</b>							
At April 1, 2020	3,112.92	2,641.33	429.82	30.96	8.60	3.26	6,226.89
Additions	197.90	144.94	69.21	1.26	0.58	-	413.89
Disposals	109.48	10.62	39.11	0.01	0.47	-	159.69
<b>At March 31, 2021</b>	<b>3,201.34</b>	<b>2,775.65</b>	<b>459.92</b>	<b>32.21</b>	<b>8.71</b>	<b>3.26</b>	<b>6,481.09</b>
Additions	650.26	589.80	105.08	5.19	1.37	-	1,351.70
Disposals	0.33	-	0.70	-	-	-	1.03
<b>At March 31, 2022</b>	<b>3,851.27</b>	<b>3,365.45</b>	<b>564.30</b>	<b>37.40</b>	<b>10.08</b>	<b>3.26</b>	<b>7,831.76</b>
<b>Accumulated depreciation</b>							
At April 1, 2020	715.53	630.77	109.16	21.66	5.10	2.34	1,484.56
Depreciation	290.40	297.14	53.17	5.02	1.09	0.39	647.21
Disposals	85.16	6.82	17.21	0.01	0.38	-	109.58
<b>At March 31, 2021</b>	<b>920.77</b>	<b>921.09</b>	<b>145.12</b>	<b>26.67</b>	<b>5.81</b>	<b>2.73</b>	<b>2,022.19</b>
Depreciation	302.41	312.30	61.21	4.34	1.22	0.39	681.87
Disposals	0.11	-	0.34	-	-	-	0.45
<b>At March 31, 2022</b>	<b>1,223.07</b>	<b>1,233.39</b>	<b>205.99</b>	<b>31.01</b>	<b>7.03</b>	<b>3.12</b>	<b>2,703.61</b>
<b>Net Book Value</b>							
At March 31, 2022	2,628.20	2,132.06	358.31	6.39	3.05	0.14	5,128.15
At March 31, 2021	2,280.57	1,854.56	314.80	5.54	2.90	0.53	4,458.90

#### Note

(i) For capitalization of pre-operative expenditure relating to leasehold improvements, refer note 38

### Details of title deeds of immovable properties not held in name of the Company

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ in million)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in name of Company
Right-of-use assets	Restaurant premises on lease	1,781.25	Landlord	No	From 2014 onwards	The Company is in the process of duly executing agreements for these 81 premises on lease.

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 3A : CAPITAL WORK IN PROGRESS(CWIP) AGEING SCHEDULE AS AT MARCH 31, 2021

(₹ in Million)

Particulars	Total
<b>At April 1, 2020</b>	475.63
Additions during the year	238.91
Transfer to Property, plant and Equipment during the year	(413.89)
<b>At March 31, 2021</b>	<b>300.65</b>
Additions during the year	1,157.79
Transfer to Property, plant and Equipment during the year	(1,351.70)
<b>At March 31, 2022</b>	<b>106.74</b>

(₹ in Million)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	63.58	0.52	39.55	3.09	106.74
<b>Total</b>	<b>63.58</b>	<b>0.52</b>	<b>39.55</b>	<b>3.09</b>	<b>106.74</b>

(₹ in Million)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	23.67	272.70	3.35	0.93	300.65
<b>Total</b>	<b>23.67</b>	<b>272.70</b>	<b>3.35</b>	<b>0.93</b>	<b>300.65</b>

### NOTE 4 : RIGHT-OF-USE ASSETS

(₹ in Million)

	Right-of-use Leasehold Restaurants	Right-of-use Restaurant Equipments	Total
<b>Gross carrying amount</b>			
<b>At April 1, 2020</b>	<b>6,804.04</b>	<b>232.78</b>	<b>7,036.82</b>
Additions*	395.60	18.75	414.35
Disposals	87.33	-	87.33
<b>At March 31, 2021</b>	<b>7,112.31</b>	<b>251.53</b>	<b>7,363.84</b>
Additions*	1,571.97	48.06	1,620.03
Disposals	31.20	-	31.20
<b>At March 31, 2022</b>	<b>8,653.08</b>	<b>299.59</b>	<b>8,952.67</b>

\*net off remeasurement

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

(₹ in Million)

	Right-of-use Leasehold Restaurants	Right-of-use Restaurant Equipments	Total
<b>Accumulated depreciation</b>			
<b>At April 1, 2020</b>	<b>1,614.44</b>	<b>42.88</b>	<b>1,657.32</b>
Add : Depreciation	589.54	20.06	609.60
Less : Disposals	34.36	-	34.36
<b>At March 31, 2021</b>	<b>2,169.62</b>	<b>62.94</b>	<b>2,232.56</b>
Depreciation	630.42	21.35	651.77
Disposals	23.98	-	23.98
<b>At March 31, 2022</b>	<b>2,776.06</b>	<b>84.29</b>	<b>2,860.35</b>
<b>Net Book Value</b>			
<b>At March 31, 2022</b>	<b>5,877.02</b>	<b>215.30</b>	<b>6,092.32</b>
<b>At March 31, 2021</b>	<b>4,942.69</b>	<b>188.59</b>	<b>5,131.28</b>

### NOTE 5 : INTANGIBLE ASSETS

(₹ in Million)

	Computer Software	Franchise Rights	Total
<b>Gross carrying amount</b>			
<b>At April 1, 2020</b>	<b>43.12</b>	<b>250.78</b>	<b>293.90</b>
Add: Additions	15.99	22.58	38.57
Less: Disposals	-	-	-
<b>At March 31, 2021</b>	<b>59.11</b>	<b>273.36</b>	<b>332.47</b>
Add: Additions	11.86	99.97	111.83
Less: Disposals	-	-	-
<b>At March 31, 2022</b>	<b>70.97</b>	<b>373.33</b>	<b>444.30</b>
<b>Accumulated Amortization</b>			
<b>At April 1, 2020</b>	<b>26.25</b>	<b>22.64</b>	<b>48.89</b>
Amortization	8.24	10.09	18.33
Disposals	-	-	-
<b>At March 31, 2021</b>	<b>34.49</b>	<b>32.73</b>	<b>67.22</b>
Amortization	8.60	14.71	23.31
Disposals	-	-	-
<b>At March 31, 2022</b>	<b>43.09</b>	<b>47.44</b>	<b>90.53</b>
<b>Net Book Value</b>			
<b>At March 31, 2022</b>	<b>27.88</b>	<b>325.89</b>	<b>353.77</b>
<b>At March 31, 2021</b>	<b>24.62</b>	<b>240.63</b>	<b>265.25</b>

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 6 : FINANCIAL ASSETS - INVESTMENTS

(Measured at amortised cost)

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
<b>Non-current investments</b>		
<b>Measured at cost</b>		
<b>Investment in equity instruments – Subsidiary</b>		
<b>Unquoted</b>		
601,142 equity shares of face value IDR 1 million fully paid up per share (March 31, 2021: ₹NIL) held in PT Sari Burger Indonesia	11,082.68	-
	<b>11,082.68</b>	-
<b>Aggregate amount of unquoted non-current investments measured at cost</b>	<b>11,082.68</b>	-

### Current Investments (Unquoted)

Particulars	(₹ in Million)			
	March 31, 2022		March 31, 2021	
	Units	₹ in Million	Units	₹ in Million
<b>Investments in Mutual Funds</b>				
<b>Investments measured at fair value through Profit &amp; Loss</b>				
Ultra - Money Market Fund- Growth Plan (Cost: March 31, 2022: ₹70 million, March 31, 2021: ₹70 million)	29,709	73.30	29,709	70.55
ICICI Prudential - Ultra Short Term Fund - Growth (Cost: March 31, 2022: ₹NIL, March 31, 2021: ₹60.00 million)	-	-	198,273	60.09
ICICI Prudential Money Market Fund-Reg-Growth (Cost: March 31, 2022: ₹65.12 million, March 31, 2021: ₹NIL)	216,865	65.98	-	-
Aditya Birla Sun Life Savings Fund - Growth Regular Plan (Cost: March 31, 2022: ₹303.45 million; March 31, 2021: ₹208.45 million)	727,387	320.28	507,506	214.53
HDFC Ultra Short term Fund - Regular Growth (Cost: March 31, 2022: ₹NIL; March 31, 2021: ₹30.42 million)	-	-	2,592,052	30.71
Nippon India Money Market fund (Cost: March 31, 2022: ₹24.66 million; March 31, 2021: ₹NIL)	7,688	25.53	-	-
UTI Liquid Fund -Cash Plan (Cost: March 31, 2022: ₹28 million; March 31, 2021: ₹155.05 million)	8,099	28.08	46,400	155.58
SBI Magnum Ultra Short duration fund (Cost: March 31, 2022: ₹NIL; March 31, 2021: ₹15.75 million)	-	-	3,402	15.91
Aditya Birla Sun Life Floating Rate Fund (Cost: March 31, 2022: ₹200 million; March 31, 2021: ₹NIL)	729,914	202.85	-	-
DSP Savings Fund Regular Plan - Growth (Cost: March 31, 2022: ₹NIL, March 31, 2021: ₹60 million)	-	-	1,459,767	60.24
Tata Money Market Fund- Growth Plan (Cost: March 31, 2022: ₹77.10 million; March 31, 2021: ₹NIL)	20,728	78.48	-	-
Aditya Birla Sun Life Money Manager Fund - Growth Regular Plan (Cost: March 31, 2022: ₹73.20 million; March 31, 2021: ₹NIL)	250,098	74.10	-	-
Kotak Money Market Scheme - Reg - Growth Plan (Cost: March 31, 2022: ₹84.83 million; March 31, 2021: ₹NIL)	23,910	86.09	-	-
Aditya Birla Sun Life Liquid Fund- Growth Regular Plan-QIP (Cost: March 31, 2022: ₹100 million; March 31, 2021: ₹NIL)	294,273	100.18	-	-

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

Particulars	(₹ in Million)		(₹ in Million)	
	March 31, 2022		March 31, 2021	
	Units	₹ in Million	Units	₹ in Million
Axis Overnight Fund - Regular Growth (Cost: March 31, 2022: ₹61.07 million; March 31, 2021: ₹NIL)	54,474	61.11	-	-
Nippon India Money Market Fund- Regular Plan Growth-QIP (Cost: March 31, 2022: ₹350 million; March 31, 2021: ₹NIL)	105,681	351.02	-	-
Nippon India Quarterly Interval Fund - Series III - Growth Plan-QIP (Cost: March 31, 2022: ₹450 million; March 31, 2021: ₹NIL)	16,039,806	451.16	-	-
Aditya Birla Sunlife Savings Funds Growth Regular Plan-QIP (Cost: March 31, 2022: ₹300 million; March 31, 2021: ₹NIL)	683,311	300.88	-	-
Axis Money Market Fund - Regular Growth-QIP (Cost: March 31, 2022: ₹200 million; March 31, 2021: ₹NIL)	174,796	200.54	-	-
Kotak Money Market Scheme - Reg - Growth-QIP (Cost: March 31, 2022: ₹210 million; March 31, 2021: ₹NIL)	58,489	210.59	-	-
HDFC Money Market Fund- Regular Plan Growth-QIP (Cost: March 31, 2022: ₹200 million; March 31, 2021: ₹NIL)	43,684	200.54	-	-
Aditya Birla Sun Life Money Manager Fund- Growth Regular Plan-QIP (Cost: March 31, 2022: ₹100.40 million; March 31, 2021: ₹NIL)	339,748	100.66	-	-
Tata Money Market Fund - Reg - Growth-QIP (Cost: March 31, 2022: ₹380 million; March 31, 2021: ₹NIL)	100,606	380.88	-	-
Axis Liquid Fund - Regular Growth (Cost: March 31, 2022: ₹25.04 million; March 31, 2021: ₹NIL)	10,672	25.08	-	-
<b>Investments in Other Deposits measured at amortised cost</b>				
LIC Housing Finance Limited		200.00		485.25
HDFC Limited		485.25		150.00
<b>Above deposits carry interest rate of 4.30% to 5.15%</b>				
		<b>4,022.58</b>		<b>1,242.86</b>
<b>Aggregate amount of unquoted current investments measured at fair value through profit or loss</b>		3,337.33		607.61
<b>Aggregate amount of unquoted current investments measured at amortised cost</b>		685.25		635.25

### NOTE 7 : FINANCIAL ASSETS - LOANS (UNSECURED, CONSIDERED GOOD)

(Measured at amortised cost)

Particulars	(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
<b>Loan to others</b>		
Loan to employees	-	3.36
	-	<b>3.36</b>
<b>Current</b>		
<b>Loan to others</b>		
Loan to employees	5.67	-
	<b>5.67</b>	-

- No Loans are due from directors or promoters of the Group either severally or jointly with any person.

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 8 : NON-CURRENT FINANCIAL ASSETS - OTHERS (UNSECURED) (Measured at amortised cost)

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Security Deposits - Premises and Other Deposits		
Considered good	324.81	286.67
Credit impaired	3.63	3.86
Less : Allowance for credit impaired balances	(3.63)	(3.86)
Bank Deposits with remaining maturity of more than 12 months*	0.68	0.25
	<b>325.49</b>	<b>286.92</b>

- No security deposits are due from directors or promoters of the Company either severally or jointly with any person.

\*Above deposits are given against bank guarantees issued to government authorities

### NOTE 9 : OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Capital advances	199.63	14.01
Prepaid expenses	10.46	9.53
	<b>210.09</b>	<b>23.54</b>

### NOTE 10 : INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
<b>Raw materials</b>		
Food, beverages & condiments	102.59	79.14
Paper & packaging material	32.85	21.20
	<b>135.44</b>	<b>100.34</b>

**Note:**

Amount of write down of inventories in the statement of profit and loss as an exceptional expense during the year ended March 31, 2022 is ₹NIL (March 31, 2021: ₹1.20 million)

### NOTE 11 : TRADE RECEIVABLES (UNSECURED)

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Trade receivables (Considered good)	92.48	59.83
Trade receivables- credit impaired	2.48	2.48
Less : Allowance for credit impaired balances	(2.48)	(2.48)
	<b>92.48</b>	<b>59.83</b>

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### Trade Receivables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment		Total
	Less than 1 year	More than 1 year	
	(₹ in Million)		
(i) Undisputed trade receivables- considered good	92.48	-	92.48
(iii) Undisputed trade receivables- credit impaired	2.48	-	2.48

Particulars	Outstanding for following periods from due date of payment		Total
	Less than 1 year	More than 1 year	
	(₹ in Lakhs)		
(i) Undisputed trade receivables- considered good	59.83	-	59.83
(iii) Undisputed trade receivables- credit impaired	2.48	-	2.48

**Note:**

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

### NOTE 12 : CASH AND CASH EQUIVALENTS

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Balances with banks		
In current accounts	85.99	220.98
In fixed deposits with original maturity less than 3 months	25.00	-
Cash on hand	33.35	27.68
	<b>144.34</b>	<b>248.66</b>

### NOTE 13 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Bank balances (held with Monitoring agency in relation to IPO proceeds)	14.14	250.62
Bank deposits with original maturity of more than 3 months and remaining maturity less than 12 months*	904.24	1,661.66
	<b>918.38</b>	<b>1,912.28</b>

\*Above deposits includes deposits of ₹2.35 million (March 31, 2021: ₹2.66 million) given against bank guarantees issued to government authorities. Deposits carry interest of 3.32% to 4.90%

### NOTE 14 : OTHER FINANCIAL ASSETS - CURRENT (UNSECURED, CONSIDERED GOOD) (Measured at amortised cost)

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Deposit with body corporate	30.00	30.00
Income receivables	48.54	40.77
	<b>78.54</b>	<b>70.77</b>

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 15 : OTHER CURRENT ASSETS (UNSECURED)

Particulars	₹ in Million	
	March 31, 2022	March 31, 2021
Prepaid expenses	37.07	29.65
Advance to suppliers	81.58	78.12
Advance to employees	2.16	0.30
Share issue expenses (to the extent not written off) (Note (i))	-	22.83
Balances with government authorities		
Considered good	10.31	31.60
Credit impaired	8.67	8.67
Less : Allowance for balances with government authorities- credit impaired	(8.67)	(8.67)
	<b>131.12</b>	<b>162.50</b>

- (i) The amount pertains to share issue expenses (not adjusted against securities premium as on March 31, 2021) in connection with public offer of equity shares. These expenses have been subsequently adjusted against securities premium as permissible under Section 52 of the Companies Act, 2013 on successful completion of Initial Public Offer (IPO) during the financial year ended March 31, 2022.

### NOTE 16 : EQUITY SHARE CAPITAL

Authorised equity share capital	Equity shares	
	No.	₹ in Million
At April 01, 2020	390,000,000	3,900.00
Increase during the year	115,000,000	1,150.00
At March 31, 2021	505,000,000	5,050.00
Increase during the year	95,000,000	950.00
At March 31, 2022	600,000,000	6,000.00

Authorised Preference share capital	Preference shares	
	No.	₹ in Million
At April 01, 2020	11,500,000	1,150.00
Decrease during the year	(11,500,000)	(1,150.00)
At March 31, 2021	-	-
Changes during the year	-	-
At March 31, 2022	-	-

#### Terms/rights attached to equity shares

The Company has a single class of equity shares having par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### Terms related to dividend

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### Issued Capital

Equity shares of ₹10 each issued, subscribed and fully paid

Particulars	No.	₹ in Million
At April 1, 2020	277,741,785	2,777.42
Increase during the year	105,237,859	1,052.38
At March 31, 2021	382,979,644	3,829.80
Increase during the year through QIP	108,480,018	1,084.80
Increase during the year through exercise of options under Share based payment plan	1,289,080	12.89
At March 31, 2022	492,748,742	4,927.49

#### A. Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Particulars	March 31, 2022		March 31, 2021	
	Number of shares	₹ in Million	Number of shares	₹ in Million
QSR Asia Pte Ltd - Holding Company (Promoter)	201,811,110	2,018.11	201,811,110	2,018.11
Equity shares of ₹10 each fully paid				
F&B Asia Ventures (Singapore) Pte. Ltd.	1	0*	1	0*
- Holding Company of QSR Asia Pte. Ltd				
Equity share of ₹10 each fully paid				

\* Denotes amount less than ₹5,000

#### B. Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2022		March 31, 2021	
	No. of shares	% Holding	No. of shares	% Holding
QSR Asia Pte Ltd - Holding Company (Promoter)	201,811,110	40.96%	201,811,110	52.69%
Amansa Investments Ltd	28,212,820	5.73%	28,212,820	7.37%
Fidelity Investment Trust : Fidelity Emerging Markets Fund	25,205,436	5.12%	-	-

% change of promoter shareholding during the year ended March 31, 2022 is (11.73)% (March 31, 2021: (46.72)%)

#### Notes:

- As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.
- There were no equity shares issued as bonus and shares bought back during the period of five years immediately preceding the reporting date.

#### C. Issue of shares under Qualified Institutional Placement ("QIP")

During the year ended March 31, 2022, the Company issued 108,480,018 fully paid up equity shares to Qualified Institutional Buyers in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. These shares were issued at a price of ₹129.25 per share (including securities premium of ₹119.25 per share) for an aggregate consideration of ₹14,021.04 million.

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 17 : OTHER EQUITY

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
<b>a. Securities premium</b>		
Balance at the beginning of year	7,972.33	3,361.08
Add: Transfer on account of exercise of options	21.73	35.86
Add: Issue of shares	12,991.46	4,953.01
Less: Share issue expenses (including ₹23.53 million for Pre-IPO placement)	(0.15)	(377.62)
Less: Expenses for Qualified Institutional Placement ("QIP")	(436.12)	-
<b>Balance at the end of year</b>	<b>20,549.25</b>	<b>7,972.33</b>
<b>b. Share based payment reserve</b>		
Balance at the beginning of year	95.62	40.88
Add: Charge for the year	41.16	90.60
Less: Transfer on account of exercise of options	(21.73)	(35.86)
<b>Balance at the end of year</b>	<b>115.05</b>	<b>95.62</b>
<b>c. Retained earnings</b>		
Balance at the beginning of year	(5,151.42)	(3,412.30)
Add: Total comprehensive loss during the year	(929.46)	(1,739.12)
<b>Balance at the end of year</b>	<b>(6,080.87)</b>	<b>(5,151.42)</b>
<b>d. Share application money pending allotment:</b>		
Balance at the beginning of year	0.20	-
Shares converted/money received (net)	10.52	0.20
<b>Balance at the end of year</b>	<b>10.72</b>	<b>0.20</b>
<b>e. Other Comprehensive income</b>		
Balance at the beginning of year	(11.82)	(12.82)
Re-measurement (losses)/gains on defined benefit plans	(6.77)	1.00
<b>Balance at the end of year</b>	<b>(18.59)</b>	<b>(11.82)</b>
<b>Total other equity (a+b+c+d+e)</b>	<b>14,575.55</b>	<b>2,904.91</b>

#### Nature of reserve:

- Securities premium: Securities premium reserve represents premium received on shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.
- Share based payment reserve: Share based payment reserve represents the grant date fair value of options issued to employees under employee stock plan.
- Retained earnings: Retained earnings are the losses that the Company has made till date, less any transfers to general reserve, dividends, or other distributions paid to the shareholders. Retained earning is a free reserve available to the Company.
- Share application pending allotment: Share application pending allotment represents the amount received on the share application on which allotment is not yet made.

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 18: LEASES

#### Leases are shown as follows in the Company's balance sheet and profit & loss account

The Company has lease contracts for operational stores, corporate office and restaurant equipment's used in its operations. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
<b>Right-of-use Leasehold Restaurants</b>		
Gross carrying amount	8,653.08	7,112.31
Accumulated depreciation	2,776.06	2,169.62
<b>Net carrying amount</b>	<b>5,877.02</b>	<b>4,942.69</b>
<b>Right-of-use Restaurant Equipments</b>		
Gross carrying amount	299.59	251.53
Accumulated depreciation	84.29	62.94
<b>Net carrying amount</b>	<b>215.30</b>	<b>188.59</b>
<b>Lease liabilities</b>		
<b>As at the beginning of the year</b>	5,972.58	5,977.47
Additions (net off remeasurements)	1,534.56	349.67
Finance cost	662.46	649.40
Payments	(867.52)	(520.12)
Lease concessions (Refer Note 25)	(169.51)	(425.87)
Deletions	(11.76)	(57.97)
<b>As at the end of the year</b>	<b>7,120.81</b>	<b>5,972.58</b>
<b>Current lease liabilities</b>	440.69	378.49
<b>Non-current lease liabilities</b>	6,680.12	5,594.09

Amounts recognized in the Statement of Profit and Loss	(₹ in Million)	
	March 31, 2022	March 31, 2021
<b>Other income</b>		
Gain on termination of lease	4.54	4.15
Gain on remeasurement of lease	2.23	29.83
Lease concessions (Refer Note 25)	-	176.03
<b>Other Expenses</b>		
Variable lease rent expense (Refer Note 25 & Note 30)	278.42	-
<b>Depreciation and impairment losses</b>		
Depreciation of right of use asset (Refer Note 4 & Note 29)	651.77	609.60
<b>Finance cost</b>		
Interest expense on lease liability (Refer Note 28)	662.46	649.40
<b>Amount recognised in statement of cash flow</b>		
Total cash outflow for leases (including interest on lease liabilities)	867.52	548.27

The Company had total cash outflows for leases of ₹867.52 million for March 31, 2022 (March 31, 2021: ₹548.27 million)

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

The Company also had non-cash additions to Rights-of-use assets of ₹1,620.03 million for March 31, 2022 (March 31, 2021: ₹414.35 million)

The Company also had non-cash additions to lease liabilities of ₹1,534.56 million for March 31, 2022 (March 31, 2021: ₹349.67 million)

Difference between ROU assets and lease liabilities pertaining to new leases recorded on initial recognition represents initial direct costs and deferred component of Security deposits given to lessors.

**The details regarding the contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on an undiscounted basis are as follows:**

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Less than one year	1,185.21	1,008.00
One to five years	4,490.59	4,041.57
More than five years	7,320.24	5,175.29
	<b>12,996.04</b>	<b>10,224.86</b>

**Practical expedient as per Ind AS 116 availed by the Company**

**(i) Short term leases or leases of low value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of restaurant and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

**(ii) Lease concessions**

As per MCA notification dated 24<sup>th</sup> July 2020 and subsequently amended on June 18, 2021 in respect of IND- AS 116, a lessee may apply practical expedient and elect not to assess whether a rent concession is a lease modification if specified criteria are met. It applies to only those rent concessions occurring as a direct consequence of the COVID-19 pandemic and if all the following conditions are met:

- (a) the change in lease payments is substantially the same or less than the lease payments immediately preceding the change;
- (b) any reduction in lease payments affects only the payments originally due on or before the June 30, 2022; and
- (c) there is no substantive change to other terms and conditions of the lease.

The Company has disclosed the application of the practical expedient and the amount recognised in the profit or loss for the reporting period to reflect changes in lease payments that arise from rent concessions in the Note 25.

### NOTE 19 : PROVISIONS

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
<b>Non-current provisions</b>		
Provision for employee benefit		
Gratuity (Refer note 33)	62.00	45.04
Other provision		
Site restoration liability (Refer note below)	193.59	164.25
	<b>255.59</b>	<b>209.29</b>

**Note:**

The Company records a provision for site restoration liability associated with the stores opened

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
<b>Movement of site restoration provision</b>		
<b>Beginning of the year</b>	164.25	153.66
Additions during the year	30.91	18.09
Deletions during the year	(1.57)	(7.50)
<b>End of the year</b>	<b>193.59</b>	<b>164.25</b>

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
<b>Current provisions</b>		
Provision for employee benefit		
Gratuity (Refer note 33)	4.08	2.35
Compensated absences	38.36	24.54
	<b>42.44</b>	<b>26.89</b>

### NOTE 20 : OTHER NON-CURRENT LIABILITIES

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Income received in advance (Contract Liabilities)	6.84	8.37
	<b>6.84</b>	<b>8.37</b>

### NOTE 21 : TRADE PAYABLES

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Micro and small enterprises*	0.57	6.20
Others	1,357.72	1,133.76
	<b>1,358.29</b>	<b>1,139.96</b>

### Trade Payables Ageing Schedule

**As at March 31, 2022**

Particulars	(₹ in Million)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	0.57	-	-	-	0.57
Others	1,348.88	8.16	0.45	0.23	1,357.72

**As at March 31, 2021**

Particulars	(₹ in Lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	6.20	-	-	-	6.20
Others	1,132.38	1.32	0.06	-	1,133.76



## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year:

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
(a) Principal amount and interest due to micro and small enterprises	0.76	6.81
(b) The amount of interest paid by the buyer under MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of year	-	-
(e) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

\* Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company.

### NOTE 22 : OTHER FINANCIAL LIABILITIES- CURRENT (Measured at amortised cost)

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Payable to capital vendors*	448.35	84.16
Retention Money Payable	16.00	14.94
	<b>464.35</b>	<b>99.10</b>

\*Includes payable of ₹0.19 million (March 31, 2021: ₹0.61 million) to Micro and small enterprises (Refer Note 21)

### NOTE 23 : OTHER CURRENT LIABILITIES

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Income received in advance (Contract Liabilities)	1.54	1.54
Statutory dues	146.69	89.66
	<b>148.23</b>	<b>91.20</b>

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 24 : REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Set out below is the disaggregation of the Company's revenue from contracts with customers:		
<b>Revenue recognised at the point of time</b>		
Income from Sale of food and beverages	9,382.67	4,920.30
<b>Revenue recognised over the period of time</b>		
Income from sub franchisee operations	12.93	5.90
<b>Total revenue from contracts with customers</b>	<b>9,395.60</b>	<b>4,926.20</b>
<b>Other Operating Revenue</b>		
Scrap Sales	41.49	18.34
<b>Total revenue from operations</b>	<b>9,437.09</b>	<b>4,944.54</b>
<b>Contract liabilities</b>		
The Company has recognised the following revenue-related contract liabilities:		
Contract liabilities (Refer note 20 & 23)	8.38	9.91
Contract liabilities includes payments received in advance of performance under the contract.		
<b>Revenue recognised in the year from:</b>		
Amounts included in contract liability at the beginning of the year	1.54	1.36

Contract liability relates to payments received in advance of performance under the contract. Contract liabilities are recognised as revenue as (or when) the Company performs under the contract.

### NOTE 25 : OTHER INCOME

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Interest income on Fixed deposits measured at amortised cost	83.12	39.79
MTM Gain on financial instruments at fair value through profit and loss	27.82	7.95
Fair value Gain on financial instruments at fair value through profit and loss (Refer Note (i) below)	31.08	-
Profit on sale of investments at fair value through profit and loss	28.51	5.29
Interest income on security deposits measured at amortised cost	27.17	18.36
Provisions written back	0.24	1.74
Gain on termination of lease	4.54	4.15
Gain on remeasurement of lease	2.23	29.83
Lease concessions (Refer Note (ii) below)	-	176.03
Miscellaneous income	0.58	1.64
	<b>205.29</b>	<b>284.78</b>

#### Note:

- (i) Fair value gain on financial instruments at fair value through profit or loss relates to foreign exchange forward contracts that was not designated for hedge accounting and did not qualify for embedded derivatives.
- (ii) The Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24<sup>th</sup> July 2020 and subsequently amended on June 18, 2021 in respect of IND- AS 116 for all rent concessions which are granted due to COVID-19 pandemic. As per requirements of MCA notification, total lease concessions confirmed till March 31, 2022 of ₹169.51 million has been adjusted under rent expenses. Out of the total lease concessions confirmed till March 31, 2021 of ₹425.87 million, ₹249.84 has been accounted under rent expenses (to the extent available) and balance of ₹176.03 million has been accounted under other income for the year ended March 31, 2021.

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 26 : COST OF MATERIALS CONSUMED

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
<b>Food, beverages, condiments, paper and packaging materials</b>		
Inventory at the beginning of the year	100.34	94.34
Add: Purchases	3,266.46	1,762.41
Less: inventory at the end of the year	(135.44)	(100.34)
	<b>3,231.36</b>	<b>1,756.41</b>
<b>Details of materials consumed</b>		
Food, beverages and condiments	2,929.32	1,611.46
Paper and packing material	302.04	144.95
	<b>3,231.36</b>	<b>1,756.41</b>

### NOTE 27 : EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Salaries and wages#	1,301.23	954.91
Contribution to provident and other funds (net of government grant under PMRPY* of ₹1.61 million (March 31, 2021: ₹5.32 million)	106.42	75.47
Employee stock compensation expense (refer note 35)	38.12	82.30
Gratuity expense (refer note 33)	16.88	15.37
Staff welfare expense	77.12	47.99
	<b>1,539.77</b>	<b>1,176.04</b>

#includes expense of ₹25.48 million (March 31, 2021: ₹(0.76) million) towards compensated absences

\*PMRPY stands for Pradhan Mantri Rojgar Protsahan Yojana

### NOTE 28 : FINANCE COSTS

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Interest expense		
- on term loan (at amortised cost)	-	133.76
- on lease liability	662.46	649.40
- others	17.07	38.05
	<b>679.53</b>	<b>821.21</b>

### NOTE 29 : DEPRECIATION AND AMORTISATION EXPENSE

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Depreciation of property, plant and equipment	681.87	647.53
Amortization of intangible assets	23.31	18.32
Depreciation of Right of use assets	651.77	609.60
	<b>1,356.95</b>	<b>1,275.45</b>

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 30 : OTHER EXPENSES

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Rent (Refer Note 25)	278.42	-
Power and Fuel	833.01	518.09
Rates & Taxes	39.70	36.09
Operating Supplies	99.60	65.21
Advertising and Marketing Expenses	490.05	259.93
Consultancy & Professional Fees (Refer note (i) below)	81.09	53.97
Telephone and communication expenses	17.16	17.89
Travelling expenses	33.98	10.05
Director's sitting fees	2.55	1.69
Insurance	7.81	4.99
Repairs and Maintenance - Leasehold Improvements	77.29	41.51
Repairs and Maintenance - Restaurant Equipments	39.87	22.38
Repairs and Maintenance - Others	182.48	136.00
Royalties Fees	423.81	190.81
Allowance for credit impaired deposits	-	3.76
Write off of Property, plant and equipment (net)	0.03	0.56
Commission & Delivery expenses	1,077.84	451.08
Miscellaneous Expenses	79.54	48.21
	<b>3,764.23</b>	<b>1,862.22</b>

#### i) Note :

#### Payments to the auditor:

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
<b>As auditor</b>		
Statutory Audit fee	5.10	2.80
Other Audit fee	1.20	1.80
Tax audit fee and transfer pricing	0.40	0.40
Limited review fee	1.80	0.60
Other assurance services in relation to QIP/IPO*	12.55	6.75
Reimbursement of expenses	0.42	-
	<b>21.47</b>	<b>12.35</b>

\* The amount disclosed for the year ended March 31, 2022 and March 31, 2021 have been adjusted against Securities premium

### NOTE 31 : INCOME TAXES

#### (A) The major components of income tax expense for the year ended:

##### Statement of profit and loss

Particulars	(₹ in Million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Current income tax:</b>		
Current income tax charge/(reversed)	-	-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	-	-
<b>Income tax expense reported in the statement of profit or loss</b>	<b>-</b>	<b>-</b>

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### (B) Amounts recognised in other comprehensive income

(₹ in Million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Income tax expense charged to OCI	-	-
	-	-

### (C) Reconciliation of tax expense and the accounting profit/(loss) multiplied by effective tax rate:

(₹ in Million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Accounting loss before income tax</b>	(929.46)	(1,739.12)
At India's statutory income tax rate for March 31, 2022: 25.17% (March 31, 2021: 25.17%)	(233.93)	(437.70)
<b>Adjustments in respect of current income tax of previous years</b>		
Tax effect of brought forward losses/unabsorbed depreciation of year on which no deferred tax is recognised	233.93	437.70
<b>Effective tax rate</b>	-	-
Income tax expense reported in the statement of profit and loss	-	-

### (D) Components of deferred tax assets and liabilities recognised in the Balance Sheet, Statement of profit and loss and Statement of other comprehensive income

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Deferred Tax Assets	118.89	89.64
Deferred Tax Liabilities	(118.89)	(89.64)
<b>Net Deferred Tax Assets/(Liabilities)</b>	-	-

#### Movement in Deferred Tax:

(₹ in Million)

Particulars	Balance Sheet	Balance Sheet	Profit and Loss	Profit and Loss
	March 31, 2022	March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Deferred tax relates to the following:</b>				
<b>Deferred tax liability recognised for timing difference due to:</b>				
a. Property, plant and equipment & intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	30.86	15.85	15.01	15.85
b. Others- Ind AS adjustments (Security deposit, fair value gain on investments etc.)	88.03	73.79	14.24	(4.13)
	<b>118.89</b>	<b>89.64</b>	<b>29.25</b>	<b>11.72</b>

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

(₹ in Million)

Particulars	Balance Sheet	Balance Sheet	Profit and Loss	Profit and Loss
	March 31, 2022	March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Deferred tax assets recognised due to:</b>				
a. Property, plant and equipment & intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	-	-	(10.15)
b. Expenses allowable in Income Tax on payment basis	107.26	18.10	89.16	1.36
c. Others- Ind AS adjustments (Lease arrangements, deferred income amortisation etc.)	11.63	71.54	(59.91)	20.51
d. Unabsorbed depreciation and carried forward losses*	-	-	-	-
<b>Deferred Tax expense/(income)</b>	<b>118.89</b>	<b>89.64</b>	<b>29.25</b>	<b>11.72</b>
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*The Company has unused carried forward business tax losses of ₹1,787.04 million and unabsorbed tax depreciation amounting to ₹2,489.34 million as on March 31, 2022. The unused tax losses expire in 8 years and may not be used to offset taxable income by the Company. Unabsorbed tax depreciation does not have any expiry period under the Income Tax Act, 1961. The Company neither has any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognise deferred tax assets of ₹1,076.28 million on these unused carried forward tax losses and unabsorbed depreciation. Hence, deferred tax asset is recognised to the extent of deferred tax liabilities.

#### Unused business tax losses will expire as per below table:

(₹ in Million)

Assessment Year	Amount
2014-15 (Expiring on March 31, 2023)	26.72
2015-16 (Expiring on March 31, 2024)	267.36
2016-17 (Expiring on March 31, 2025)	233.86
2017-18 (Expiring on March 31, 2026)	315.66
2018-19 (Expiring on March 31, 2027)	258.14
2021-22 (Expiring on March 31, 2030)	685.30
<b>Total Business Loss</b>	<b>1,787.04</b>

#### NOTE 32: EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the loss attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	(₹ in Million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Loss attributable to equity holders:</b>		
Loss attributable to equity holders for basic EPS	(929.46)	(1,739.12)
	<b>(929.46)</b>	<b>(1,739.12)</b>
<b>Loss attributable to equity holders adjusted for the effect of dilution</b>		
Weighted average number of Equity shares for basic EPS	396,884,513	318,123,007
Effect of dilution:		
Share options under ESOP	3,833,278	2,540,570
Weighted average number of Equity shares adjusted for the effect of dilution	400,717,791	320,663,577
<b>Basic EPS (in ₹)</b>	<b>(2.34)</b>	<b>(5.47)</b>
<b>Diluted EPS (in ₹)</b>	<b>(2.34)</b>	<b>(5.47)</b>

Potential equity shares are anti dilutive and hence the effect of anti dilutive potential equity shares is ignored in calculating diluted earning per share.

### NOTE 33 : EMPLOYEE BENEFITS

#### (a) Defined Contribution Plans

The Company has recognised following amounts as expense in the Statement of Profit and Loss:

Particulars	(₹ in Million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Contribution to provident fund and other funds	106.42	75.47
	<b>106.42</b>	<b>75.47</b>

#### (b) Defined Benefit Plans

##### (i) Gratuity:

Gratuity liability is a defined benefit scheme. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The gratuity liability is unfunded. The cost of providing benefits under this plan is determined on the basis of an actuarial valuation done.

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

Particulars	(₹ in Million)	
	Gratuity (Company)	
	March 31, 2022	March 31, 2021
<b>I Change in present value of defined benefit obligation during the year</b>		
1. Present Value of defined benefit obligation at the beginning of the year	47.39	34.98
2. Interest cost	2.64	1.91
3. Current service cost	14.24	13.46
4. Benefit Paid Directly by the Employer	(4.96)	(1.96)
5. Actuarial changes arising from changes in demographic assumptions	0.02	-
6. Actuarial changes arising from changes in financial assumptions	3.48	(0.66)
7. Actuarial changes arising from changes in experience adjustments	10.23	(0.34)
<b>8. Present Value of defined benefit obligation at the end of the year</b>	<b>66.08</b>	<b>47.39</b>

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

Particulars	(₹ in Million)	
	Gratuity (Company)	
	March 31, 2022	March 31, 2021
<b>II Net liability recognised in the balance sheet</b>		
1. Present Value of defined benefit obligation at the end of the year	66.08	47.39
2. Fair value of plan assets at the end of the year	-	-
<b>3. Net liability recognised in balance sheet</b>	<b>66.08</b>	<b>47.39</b>
<b>Current</b>	<b>4.08</b>	<b>2.35</b>
<b>Non-current</b>	<b>62.00</b>	<b>45.04</b>

Particulars	(₹ in Million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>III Expenses recognised in the statement of profit and loss for the year</b>		
1. Current service cost	14.24	13.46
2. Interest cost on benefit obligation	2.64	1.91
<b>3. Total expenses included in employee benefits expense</b>	<b>16.88</b>	<b>15.37</b>
<b>IV Recognised in other comprehensive income for the year</b>		
1. Actuarial changes arising from changes in demographic assumptions	0.02	-
2. Actuarial changes arising from changes in financial assumptions	(3.48)	(0.66)
3. Actuarial changes arising from changes in experience adjustments	10.23	(0.34)
<b>4. Recognised in other comprehensive income</b>	<b>6.77</b>	<b>(1.00)</b>

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
<b>V Maturity profile of defined benefit obligation</b>		
1 <sup>st</sup> following year	4.08	2.35
2 <sup>nd</sup> following year	5.12	3.10
3 <sup>rd</sup> following year	6.19	3.85
4 <sup>th</sup> following year	6.10	4.48
5 <sup>th</sup> following year	6.55	4.34
Sums of years 6 to 10	19.92	14.33
<b>VI Quantitative sensitivity analysis for significant assumption is as below:</b>		
<b>1. Increase/(decrease) on present value of defined benefits obligation at the end of the year</b>		
(i) One percentage point increase in discount rate	(5.93)	(4.54)
(ii) One percentage point decrease in discount rate	7.16	5.52
(i) One percentage point increase in rate of salary Increase	7.02	5.39
(ii) One percentage point decrease in rate of salary Increase	(5.94)	(4.53)
(i) One percentage point increase in employee turnover rate	(1.22)	(1.27)
(ii) One percentage point decrease in employee turnover rate	1.34	1.41

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### 2. Sensitivity Analysis Method

The sensitivity analysis is determined based on reasonably possible changes of the assumptions occurring at the end of the year, while holding other assumptions constant.

Particulars	Gratuity (Company)	
	March 31, 2022	March 31, 2021
<b>VII Actuarial assumptions</b>		
1. Discount rate	6.09%	5.58%
2. Salary escalation	7.00%	7.00%
3. Mortality rate during employment	Indian Assured Lives Mortality 2012-14 Urban	Indian Assured Lives Mortality 2006-08 Ultimate
4. Mortality post retirement rate	N.A	N.A
5. Rate of Employee Turnover	<b>Operations :-</b> Service < 5 yrs - 35% Service >=5 yrs & <= 10 yrs - 15% Service >= 11 yrs - 5% <b>Restaurant Support Centre:-</b> Service < 5 yrs - 15% Service >= 5 yrs - 5%	<b>Operations :-</b> Service < 5 yrs - 35% Service >=5 yrs & <= 10 yrs - 15% Service >= 11 yrs - 5% <b>Restaurant Support Centre:-</b> Service < 5 yrs - 15% Service >= 5 yrs - 5%
6. Retirement age	58 years	58 years

#### Notes :

- The actuarial valuation of the defined benefit obligation were carried out at March 31, 2022. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.
- Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.
- The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.
- The weighted average duration of the defined benefit plan obligation at March 31, 2022 is 11 years (March 31, 2021: 12 years).

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 34 : RELATED PARTY TRANSACTIONS

#### Names of related parties and related party relationship

##### Related parties where control exists

Holding company	QSR Asia Pte. Ltd.
Holding company of QSR Asia Pte. Ltd.	F&B Asia Ventures (Singapore) Pte. Ltd.
Ultimate Holding Company	F&B Asia Ventures Ltd. (Mauritius)
Subsidiary Company	PT Sari Burger Indonesia w.e.f March 9, 2022 PT Sari Chicken Indonesia w.e.f March 29, 2022 QSR Indoburger Pte. Ltd.
Fellow Subsidiary	

##### Other related parties with whom transactions have taken place during the year

Enterprises over which Key Management Personnel are able to exercise control	Tagtaste Foods Private Limited
--	--------------------------------

##### Key management personnel

##### Directors

Mr. Rajeev Varman (Whole-time Director & Chief Executive Officer)
Mr. Ajay Kaul (Non Executive Director)
Mr. Jaspal Singh Sabharwal (Non Executive Director)
Mr. Amit Manocha (Non Executive Director)
Mr. Shivakumar Dega (Chairman & Independent Director)
Mrs. Tara Subramaniam (Independent Director)
Mr. Sandeep Chaudhary (Independent Director)
Mr. Peter Perdue (upto October 29, 2021)
Mr. Ekrem Ozer (w.e.f October 29, 2021 uptill January 28, 2022)
Mr. Rafael Odorizzi De Oliveira (Non Executive Director) (w.e.f February 03, 2022)

##### Chief Financial Officer

Mr. Sumit Zaveri

##### Company Secretary

Ms. Madhulika Rawat (w.e.f October 26, 2020)  
Ms. Ranjana Saboo (Uptill August 31, 2020)

### (I) Transactions with related parties

Particulars	(₹ in Million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>(a) Issue of equity shares</b>		
QSR Asia Pte Ltd	-	580.80
<b>(b) Investment in equity in PT Sari Burger Indonesia</b>		
Purchase of shares from QSR Indoburger Pte. Ltd.	5,989.37	-
Subscription of shares from PT Sari Burger Indonesia	3,323.52	
<b>(c) As per the Share Subscription cum shareholders' agreement (SSHA), the Company is committed to infuse USD 15 million in one or more tranches against the issuance of new shares by PT Sari Burger Indonesia.</b>		
<b>(d) As part of SSHA, the Company has provided commitment to procure the release of F&amp;B Asia Ventures (Singapore) Pte. Ltd. ("F&amp;B Asia") from the corporate guarantees given by it pursuant to the borrowings availed by PT Sari Burger Indonesia from banks. The outstanding borrowings in books of PT Sari Burger Indonesia as on March 31, 2022 is ₹1,419.36 million.</b>		

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

(₹ in Million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(e) The Company has provided performance guarantee amounting to USD 551,221 as determined on February 28, 2022 in favour of BK Asia Pac Pte. Ltd. ("BK Asia Pac") for securing the obligations of PT Sari Burger Indonesia as per the Master Franchisee and Development Agreement dated December 4, 2014 ("Indonesia MFDA"). The aforesaid guarantee amount would be determined, agreed and/or modified prior to every financial year end. Amount of outstanding payables by PT Sari Burger Indonesia to BK Asia Pac as on March 31, 2022 is ₹20.28 million.		
<b>Items (b), (c) and (d) mentioned above are covered under Section 186(4) of Companies Act, 2013 for which necessary approvals have been obtained by the Company</b>		
(f) Remuneration to Key management personnel *		
Mr. Rajeev Varman	71.34	69.75
Ms. Ranjana Saboo	-	1.69
Mr. Sumit Zaveri	31.61	17.18
Ms. Madhulika Rawat	3.93	1.50
<b>Above remuneration includes:</b>		
<b>Compensation of key management personnel of the Company</b>		
Short-term employee benefits	0.31	(0.29)
Post-employment gratuity	0.35	0.22
Share-based payment transactions	23.27	39.19
*The amounts disclosed in the table are the amounts recognised as an expense during the reporting year related to key management personnel.		
(g) <b>Directors' sitting fees</b>		
Mrs. Tara Subramaniam	0.96	0.47
Mr. Shivakumar Dega	0.71	0.47
Mr Sandeep Chaudhary	0.49	0.36
(h) <b>Management services</b>		
Tagtaste Foods Private Limited	3.30	-

### (II) Outstanding balances with related parties:

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
<b>Trade Payables</b>		
QSR Asia Pte. Ltd.	-	60.93

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 35 : SHARE-BASED PAYMENTS

#### 1. The expense recognised for employee services received during the period is shown in the following table:

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Expense arising from equity-settled share-based payment transactions	38.12	82.30
<b>Total expense arising from share-based payment transactions</b>	<b>38.12</b>	<b>82.30</b>

The Company provides share-based payment schemes to its senior executives.

On September 21, 2015, the board of directors approved the Equity Settled 'Employees Stock Option Scheme 2015' (Scheme 2015) (as last amended vide shareholders' resolution dated November 13, 2020) for issue of stock options to the key employees of the Company.

The ESOS 2015 was amended to increase the exercise period from 12 months to 24 months for the options vesting on the completion of the Initial Public Offer of the Company vide shareholders' resolution dated November 12, 2020.

#### 2. Additional Grant under ESOP 2015 Scheme (as last amended vide shareholders' resolution dated November 13, 2020)

(₹ in Million)

No. of options Granted	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V
No. of options Granted	3,416,608	3,549,108	378,571	18,929	757,142
No. of options exercised	1,584,596	-	-	9,464	-
No. of options lapsed	331,252	-	-	-	-
Grant Date	01-07-19	30-08-19	26-09-19	05-02-20	16-07-21
Weighted average exercise price	52.83	52.83	52.83	52.83	53.00
Market Price on the date of grant	52.83	52.83	52.83	52.83	166.25
Weighted average Fair Value on grant date of the option	15.34	17.38	15.48	14.35	122.89

Vesting Period	The Stock Options, subject to the ESOS 2015 (as amended form time to time), shall vest as follows : 50% on Initial Public Offering subject to a minimum of 1 year from the grant date or 3 years from the grant date, whichever is earlier. 50% on 3 years from Grant Date.	The Stock Options, subject to the ESOS 2015 (as amended form time to time), shall vest as follows : 50% on Initial Public Offering subject to a minimum of 1 year from the grant date or 3 years from the grant date, whichever is earlier. 50% on 3 years from Grant Date.	The Stock Options, subject to the ESOS 2015 (as amended form time to time), shall vest as follows : 50% on Initial Public Offering subject to a minimum of 1 year from the grant date or 3 years from the grant date, whichever is earlier. 50% on 5 years from Grant Date.	The Stock Options, subject to the ESOS 2015 (as amended form time to time), shall vest as follows : 50% on Initial Public Offering subject to a minimum of 1 year from the grant date or 3 years from the grant date, whichever is earlier. 50% on 3 years from Grant Date.	3 years from grant date

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

(₹ in Million)

No. of options Granted	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V
Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled
Exercise Period	Vested Options may be exercised for equity shares within 2 years of the vesting date for 50% vesting on Initial Public offering and 1 year of the vesting date for balance 50%	Vested Options may be exercised for equity shares within 2 years of the vesting date for 50% on Initial Public offering and 1 year of the vesting date for balance 50%	Vested Options may be exercised for equity shares within 2 years of the vesting date for 50% on Initial Public offering and 1 year of the vesting date for balance 50%	Vested Options may be exercised for equity shares within 1 year of the vesting date.	Vested Options may be exercised for equity shares within 1 year of the vesting date.

The weighted average remaining contractual life for the share options outstanding as at March 31, 2022 is 1.50 years (March 31, 2021 is 1.32 years)

The weighted average fair value of the option granted during the year ended March 31, 2022 is ₹122.89

(₹ in Million)

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
<b>Movements during the year</b>		
Outstanding at April 1	7,162,738	7,344,287
Granted during the year	757,142	-
Exercised during the year	(1,285,280)	(105,834)
Exercised and pending allotment during the year	(202,946)	(75,715)
Lapsed during the year	(236,608)	-
<b>Outstanding/Exercisable at year</b>	<b>6,195,046</b>	<b>7,162,738</b>

Out of the total options outstanding as on March 31, 2022, 3,823,580 options are unvested at year end and 2,371,466 options are vested but not exercised at year end.

The following tables list the inputs to the models used for valuation of respective grants dates:

(₹ in Million)

Fair Valuation	Tranche I		Tranche II		Tranche III		Tranche IV		Tranche V
No. of options	1,708,304	1,708,304	1,774,554	1,774,554	189,286.00	189,285.00	9,464.00	9,465.00	757,142
Method Used	Black- Scholes		Black- Scholes		Black- Scholes		Black-Scholes		Black- Scholes
Risk-Free Rate	6.20%	6.51%	5.56%	5.95%	5.61%	6.42%	5.56%	5.95%	5.28%
Option Life (Years)	1.75	3.50	1.59	3.50	1.51	5.50	1.17	3.50	3.50
Expected Volatility	33.32	37.19	33.12	35.99	34.59	36.49	33.12	35.99	38.04
Dividend Yield	0%	0%	0%	0%	0%	0%	0%	0%	0%

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 36 : COMMITMENTS AND CONTINGENCIES

#### a. Commitments : Estimated amount of contracts remaining to be executed on capital account and not provided for

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	355.45	81.66

(ii) As per the Share Subscription cum shareholders' agreement (SSHA), the Company is committed to infuse USD 15 million in one or more tranches against the issuance of new shares by PT Sari Burger Indonesia.

#### b. Contingent Liabilities

(i) As part of SSHA, the Company has provided commitment to procure the release of F&B Asia Ventures (Singapore) Pte. Ltd. ("F&B Asia") from the corporate guarantees given by it pursuant to the borrowings availed by PT Sari Burger Indonesia from banks. The outstanding borrowings in books of PT Sari Burger Indonesia as on March 31, 2022 is ₹1,419.36 million.

(ii) The Company has provided performance guarantee amounting to USD 551,221 as determined on February 28, 2022 in favour of BK Asia Pac Pte. Ltd. ("BK Asia Pac") for securing the obligations of PT Sari Burger Indonesia as per the Master Franchisee and Development Agreement dated December 4, 2014 ("Indonesia MFDA"). The aforesaid guarantee amount would be determined, agreed and/or modified prior to every financial year end. Amount of outstanding payables by PT Sari Burger Indonesia to BK Asia Pac as on March 31, 2022 is ₹20.28 million.

(iii) The Company believes that there is no impact of retrospective applicability of the Supreme Court (SC) judgement on definition of basic wages for PF contributions. The Company has complied with the Supreme Court (SC) judgement on prospective basis.

### NOTE 37 : SEGMENT REPORTING

The Chief Executive Officer (CEO) of the Company has been identified as Chief Operating Decision Maker ("CODM") of the Company who evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by reportable segments. CODM reviews the entire operating results of the business as a whole for the purpose of making decisions about resource allocation and performance assessment and therefore, the Company believes that there is single reportable segment i.e. "Restaurants and Management". Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statement.

The Company operates only in India and hence all non current assets belonging to reportable segment are located in India. The Company doesn't have any individual customer who is contributing more than 10% of revenue.

### NOTE 38 : CAPITALIZATION OF PRE-OPERATIVE EXPENDITURE

During the year, the Company has capitalized the following expenses as pre-operative expenses. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company.

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Salary, Bonus and Allowances	53.42	31.68
Rates and taxes	5.33	1.04
Legal and Professional Fees	0.51	1.33
Power and Fuel	1.38	2.95
Rent	3.03	2.89
Miscellaneous Expenses	4.47	4.47
	<b>68.14</b>	<b>44.36</b>

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 39 : FAIR VALUES OF FINANCIAL INSTRUMENTS

The fair values of financial instruments is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

#### a. Fair value hierarchy

The Company categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
  - Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
  - Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
- Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

#### b. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(₹ in Million)

Particulars	Carrying value		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Financial assets measured at amortised cost</b>				
Security deposits	324.81	286.67	324.81	286.67
Loan to employees	5.67	3.36	5.67	3.36
Bank deposits	0.68	0.25	0.68	0.25
Trade receivables	92.48	59.83	92.48	59.83
Cash and cash equivalents	144.34	248.66	144.34	248.66
Bank balances other than cash and cash equivalents	918.38	1,912.28	918.38	1,912.28
Other financial assets	78.54	70.77	78.54	70.77
<b>Financial assets at fair value through profit or loss</b>				
Investments*	4,022.58	1,242.86	4,022.58	1,242.86
<b>Total</b>	<b>5,587.48</b>	<b>3,824.68</b>	<b>5,587.48</b>	<b>3,824.68</b>
*Excludes investment in subsidiary amounting to ₹11,082.68 million as on March 31, 2022 (March 31, 2021: ₹NIL) measured at cost				
<b>Financial liabilities measured at amortised cost</b>				
Trade payables	1,358.29	1,139.96	1,358.29	1,139.96
Other financial liabilities	464.35	99.10	464.35	99.10
<b>Total</b>	<b>1,822.64</b>	<b>1,239.06</b>	<b>1,822.64</b>	<b>1,239.06</b>

The management assessed that cash and cash equivalents, trade receivables, bank deposits, bank balances other than cash and cash equivalents, loans to employees, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

The fair value for security deposits is calculated based on cash flows discounted using risk adjusted discounting rates currently available for debt on similar terms, credit risk and remaining maturities. It is classified as level 3 fair value hierarchy due to the inclusion of unobservable inputs.

The fair value of unquoted mutual fund investment is calculated based on the Net Assets value on reporting date and it is classified as level 2 fair value hierarchy since NAV quotes are obtainable from Mutual fund.

### NOTE 40 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and foreign currency risk. The following sections provide details regarding the Company's exposure to the above—mentioned financial risks and the objectives, policies and processes for the management of these risks.

#### (a) Credit risk

Credit risk is the risk of loss that may arise on the outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from deposits with landlords for store properties taken on leases and other receivables, investment in mutual funds and balances with banks. There is no significant concentration of credit risk. For Investment in mutual funds and cash and bank balances, the Company minimises credit risk by dealing with high credit rating parties.

#### Trade receivables:

The Company's business is predominantly retail in nature on 'cash and carry' basis which is largely through cash and credit card collections. The credit risk on such credit card collections is minimal, since they are primarily owned by customers' card issuing banks. The Company also carries credit risk on lease deposits with landlords for store properties taken on leases, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

The company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. No allowance for collective impairment was made based on past experience (Refer Note 11)

#### Financial instruments and Cash deposits:

Credit risk from balances with banks and financial institutions is managed in accordance with the Company's policy. Investments of surplus funds in mutual funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. (Refer Note 6 to 8 and 11 to 14)

#### Credit risk concentration:

The Company's revenue is principally settled on cash terms or through credit cards, thus there are no significant past due balances in the company's trade receivables. The Company's customers are walk-in whose individual annual expenditure at the Company's establishments does not constitute a substantial percentage relative to the company's revenue. Other receivables consist mainly of deposits placed with well-established and reputable lessors for lease of retail space.

The Company's maximum exposure to credit risk for the components of the balance sheet is the carrying amount as provided in Note no 7,8, 11 to 14.

#### (b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company monitor its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows. Typically the



## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. The Company's operations are financed through internally generated funds, external borrowings and issue of shares. During the year ended March 31, 2022, the Company raised ₹14,021.04 million through issue of shares to Qualified Institutional buyers.

The table below summarises the maturity profile of the Company's and the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

(₹ in Million)

Particulars	March 31, 2022			March 31, 2021		
	Payable on demand	<1 yrs.	>1 yrs.	Payable on demand	<1 yrs.	>1 yrs.
Trade payables	-	1,349.45	8.84	-	1,138.58	1.38
Other financial liabilities	-	464.35	-	-	99.10	-

For maturity profile of lease liabilities, refer Note 18

### (c) Foreign Currency risk

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

The following table shows foreign currency exposure of US dollars converted to ₹ at the end of respective reporting period:

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Trade payables	94.00	37.77

### NOTE 41: RATIO ANALYSIS

(₹ in Million)

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance	Reason for variance
Current ratio	Current Assets	Current Liabilities	2.25	2.19	2.97%	
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(0.07)	(0.37)	-80.67%	Improved due to lesser losses in current year
Inventory Turnover ratio (In days)	Average Inventory	Sales (Revenue from Operations)	4.56	7.19	-36.55%	Improved due to higher sales
Trade Receivable Turnover Ratio (In days)	Average Trade Receivable	Sales (Revenue from Operations)	2.95	3.40	-13.29%	
Trade Payable Turnover Ratio	Purchases	Average Payables	2.62	1.80	45.11%	Improved due to better payment cycle
Net Capital Turnover Ratio	Sales (Revenue from Operations)	Shareholder's Equity	0.48	0.73	-34.09%	Reduced due to issue of shares through QIP
Net Profit ratio	Loss after tax	Sales (Revenue from Operations)	-9.85%	-35.17%	-72.00%	Improved due to lesser losses in current year
Return on Capital Employed	Loss after tax	Shareholder's Equity	-4.77%	-25.82%	-81.54%	Improved due to lesser losses in current year

Since the Company does not have any borrowings, we have not disclosed Debt Equity Ratio, Debt service coverage ratio. Also, the Company is not an investment company, we have not disclosed return on investment.

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 42: CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company.

The primary objective of the Company's capital management is to ensure it maintains sufficient cash in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2022. The Company does not have outstanding debt as at the end of the year.

#### a) Utilisation of IPO proceeds

(₹ in Million)

Objects of the issue as per prospectus	Net proceeds as per prospectus	Revised net proceeds	Utilisation upto March 31, 2022	Unutilised amounts as on March 31, 2022
Repayment or prepayment of outstanding borrowings of the Company obtained for setting up of new Company owned Burger King restaurants	1,649.79	1,649.79	1,649.79	-
Capital expenditure incurred for setting up of new Company owned Burger King Restaurants	1,770.00	1,770.00	906.61	863.39
General corporate purposes	711.70	726.08	700.62	25.46
<b>Total</b>	<b>4,131.49</b>	<b>4,145.87</b>	<b>3,257.02</b>	<b>888.85</b>

During the year ended March 31, 2022, the actual offer expenses (Company's share) were concluded at ₹354.13 million as against original projected offer expenses of ₹368.51 million, pursuant to which the unutilised portion of offer expenses of ₹14.38 million has been added to the net proceeds for General corporate purposes resulting in balance available for utilisation being revised to ₹726.08 million.

IPO Proceeds which were unutilised as at March 31, 2022 were temporarily invested in deposits with scheduled commercial banks and balance amount was kept in public issue and monitoring agency bank accounts.

#### b) Utilisation of QIP proceeds

Particulars	₹ in million
Gross QIP Proceeds	14,021.04
Less: Issue Expenses	(412.16)
<b>Net Proceeds</b>	<b>13,608.88</b>
<b>Utilisation:</b>	
Funding the acquisition of and fresh capital infusion in PT Sari Burger Indonesia for amounts determined on closing towards settlement of any debt and debt like adjustments	8,907.78
Investment/capital infusion in PT Sari Burger Indonesia towards supporting any of its business requirements, business expansion plans and acquisition of any other business/asset/brand	1,923.05
Transaction expenses in relation to above acquisition	235.81
<b>Total Utilisation</b>	<b>11,066.64</b>
<b>Balance deposited with banks and short term investments</b>	<b>2,542.24</b>

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 43: INVESTMENT IN SUBSIDIARY

During the year ended March 31, 2022, the Company has acquired controlling stake of 87.75% in PT Sari Burger Indonesia ("BK Indonesia") on March 9, 2022 as per the terms of the sale and purchase agreement executed by and amongst the Company, QSR Indoburger Pte. Ltd. ("QSR Indo"), PT Mitra Adiperkasa TBK ("MAP"), F&B Asia Ventures (Singapore) Pte. Ltd. ("F&B Asia") and BK Indonesia on December 16, 2021 and the Share Subscription cum Shareholders' Agreement executed between the Company, MAP and BK Indonesia on December 16, 2021, as amended ("SSHA") on March 8, 2022 as per below:

- purchase of 416,796 equity shares from QSR Indo and MAP for an aggregate amount of ₹7,507.31 million; and
- subscribe to 184,346 fresh equity shares of BK Indo for an aggregate amount of ₹3,323.52 million,

in the manner as determined pursuant to the SPA and on such terms and conditions as agreed in the SSHA. Consequently, BK Indonesia has become a subsidiary of the Company.

### NOTE 44: GOING CONCERN

During the current year, the Company has incurred total comprehensive loss of ₹936.23 million (March 31, 2021: ₹1,738.12 million). The accounts of the Company for the above periods have been prepared on the basis of going concern, as the management is confident that the performance of the Company will improve in the upcoming years. The Company has a positive net worth of ₹19,503.04 million as at March 31, 2022. The Company is therefore considered as a going concern and accordingly, the financial statements have been prepared based on going concern assumption.

### NOTE 45: EXCEPTIONAL ITEMS

- The Company operates in QSR Segment, its inventory includes food items which are perishable in nature. Based on the situation of COVID-19 resulting in overall decline in customer frequencies, the Company had provided for food inventory and related commitments amounting to ₹28.80 million during the year ended March 31, 2021.
- Due to the pandemic, certain stores had to be shut down, which led to write off of property, plant and equipment amounting to ₹27.83 million during the year ended March 31, 2021.
- The Company had written off assets amounting to ₹20.48 million during the year ended March 31, 2021 owing to change in "Burger King" logo globally.

### NOTE 46: COVID-19

COVID-19 pandemic has had a significant impact on the business operations of the Company for the year ended March 31, 2022 and March 31, 2021. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial statements, in determination of the recoverability and carrying value of financial assets and non-financial assets. The impact of the current surge in COVID-19 pandemic on the overall economic environment is uncertain and may affect the underlying assumptions and estimates used to prepare the Company's financial statements, whereby actual outcome may differ from those assumptions and estimates considered as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions. The Company continues to take various precautionary measures to ensure health and safety of its customers, employees and their families from COVID-19.

Since Company operates in QSR Segment, its inventory includes food items which are perishable in nature. Based on the situation of COVID-19 resulting in overall decline in customer frequencies, the Company had provided for food inventory and related commitments amounting to ₹28.80 million during the year ended March 31, 2021 (Refer Note 45) Also, the Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24<sup>th</sup> July 2020 and subsequently amended on June 8, 2021 in respect of IND- AS 116 for all rent concessions which are granted due to COVID-19 pandemic (Refer Note 25)

## Notes

Forming part of Standalone Financial Statements for the year ended March 31, 2022

### NOTE 47: CODE OF SOCIAL SECURITY

The Code of Social Security 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.

### NOTE 48: CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The provisions of Section 135 of the Companies Act 2013 are not applicable to the Company since the Company is a loss making Company and does not meet the applicability criteria as defined in the aforesaid section.

### NOTE 49: REGROUPINGS / RECLASSIFICATIONS

Previous period/year figures have been re-grouped/ re-classified wherever necessary, to confirm to current year's classification and in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 1, 2021.

As per our report of even date attached  
For **S R B C & CO LLP**  
Chartered Accountants  
Firm Registration Number: 324982E/E300003

**per Ravi Bansal**  
Partner  
Membership No: 49365

Place: Mumbai  
Date: May 30, 2022

**For and on behalf of the Board of Directors of**  
**Restaurant Brands Asia Limited** (formerly known as Burger King India Limited)

**Rajeev Varman**  
Whole-time Director & Chief Executive Officer  
DIN: 03576356  
Place: Mumbai

**Sumit Zaveri**  
Chief Financial Officer

Place: Mumbai  
Date: May 30, 2022

**Shivakumar Dega**  
Director  
DIN: 00364444  
Place: Mumbai

**Madhulika Rawat**  
Company Secretary  
Membership No: F8765

Place: Mumbai

**Tara Subramaniam**  
Director  
DIN: 07654007  
Place: London

# INDEPENDENT AUDITOR'S REPORT

To  
the Members of  
**Restaurant Brands Asia Limited**  
(formerly known as Burger King India Limited)

## REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying consolidated financial statements of Restaurant Brands Asia Limited (formerly known as Burger King India Limited) (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2022, the consolidated Statement of Profit and Loss, including other comprehensive loss, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, their consolidated loss including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Significant estimates and judgment related to Leases (as described in note 19 of the Ind AS financial statements)	
<p>Pursuant to requirement of Ind AS 116, the Group recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate and the Right of Use asset at its carrying amount which is amortized on straight line basis over the lease term.</p> <p>The group identifies lease term based on the executed agreements along with any amendment agreements/Term Sheets including lock in period for lessee, exercise of optional extensions of lease term, legal enforceability etc.</p> <p>As at March 31, 2022, the Group has ₹ 6,751.04 Million (March 31, 2021 ₹ 6,057.12 Million) of Right of Use (ROU) assets.</p> <p>During the current financial year, the practical expedient with respect to rent concessions occurring as a direct consequence of the Covid-19 pandemic was extended by a year, accounting of which requires significant judgement in implementation.</p> <p>Application of lease Accounting requires significant judgement and estimate based on terms of the underlying lease agreements, discounting rate and Initial direct cost, hence we have considered this as a key audit matter considering the significance of amounts involved.</p>	<p>Our audit procedures included amongst others, the following:</p> <ul style="list-style-type: none"> <li>Obtained understanding of the leases accounting process, evaluated the design, implementation and tested the operative effectiveness of key internal financial controls with respect to the leases in relation to assessment of the terms and conditions of lease contracts for determining the lease term, discount rate.</li> <li>Evaluated management's assumptions and estimates for the lease arrangement is in accordance with Ind AS 116 and verified the lease terms and supporting documentation for samples selected.</li> <li>Evaluated the appropriateness of discount rate applied on the leases.</li> <li>We selected samples and recomputed lease liability and right of use asset balances as at the year-end.</li> <li>Evaluated the applicability of practical expedient to different lease arrangements and verified the lease concession accounting applied by the Group in accordance with the guidance issued under Ind AS 116.</li> <li>Verified the accuracy of the underlying lease data to original contract or other supporting information and verified the arithmetic accuracy of the Ind AS 116 calculations for the sample selected.</li> <li>Assessed the disclosures in the Ind AS financial statements pertaining to Leases including key assumptions in line with requirements of Ind AS 116.</li> </ul>
Revenue Recognition (as described in note 25 of the Ind AS financial statements)	
<p>The Group's primary source of revenue is from sale of foods, beverages from chain of quick service restaurants (QSR) stores or through online ordering and delivery. Revenue comprises high volume of individually small transactions which increases the risk of revenue being recognized inappropriately and which highlights the criticality of sound internal processes of summarizing and recording sales revenue and deposit of cash collected into bank accounts to mitigate error and fraud risk.</p> <p>In view of the above and since revenue is a key performance indicator of the Group, we have identified revenue recognition as an area of audit risk and have therefore been identified as a key audit matter.</p>	<p>Our audit procedures included, among others the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of revenue recognition process, evaluated the design, implementation and on sample basis, tested the operative effectiveness of key internal financial controls including segregation of duties with respect to the revenue recognition and deposit of cash collected into banks including those related to the reconciliation of sales record to cash / credit card / online receipts, preparation, posting and approval of journal entries on the test basis.</li> <li>Performed cash counts / checked management's cash count verification, for samples selected, at selected stores and examined whether the cash balances are in agreement with the cash receipts reported in the daily collection report.</li> <li>Performed analytical procedures on sales performance of individually significant stores, including day wise and month wise sales analysis. Enquired explanation for any major variances, if any.</li> <li>Assessed the disclosures relating to revenue recognition in the Ind AS financial statements.</li> </ul>

Key audit matters	How our audit addressed the key audit matter
<p>Impairment of Non - Financial assets (as described in note 2(l) of the financial statements)</p> <p>In accordance with the requirements of Ind AS 36 'Impairment of Assets', the Group performs an impairment assessment of the cash generating units to determine whether the recoverable value is below the carrying amount as at March 31, 2022.</p> <p>Discounted cash flow model requires significant judgment and estimation in respect of cash flow forecasts and discount rate. Changes in certain methodologies and assumptions can lead to significant changes in the assessment of the recoverable value.</p> <p>The assessment of the recoverable amount requires significant judgment, in particular, relating to estimated cash flow projections and discount rates. Due to the level of judgments involved, impact of COVID-19 on QSR Industry and significance to the Group's financial position, this is considered to be a key audit matter.</p>	<p>Our audit procedures included amongst others, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of impairment of non-financial assets process, evaluated the design, implementation and tested the operative effectiveness of key internal financial controls followed by the management to determine indicators of impairment and the recoverable amounts of cash generating units</li> <li>• Evaluated appropriateness of the model used in determining the value in use of the cash generating units</li> <li>• Assessed the data used to calculate the recoverable amount with the financial budgets approved by management.</li> <li>• Analysed the performance of the cash generating units and evaluated the assumptions used in computation of value in use as at March 31, 2022, including understanding management's estimate of business impact based on current market and economic conditions arising from the COVID 19 pandemic</li> <li>• Tested the arithmetical accuracy of the computation of recoverable amounts of cash generating units.</li> <li>• Obtained understanding of the key assumptions considered for assessment of future cash flows and the discounting factor considered.</li> <li>• We involved valuation specialist to assist in evaluating the methodology used and significant assumptions used to determine the recoverable value.</li> <li>• Assessed the disclosures in the Ind AS financial statement in accordance with Ind AS 36.</li> </ul>
<p>Assessment of de-facto control and common control transaction (as described in note 39 of the Ind AS financial statements)</p> <p>F&amp;B Asia Ventures (Singapore) Pte. Ltd. through its subsidiary QSR Asia Pte Ltd. held more than 50% shareholding and voting rights in the Holding Company prior to the Qualified Institutions Placement (QIP) and hence exercised control over the Holding Company. Consequent to the QIP, QSR Asia Pte Ltd.'s shareholding reduced to 40.96%. Subsequent to QIP, the Holding Company acquired majority stake in PT Sari Burger Indonesia, which was also a step-down subsidiary of F&amp;B Asia Ventures (Singapore) Pte. Ltd.</p> <p>As per the management, subsequent to QIP, QSR Asia Pte Ltd. continues to have a de-facto control as per Ind AS 110 over Holding Company even without having overall majority of shareholding and voting power. Therefore, QSR Asia Pte Ltd. continues to control the Holding Company, pre and post the QIP. Accordingly, the Holding Company concluded that the acquisition is a Business Combination under common control and hence applied pooling of interest method as per Appendix C of Ind AS 103 Business Combinations. Consequently, the comparative periods presented in the consolidated financial statements have been restated to include the effect of this acquisition.</p> <p>The aforesaid assessment of de-facto control and common control transaction involved application of significant judgment and assumptions by the management. Considering the above, it is considered to be a key audit matter.</p>	<p>We performed following procedures, among others:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the management's assessment with respect to: de-facto control under Ind AS 110 by QSR Asia Pte Ltd. subsequent to the QIP and application of pooling of interest method to acquisition of PT Sari Burger Indonesia under Appendix C to Ind AS 103.</li> <li>• We evaluated the assessment and reviewed the underlying documents like Articles of Association, current composition of the Board of Directors, past voting trends at shareholder's meetings amongst others.</li> <li>• Obtained management representation with respect to significant judgment and assumptions applied by the management in arriving at the conclusion.</li> <li>• Involved subject matter experts in evaluation of aforesaid assessment.</li> <li>• We evaluated the arithmetical accuracy in application of the pooling of interest method in accounting of the acquisition by the Holding Company.</li> <li>• We assessed the disclosures in the consolidated financial statements for compliance with the relevant accounting standard requirements.</li> </ul>

### Other Information

The Holding 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 and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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.

### Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Holding Company has adequate internal financial controls with reference to financial statements 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of 2 subsidiaries, whose financial statements include total assets of ₹ 6,004.54 million as at March 31, 2022, and total revenues of ₹ 5,465.64 million and net cash inflows of ₹ 1,142.54 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.

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

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xx) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial

information of subsidiaries as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company none of the directors of the Holding Company, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act. The Holding Company does not have any subsidiaries incorporated in India.
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report. The Holding Company does not have any subsidiaries incorporated in India.
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act. The Holding Company does not have any subsidiaries incorporated in India.

- (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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other matter' paragraph:
  - i. The Group does not have any pending litigations which would impact its consolidated financial position;
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2022. The Holding Company does not have any subsidiaries incorporated in India.
  - iv.
    - a) The management of the Holding Company which is the company incorporated in India whose financial statements have been audited under the Act has represented to us that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. The Holding Company does not have any subsidiaries incorporated in India.
    - b) The management of the Holding Company which is the company incorporated in India whose financial statements have been audited under the Act has represented to us that, to the best of its knowledge

and belief no funds have been received by the respective Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. The Holding Company does not have any subsidiaries incorporated in India; and

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us with respect to the Holding Company which is the company incorporated in India whose financial statements have been audited under

the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

- v) No dividend has been declared or paid during the year by the Holding Company. The Holding Company does not have any subsidiaries incorporated in India.

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**

Partner

Membership Number: 49365

UDIN: 22049365AJWEOG8525

Place of Signature: Mumbai

Date: May 30, 2022

**ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 OF THE SECTION ON "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE**

**Re: Restaurant Brands Asia Limited (formerly known as Burger King India Limited) ("the Company")**

**In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:**

- (xxi) There are no qualification or adverse remarks in the Companies (Auditors Report) Order (CARO) report of the Holding Company and the Holding Company does not have any subsidiaries incorporated in India. Accordingly, the requirements to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**

Partner

Membership Number: 49365

UDIN: 22049365AJWEOG8525

Place of Signature: Mumbai

Date: May 30, 2022

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RESTAURANT BRANDS ASIA LIMITED (FORMERLY KNOWN AS BURGER KING INDIA LIMITED)

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

In conjunction with our audit of the consolidated financial statements of Restaurant Brands Asia Limited (formerly known as Burger King India Limited) (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to consolidated financial

statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 Holding Company's internal financial controls with reference to consolidated financial statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to these consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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, the Holding Company has maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal control over financial

reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### OTHER MATTERS

The Holding Company does not have any subsidiaries incorporated in India.

### For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**

Partner

Membership Number: 49365

UDIN: 22049365AJWEOG8525

Place of Signature: Mumbai

Date: May 30, 2022

## Consolidated Balance Sheet

As at March 31, 2022

Particulars	Note	As at	
		March 31, 2022	March 31, 2021
(₹ in Million)			
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	7,908.56	7,469.97
Right-of-use assets	4	6,751.05	6,057.11
Capital work-in-progress	3	180.60	474.50
Intangible assets	5	475.53	379.20
Financial assets			
(a) Loans	6	-	3.36
(b) Other financial assets	7	445.19	403.02
Income tax assets		89.90	34.86
Other non-current assets	8	508.11	149.67
		<b>16,358.94</b>	<b>14,971.69</b>
<b>Current assets</b>			
Inventories	9	228.06	196.40
Financial assets			
(a) Investments	10	4,022.58	1,242.86
(b) Trade receivables	11	134.12	85.60
(c) Cash and cash equivalents	12	1,853.91	864.56
(d) Bank balances other than cash and cash equivalents	13	918.38	1,912.28
(e) Loans	6	5.67	-
(f) Other financial assets	14	104.71	98.99
Other current assets	15	194.97	261.56
		<b>7,462.40</b>	<b>4,662.25</b>
<b>Total Assets</b>		<b>23,821.34</b>	<b>19,633.94</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share capital	16	4,927.49	3,829.80
Other equity	17	5,477.86	(2,980.94)
Non-Controlling Interest		277.13	251.85
<b>Total Equity</b>		<b>10,682.48</b>	<b>1,100.71</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(a) Borrowings	18	876.97	1,887.58
(b) Lease liabilities	19	6,803.88	5,813.11
Provisions	20	412.80	478.24
Other non-current liabilities	21	25.79	25.31
		<b>8,119.44</b>	<b>8,204.24</b>
<b>Current liabilities</b>			
Financial liabilities			
(a) Borrowings	18	542.39	556.31
(b) Lease liabilities	19	645.11	755.81
(c) Trade payables			
(i) total outstanding dues of micro and small enterprises	22	0.57	6.20
(ii) total outstanding dues other than micro and small enterprises	22	2,586.84	2,449.56
(d) Other financial liabilities	23	737.43	6,251.02
Other current liabilities	24	423.31	261.72
Provisions	20	83.77	48.37
		<b>5,019.42</b>	<b>10,328.99</b>
<b>Total Equity and Liabilities</b>		<b>23,821.34</b>	<b>19,633.94</b>
Summary of Significant accounting policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached  
For **S R B C & CO LLP**  
Chartered Accountants  
Firm Registration Number: 324982E/E300003

**For and on behalf of the Board of Directors of  
Restaurant Brands Asia Limited** (formerly known as Burger King India Limited)

**per Ravi Bansal**  
Partner  
Membership No: 49365

**Rajeev Varman**  
Whole-time Director & Chief Executive Officer  
DIN: 03576356  
Place: Mumbai

**Shivakumar Dega**  
Director  
DIN: 00364444  
Place: Mumbai

**Tara Subramaniam**  
Director  
DIN: 07654007  
Place: London

**Sumit Zaveri**  
Chief Financial Officer

**Madhulika Rawat**  
Company Secretary  
Membership No: F8765

Place: Mumbai  
Date: May 30, 2022

Place: Mumbai  
Date: May 30, 2022

Place: Mumbai

## Statement of Consolidated Profit and Loss

For the year ended March 31, 2022

Particulars	Note	As at	
		March 31, 2022	March 31, 2021
(₹ in Million)			
<b>Income</b>			
Revenue from operations	25	14,902.73	10,039.61
Other income	26	224.38	340.52
<b>Total Income</b>		<b>15,127.11</b>	<b>10,380.13</b>
<b>Expenses</b>			
Cost of materials consumed	27	5,498.06	3,968.09
Employee benefits expenses	28	2,668.05	2,202.84
Finance costs	29	953.58	1,044.41
Depreciation and amortisation expenses	30	2,335.84	2,289.14
Other expenses	31	5,771.27	3,619.18
<b>Total Expenses</b>		<b>17,226.80</b>	<b>13,123.66</b>
<b>Loss before exceptional items and tax</b>		<b>(2,099.69)</b>	<b>(2,743.53)</b>
Exceptional items	46	251.85	77.11
<b>Loss before tax</b>		<b>(2,351.54)</b>	<b>(2,820.64)</b>
<b>Tax expenses</b>			
Current tax		-	-
Deferred tax		-	-
<b>Loss for the year</b>		<b>(2,351.54)</b>	<b>(2,820.64)</b>
<b>Other Comprehensive income/(loss)</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Re-measurement (losses)/gains on defined benefit plans		(0.16)	(2.89)
Income tax on above		-	-
<b>Items that will be reclassified to profit or loss:</b>			
Exchange differences on translating the financial statements of a foreign subsidiary		(47.24)	131.72
Income tax on above		-	-
<b>Total other comprehensive income/(loss) for the year, net of tax</b>		<b>(47.40)</b>	<b>128.83</b>
<b>Total comprehensive loss for the year, net of tax</b>		<b>(2,398.94)</b>	<b>(2,691.81)</b>
<b>Loss for the year</b>		<b>(2,351.54)</b>	<b>(2,820.64)</b>
<b>Attributable to:</b>			
Equity holders of the parent		(1,959.28)	(2,458.12)
Non-controlling interests		(392.26)	(362.52)
<b>Other comprehensive income/(loss) for the year</b>		<b>(47.40)</b>	<b>128.83</b>
<b>Attributable to:</b>			
Equity holders of the parent		(51.47)	74.63
Non-controlling interests		4.07	54.20
<b>Total comprehensive loss for the year</b>		<b>(2,398.94)</b>	<b>(2,691.81)</b>
<b>Attributable to:</b>			
Equity holders of the parent		(2,010.75)	(2,383.49)
Non-controlling interests		(388.19)	(308.32)
<b>Earnings per equity share</b>			
Face value of ₹10 each			
<b>Basic and Diluted (in ₹)</b>	33	<b>(4.94)</b>	<b>(7.73)</b>
Summary of Significant accounting policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached  
For **S R B C & CO LLP**  
Chartered Accountants  
Firm Registration Number: 324982E/E300003

**For and on behalf of the Board of Directors of  
Restaurant Brands Asia Limited** (formerly known as Burger King India Limited)

**per Ravi Bansal**  
Partner  
Membership No: 49365

**Rajeev Varman**  
Whole-time Director & Chief Executive Officer  
DIN: 03576356  
Place: Mumbai

**Shivakumar Dega**  
Director  
DIN: 00364444  
Place: Mumbai

**Tara Subramaniam**  
Director  
DIN: 07654007  
Place: London

**Sumit Zaveri**  
Chief Financial Officer

**Madhulika Rawat**  
Company Secretary  
Membership No: F8765

Place: Mumbai  
Date: May 30, 2022

Place: Mumbai  
Date: May 30, 2022

Place: Mumbai



## Statement of Consolidated Cash Flows

For the year ended March 31, 2022

(₹ in Million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Cash flow from operating activities</b>		
<b>Loss before tax</b>	<b>(2,351.54)</b>	<b>(2,820.64)</b>
Adjustments for:		
Depreciation and amortization expenses	1,312.67	1,294.22
Depreciation on Right of use assets	1,023.17	994.92
Property, Plant and Equipment written off	28.12	77.41
Interest Income on fixed deposits	(89.68)	(41.89)
Provisions written back	(9.86)	(6.87)
Loss/(gain) on settlement of forward contracts (including MTM impact)	0.25	(0.32)
Loss on termination of lease	4.08	5.10
Gain on remeasurement of lease	(2.23)	(29.83)
Lease concessions	(266.08)	(567.51)
Finance cost	953.58	1,044.41
Employee stock compensation expense	134.49	134.02
Trade receivable written off	7.25	-
Notional interest on interest free security deposit	(30.08)	(19.35)
Effect of exchange rate change	(1.51)	(32.00)
Acquisition related expenses	251.85	-
Profit on sale of Current Investments (including MTM impact)	(56.34)	(13.24)
<b>Operating profit before working capital changes</b>	<b>908.14</b>	<b>18.43</b>
<b>Movements in working capital</b>		
Decrease / (increase) in other financial assets	(8.66)	57.06
Decrease / (increase) in other non-current assets	3.72	(88.42)
Decrease in other current assets	64.83	157.46
Decrease / (increase) in inventories	(26.98)	50.14
Decrease / (increase) in trade receivables	(54.23)	58.60
Increase in trade payables	81.83	94.18
(Decrease) / increase in provisions	(373.82)	39.49
Increase in Other Liabilities	150.91	115.19
<b>Cash generated in operations</b>	<b>745.74</b>	<b>502.13</b>
Direct taxes paid (net of refunds)	(54.09)	(21.88)
<b>Net cash flow generated from operating activities (A)</b>	<b>691.65</b>	<b>480.25</b>
<b>Cash flows from investing activities</b>		
Purchase of Property, Plant and Equipment, including Right-of-use assets, CWIP and capital advances*	(1,378.57)	(677.90)
Purchase of Current Investments	(18,841.81)	(2,628.86)
Proceeds from sale of Current Investments	16,118.44	1,586.63
Payment for acquisition of shares of subsidiary (including acquisition related expenses)	(7,759.16)	-
Maturity of/ (investment in) bank deposits (having original maturity of more than three months and remaining maturity of less than twelve months) (net) and other bank balances	993.91	(1,672.39)
Interest received on Fixed deposit	91.34	26.93
Maturity of/ (investment in) in non- current bank deposits	(0.43)	0.62
<b>Net cash flow used in investing activities (B)</b>	<b>(10,776.28)</b>	<b>(3,364.97)</b>

## Statement of Consolidated Cash Flows (Contd.)

For the year ended March 31, 2022

(₹ in Million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity shares (net of issue expenses)	13,584.92	5,622.38
Proceeds from the exercise of employee stock option	68.10	5.59
Proceeds from share application money	10.52	-
Proceeds from Overdraft/(repayment of overdraft)#	(50.86)	25.07
Proceeds from borrowings#	304.77	1,072.37
Repayment of borrowings #	(1,380.86)	(2,082.52)
Payment of interest/processing fees on term loan#	(235.83)	(289.41)
Payment of lease liabilities (including interest on lease liabilities)*	(1,177.92)	(785.71)
<b>Net Cash flows from financing activities (C)</b>	<b>11,122.84</b>	<b>3,567.77</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>1,038.21</b>	<b>683.05</b>
Cash and cash equivalents at the beginning of the year	864.56	40.54
Addition on account of business combination	-	135.86
Net foreign exchange difference	48.86	(5.11)
<b>Cash and cash equivalents at the end of the year</b>	<b>1,853.91</b>	<b>864.56</b>
Net increase in cash and cash equivalents	1,038.21	683.05
<b>Components of cash and cash equivalents</b>		
Cash on hand	54.65	48.07
With banks in current account	1,747.83	816.49
Deposits with original maturity of less than 3 months	51.43	-
<b>Cash and cash equivalents as per note 12</b>	<b>1,853.91</b>	<b>864.56</b>
<b>Total Cash and cash equivalents for the purposes of cash flow statement</b>	<b>1,853.91</b>	<b>864.56</b>

Figures in brackets indicate outflows

#Refer Note 18 -For non-cash adjustments relating to Borrowings.

\*Refer Note 19 -Leases regarding non-cash adjustment relating to leases.

Summary of Significant accounting policies

2

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached  
For **S R B C & CO LLP**  
Chartered Accountants  
Firm Registration Number: 324982E/E300003

**For and on behalf of the Board of Directors of  
Restaurant Brands Asia Limited** (formerly known as Burger King India Limited)

**per Ravi Bansal**  
Partner  
Membership No: 49365

**Rajeev Varman**  
Whole-time Director & Chief Executive Officer  
DIN: 03576356  
Place: Mumbai

**Shivakumar Dega**  
Director  
DIN: 00364444  
Place: Mumbai

**Tara Subramaniam**  
Director  
DIN: 07654007  
Place: London

**Sumit Zaveri**  
Chief Financial Officer

**Madhulika Rawat**  
Company Secretary  
Membership No: F8765

Place: Mumbai  
Date: May 30, 2022

Place: Mumbai  
Date: May 30, 2022

Place: Mumbai

## Statement of Consolidated Changes in Equity

For the year ended March 31, 2022

### (A) EQUITY SHARE CAPITAL

Equity shares of ₹10 each issued, subscribed and fully paid

Particulars	No. of shares	(₹ in Million)	
			₹ in Million
At April 01, 2020	277,741,785		2,777.42
Changes during the year	105,237,859		1,052.38
At March 31, 2021	382,979,644		3,829.80
At April 01, 2021	382,979,644		3,829.80
Changes during the year	109,769,098		1,097.69
At March 31, 2022	492,748,742		4,927.49

### (B) OTHER EQUITY

For year ended March 31, 2021

Particulars	Attributable to the equity holders of the parent				Other Comprehensive income			Non controlling interests	
	Securities premium	Share based payment reserve	Share application money pending allotment	Retained earnings	Capital reserve on Consolidation (Refer Note 39)	Re-measurement (losses)/ gains on defined benefit plans	Exchange differences on translating the financial statements of a foreign subsidiary		Total
As at April 01, 2020	3,361.08	40.88	-	(3,412.30)	-	(12.82)	-	(23.16)	-
Addition on account of acquisition of subsidiary (Refer Note 39)	220.98	-	-	(1,003.60)	(4,449.49)	(8.37)	-	(5,240.48)	569.67
Loss for the year	-	-	-	(2,458.12)	-	-	-	(2,458.12)	(362.52)
Other comprehensive loss	-	-	-	-	-	(1.59)	76.22	74.63	54.20
Money received (net)	-	-	0.20	-	-	-	-	0.20	-
Share based compensation to employees	-	104.35	-	-	-	-	-	104.35	-
Transfer on account of exercise of options	35.86	-	-	-	-	-	-	35.86	-
Transfer to securities premium on issue of shares	4,953.01	(35.86)	-	-	-	-	-	4,917.15	-
Share issue expenses (IPO)	(377.62)	-	-	-	-	-	-	(377.62)	-
Unrealized Gain on Forex	-	(23.25)	-	-	-	-	-	(23.25)	-
Transfer from / (to) NCI	-	9.50	-	-	-	-	-	9.50	(9.50)
As at March 31, 2021	8,193.31	95.62	0.20	(6,874.02)	(4,449.49)	(22.78)	76.22	(2,980.94)	251.85

## Statement of Consolidated Changes in Equity (Contd.)

For the year ended March 31, 2022

For year ended March 31, 2022

Particulars	Attributable to the equity holders of the parent				Other Comprehensive income			Non controlling interests	
	Securities premium	Share based payment reserve	Share application money pending allotment	Retained earnings	Capital reserve on Consolidation (Refer Note 39)	Re-measurement (losses)/ gains on defined benefit plans	Exchange differences on translating the financial statements of a foreign subsidiary		Total
As at April 01, 2021	8,193.31	95.62	0.20	(6,874.02)	(4,449.49)	(22.78)	76.22	(2,980.94)	251.85
Loss for the period	-	-	-	(1,959.28)	-	-	-	(1,959.28)	(392.26)
Other comprehensive loss	-	-	-	-	-	(2.37)	(49.10)	(51.47)	4.07
Purchase of additional stake in subsidiary	80.79	-	-	(860.94)	(1,357.17)	-	-	(2,137.32)	619.37
Shares converted/ money received (net)	-	-	10.52	-	-	-	-	10.52	-
Share based compensation to employees	-	(1.87)	-	-	-	-	-	(1.87)	-
Transfer on account of exercise of options	21.73	(21.73)	-	-	-	-	-	-	(159.75)
Transfer to securities premium on issue of shares	12,991.46	-	-	-	-	-	-	12,991.46	-
Share issue expenses (IPO)	(0.15)	-	-	-	-	-	-	(0.15)	-
Qualified Institutional Placement ("QIP") expenses	(436.12)	-	-	-	-	-	-	(436.12)	-
Unrealized Gain on Forex	-	(3.12)	-	-	-	-	-	(3.12)	-
Transfer from / (to) NCI	-	46.15	-	-	-	-	-	46.15	(46.15)
As at March 31, 2022	20,851.02	115.04	10.72	(9,694.23)	(5,806.66)	(25.15)	27.12	5,477.86	277.13

Summary of significant accounting policies (Refer Note 2)

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached  
For **S R B C & CO LLP**  
Chartered Accountants  
Firm Registration Number: 324982E/E300003

**per Ravi Bansal**  
Partner  
Membership No: 49365

Place: Mumbai  
Date: May 30, 2022

For and on behalf of the Board of Directors of  
**Restaurant Brands Asia Limited** (formerly known as Burger King India Limited)

**Rajeev Varman**  
Whole-time Director & Chief Executive Officer  
DIN: 03576356  
Place: Mumbai

**Sumit Zaveri**  
Chief Financial Officer

Place: Mumbai  
Date: May 30, 2022

**Shivakumar Dega**  
Director  
DIN: 00364444  
Place: Mumbai

**Madhulika Rawat**  
Company Secretary  
Membership No: F8765

Place: Mumbai

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 1 : CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of Restaurant Brands Asia Limited (Formerly known as Burger King India Limited) ("the Company") and its subsidiaries (collectively, the Group) for the year ended March 31, 2022. The Company is a company incorporated on November 11, 2013 under Companies Act, 1956. The Group is into the business of Quick Service Restaurants under the brand name of "Burger King". The Company is a subsidiary of QSR Asia Pte. Ltd.

The registered office of the Company is located at office no. 1003 to 1007, B wing, 10<sup>th</sup> floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai - 400059.

The consolidated financial statements were approved by the Board of directors on May 30, 2022.

#### 1.1 Enterprises Consolidated as Subsidiary in accordance with Indian Accounting Standard 110- Consolidated Financial Statements.

Sr No	Name of Enterprise	Country of Incorporation	Proportion of Ownership Interest
1	PT Sari Burger Indonesia	Indonesia	87.75%
2	PT Sari Chicken Indonesia	Indonesia	87.75%

### NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities, which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets measured at fair value (refer accounting policy regarding financial instruments)
- Share based payments

The consolidated financial statements are presented in "INR" and all values are stated as INR million, except when otherwise indicated.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The consolidated financial statements provide comparative information in respect of the previous period.

#### 2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of the subsidiary used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

#### Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may

indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

#### 2.3 Summary of significant accounting policies

- Business combination under common control**  
Business combination involving entities under common control are accounted for using the pooling of interest method.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### b. Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current and non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

### c. Foreign currencies

#### Functional and presentation currency

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency.

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

#### Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit and loss.

### d. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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. The fair value measurement is

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or,
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and investment in mutual fund measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Groups's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

### e. Revenue recognition

#### Revenue from contract with customer

Revenues from contracts with customers are recognised when the performance obligations towards customer when control has been transferred at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. The Group acts as the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The Group collects taxes on behalf of the government and not on its own account. Hence, it is excluded from revenue i.e. revenue is net of taxes.

#### Sale of goods

The Group recognises revenue from sale of food through Group's owned stores and are recognised when the items are delivered to or carried out by customers.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### Sale of products- customer loyalty programme (deferred revenue)

For customer loyalty programmes, the fair value of the consideration received or receivable in respect of the initial sale is allocated between the award credits and the other components of the sale. The amount allocated to award credits is deferred and is recognised as revenue when the award credits are redeemed and the Group has fulfilled its obligations to supply the discounted products under the terms of the programme or when it is no longer probable that the award credits will be redeemed. The deferred income related to loyalty credits granted has been estimated with reference to the fair value of products for which they could be redeemed. This is because the fair value of loyalty credits is not directly observable. The fair value of the customers' right to buy products at a discount for which the loyalty credits can be redeemed takes into account the amount of discount available to customers who have earned the loyalty credits remaining unutilised and the expected forfeiture rate.

### Dividend income

Dividend income is recognised when Group's right to receive dividend is established by the reporting date.

### Income from sub-franchisee operations

Sub-Franchisee income includes onetime initial fees and royalty income on sales. One time initial fees are non-refundable and are recognised over the term of contract. Royalty income is recognised on accrual basis based on the terms of the agreement over a period of time.

### Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate ("EIR"), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering

all the contractual terms of the financial instrument but does not consider the expected credit losses.

### Contract balances

#### Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (n) Financial instruments – initial recognition and subsequent measurement.

#### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

### f. Taxes

Tax expense for the year comprises of current tax and deferred tax.

#### Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

### Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except (i) when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and (ii) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except (i) when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and (ii) In respect of deductible temporary differences associated with investments

in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income (OCI) or in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### g. Property, plant and equipment

Property, plant and equipment (PPE) are stated at the cost of acquisition including incidental costs related to acquisition and installation less accumulated

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

depreciation and accumulated impairment loss, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use and initial estimate of restoration liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. The present value of the expected cost for the restoration of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Group recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

**Depreciation on Property, Plant and Equipment**  
Depreciation is provided on straight line method on a pro-rata basis from the date of use. The rates of depreciation are based on technical evaluation of the economic life of assets by the management, which are given below:

Property, plant and equipment:	Economic life (Years):
Leasehold improvement*	Lower of 10 years or lease period
Furniture and Fixtures	
- Restaurants	4-8 years
- Office	4-10 years
Restaurant equipments	
- Kitchen equipments	10 years
- Other equipments	5 years
Office equipments	5 years
Computers	3 years
Servers and networks	6 years
(Included in Computers in Note 3)	
Vehicles	8 years

\*In case of Company, life is lower of 15 years or lease period.

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at-least as at each reporting date to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life.

Gains or losses arising from disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is disposed.

### h. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any. An intangible asset is recognized, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. The Group capitalises software costs where it is reasonably estimated that the software has an enduring useful life. The Group capitalises one-time initial franchisee fees paid for opening of each store.

The useful lives of intangible assets are assessed as either finite or indefinite. There are no intangible assets assessed with indefinite useful life.

Intangible assets with finite lives are amortised on a straight line basis over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets are amortised on a straight line basis as follows:

Intangible assets:	Economic life (Years)
Software	5 years
Franchisee fees	20 years
Development fee	25 years

Gains or losses arising from the de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

### i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### j. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### Right-of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, deferred lease components of security deposits and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Right-of-Use Leasehold Restaurants and Restaurant Equipments are amortised over a period of lease term.

#### Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

### Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of restaurant and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment's that are low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense in statement of profit and loss.

### k. Inventories

Inventories (comprising of food, beverages, condiments, paper & packing materials) are valued at lower of cost (determined on first in first out basis) or net realisable value. However, materials and other items held for use the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### l. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual

impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash - generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

### m. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

### Contingent Liability

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

### n. Retirement and other employee benefits

#### Defined Contribution plan

Retirement benefit in the form of Provident Fund and Employees State Insurance Corporation are considered as defined contribution plan and contributions thereto are charged to the statement of profit and loss for the year when an employee renders the related service. There are no other obligations, other than contribution payable to the respective funds.

#### Defined Benefit plan

##### Gratuity/ Pension

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The Group also provides a minimum pension benefit as stipulated in local Indonesian labor laws. Gratuity/ Pension liability is a defined benefit scheme. The cost of providing benefits under this plan is determined on the basis of an actuarial valuation done by an independent actuary on the projected unit credit method at the end of each financial year. Re-measurements, comprising of actuarial gains, are recognised immediately in the balance Sheet with a corresponding charge or credit to retained earnings through OCI in the period in which they occur. For the purpose of presentation of defined benefit plan, allocation between short term and long term provision is made as determined by an actuary.

### Leave Encashment

Accumulated leaves, which are expected to be utilised within the next 12 months, are treated as current employee benefit. The Group treats the entire leave as current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. It is measured based on an actuarial valuation done by an independent actuary on the projected unit credit method at the end of each financial year.

### o. Share - based payments

Senior executives of the Group receive remuneration in the form of share-based payment, whereby employees render services as consideration for equity instruments (equity-settled transactions).

### Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### Cash settled transactions

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined using a binomial model, further details of which are given in Note 36. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

### p. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial assets

#### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at

the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

### Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

### Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards



## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost; and
- Financial assets measured at Fair value through other comprehensive income (FVTOCI)

For trade receivables, other receivables and other financial assets, the Group follows 'simplified approach' for recognition of impairment loss allowance.

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and borrowings.

#### Subsequent measurement

The Group measures all financial liabilities at amortised cost using the Effective Interest Rate ('EIR') method except for financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Financial liabilities held for trading are measured at fair value through profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

#### De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

#### Derivative financial instruments

The Group enters into and engages in permitted foreign exchange forward contracts, if considered necessary, for the purpose of managing the foreign exchange exposures emanating from the Group's loans denominated in foreign currencies. These derivative financial instruments are not designated in a qualifying hedge relationship and are initially recognized at fair value on the date on which a derivative contract is entered into and are

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives during the year that do not qualify for hedge accounting are taken directly to profit or loss.

Derivative assets and liabilities are presented under current assets and current liabilities, respectively. Embedded derivative is presented with the host contract in the statement of financial position which represents an appropriate presentation of overall future cash flows for the instrument taken as a whole.

Net changes in fair value of derivative instruments and settlement of derivative instruments are charged or credited to current year operations and presented as part of "Other Operating Income/Expenses" account in the statement of profit or loss and other comprehensive income.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### q. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Group's cash management.

#### r. Exceptional items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable full understanding of the Group's financial performance.

#### s. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### t. Cash flow statement

Cash flows are reported using indirect method, whereby profit/ loss before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Group are segregated. Cash and cash equivalents in the cash flow comprise cash at bank, cash/ cheques in hand and short-term investments with an original maturity of three months or less.

#### u. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

### 2.4 Significant accounting judgements estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements, are mentioned below:

**a) Useful lives of Property, Plant and equipment:**

Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice, period of underlying lease term etc and same is reviewed periodically, including at each financial year end. Management reviews the useful economic lives atleast once a year and any changes could affect the depreciation rates prospectively and hence the asset carrying values. The Group also reviews its property, plant and equipment and intangible assets, for possible impairment if there are events or changes in circumstances that indicate that carrying amount of assets may not be recoverable. In assessing the property, plant and equipment and intangible assets for impairment, factors leading to significant reduction in profits, the Group's business plans and changes in regulatory/ economic environment are taken into consideration.

**b) Provision for decommissioning**

The Group has recognised a provision for site restoration obligation associated with the stores opened. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the furniture/fixtures from the stores and the expected timing of those costs. The Group estimates that the costs would be realised upon the expiration of the lease and calculates the provision using the Discounted Cash Flow (DCF) method.

**c) Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases attrition rates and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Further details about gratuity obligations are given in Note 34.

**d) Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

**e) Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details about Deferred tax assets are given in Note 32.

**f) Lease Term**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group included the renewal period as part of the lease term for leases of restaurant and equipment due to the significance of these assets to its operations and also investments made in leasehold improvements.

**g) Estimation of uncertainties relating to the global health pandemic from COVID-19**

Refer Note 47 to the Consolidated financial statements.

**h) Common control**

For significant judgements, estimates and assumptions applied in assessment of defacto

control and business combination under common control, refer Note 39 of the consolidated financial statements

**i) Standards issued but not effective**

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to Group from April 1, 2022.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 103 – Business Combination
- iii. Ind AS 109 – Financial Instrument
- iv. Ind AS 16 – Property, Plant and Equipment
- v. Ind AS 37 –Provisions, Contingent Liabilities and Contingent Assets
- vi. Ind AS 41 – Agriculture

Ind AS 101 and Ind AS 41 are not applicable in case of Group and the application of other standards are not expected to have any significant impact on the Group's financial statements

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

	Leasehold Improvements [Refer note (i)]	Restaurants Equipments	Furniture and Fixtures	Computers	Office Equipments	Vehicles	Total
<b>Gross Carrying Amount</b>							
<b>At April 1, 2020</b>	3,112.92	2,641.33	429.82	30.96	8.60	3.26	6,226.89
Addition on acquisition of subsidiary (Refer Note 39)	2,022.27	2,007.85	216.21	395.92	-	12.27	4,654.52
Additions	299.69	266.46	84.98	26.91	0.58	-	678.62
Disposals	170.23	30.00	42.10	6.81	0.47	-	249.61
Exchange difference on translation	177.33	175.17	18.84	34.56	-	1.08	406.98
<b>At March 31, 2021</b>	<b>5,441.98</b>	<b>5,060.81</b>	<b>707.75</b>	<b>481.54</b>	<b>8.71</b>	<b>16.61</b>	<b>11,717.40</b>
Additions	743.15	709.61	112.20	40.82	1.37	2.44	1,609.59
Disposals	43.73	147.34	16.47	82.89	-	-	290.43
Exchange difference on translation	113.53	114.37	12.30	21.73	-	0.72	262.65
<b>At March 31, 2022</b>	<b>6,254.93</b>	<b>5,737.45</b>	<b>815.78</b>	<b>461.20</b>	<b>10.08</b>	<b>19.77</b>	<b>13,299.21</b>
<b>Accumulated depreciation</b>							
<b>At April 1, 2020</b>	715.53	630.77	109.16	21.66	5.10	2.34	1,484.56
Addition on acquisition of subsidiary (Refer Note 39)	476.01	736.10	117.09	204.99	-	2.40	1,536.59
Depreciation	511.50	553.82	100.28	94.95	1.09	2.08	1,263.72
Disposals	119.38	19.08	19.81	5.89	0.38	-	164.54
Exchange difference on translation	39.19	61.24	9.66	16.82	-	0.19	127.10
<b>At March 31, 2021</b>	<b>1,622.85</b>	<b>1,962.85</b>	<b>316.38</b>	<b>332.53</b>	<b>5.81</b>	<b>7.01</b>	<b>4,247.43</b>
Depreciation	527.88	563.54	102.83	82.23	1.22	2.34	1,280.04
Disposals	27.32	132.42	15.94	79.23	-	-	254.91
Exchange difference on translation	38.89	54.52	9.08	15.35	-	0.25	118.09
<b>At March 31, 2022</b>	<b>2,162.30</b>	<b>2,448.49</b>	<b>412.35</b>	<b>350.88</b>	<b>7.03</b>	<b>9.60</b>	<b>5,390.65</b>
<b>Net Book Value</b>							
<b>At March 31, 2022</b>	<b>4,092.63</b>	<b>3,288.96</b>	<b>403.43</b>	<b>110.32</b>	<b>3.05</b>	<b>10.17</b>	<b>7,908.56</b>
<b>At March 31, 2021</b>	<b>3,819.13</b>	<b>3,097.96</b>	<b>391.37</b>	<b>149.01</b>	<b>2.90</b>	<b>9.60</b>	<b>7,469.97</b>

#### Note

(i) For capitalization of pre-operative expenditure relating to leasehold improvements, refer note 38

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 3A : CAPITAL WORK IN PROGRESS

Particulars	Total
<b>At April 1, 2020</b>	475.63
Addition on acquisition of subsidiary (Refer Note 39)	115.58
Additions during the year	552.33
Transfer to Property, plant and Equipment during the year	(678.62)
Exchange difference on translation	9.58
<b>At March 31, 2021</b>	<b>474.50</b>
Additions during the year	1,308.88
Transfer to Property, plant and Equipment during the year	(1,609.59)
Exchange difference on translation	6.81
<b>At March 31, 2022</b>	<b>180.60</b>

### Capital Work in Progress (CWIP) Ageing Schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	103.20	7.13	50.93	16.94	178.20
Projects temporarily suspended*	-	2.40	-	-	2.40
<b>Total</b>	<b>103.20</b>	<b>9.53</b>	<b>50.93</b>	<b>16.94</b>	<b>180.60</b>

### As at March 31, 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	126.86	295.92	43.80	5.63	472.22
Projects temporarily suspended*	2.28	-	-	-	2.28
<b>Total</b>	<b>129.15</b>	<b>295.92</b>	<b>43.80</b>	<b>5.63</b>	<b>474.50</b>

\*Relates to a project in subsidiary - PT Sari Burger Indonesia ("BK Indonesia") which has been temporarily suspended.

### NOTE 4 : RIGHT-OF-USE ASSETS

	Right-of-use Leasehold Restaurants	Right-of-use Restaurant Equipments	Total
<b>Gross carrying amount</b>			
<b>At April 1, 2020</b>	<b>6,804.04</b>	<b>232.78</b>	<b>7,036.82</b>
Addition on acquisition of subsidiary (Refer Note 39)	1,858.94	-	1,858.94
Additions*	477.32	18.75	496.07
Disposals	153.73	-	153.73
Exchange difference on translation	163.33	-	163.33
<b>At March 31, 2021</b>	<b>9,149.90</b>	<b>251.53</b>	<b>9,401.43</b>
Additions*	1,656.09	48.06	1,704.15
Disposals	79.95	-	79.95
Exchange difference on translation	103.07	-	103.07
<b>At March 31, 2022</b>	<b>10,829.11</b>	<b>299.59</b>	<b>11,128.70</b>

\*net off remeasurement

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

(₹ in Million)

	Right-of-use Leasehold Restaurants	Right-of-use Restaurant Equipments	Total
<b>Accumulated depreciation</b>			
<b>At April 1, 2020</b>	1,614.44	42.88	1,657.32
Addition on acquisition of subsidiary (Refer Note 39)	702.98	-	702.98
Add : Depreciation for the year	974.86	20.06	994.92
Less : Disposals	67.68	-	67.68
Exchange difference on translation	56.78	-	56.78
<b>At March 31, 2021</b>	<b>3,281.38</b>	<b>62.94</b>	<b>3,344.32</b>
Depreciation for the year	1,001.83	21.35	1,023.18
Disposals	51.96	-	51.96
Exchange difference on translation	62.11	-	62.11
<b>At March 31, 2022</b>	<b>4,293.36</b>	<b>84.29</b>	<b>4,377.65</b>
<b>Net Book Value</b>			
<b>At March 31, 2022</b>	<b>6,535.75</b>	<b>215.30</b>	<b>6,751.05</b>
<b>At March 31, 2021</b>	<b>5,868.52</b>	<b>188.59</b>	<b>6,057.11</b>

### NOTE 5 : INTANGIBLE ASSETS

(₹ in Million)

	Computer - Software	Franchise Rights	Development fee	Total
<b>Gross carrying amount</b>				
<b>At April 1, 2020</b>	43.12	250.78	-	293.90
Addition on acquisition of subsidiary (Refer Note 39)	-	145.28	14.56	159.84
Add: Additions	15.99	30.57	-	46.56
Less: Disposals	-	-	-	-
Exchange difference on translation	-	12.67	1.28	13.95
<b>At March 31, 2021</b>	<b>59.11</b>	<b>439.30</b>	<b>15.84</b>	<b>514.25</b>
Additions	11.86	110.23	1.09	123.18
Disposals	-	-	-	-
Exchange difference on translation	-	8.53	0.82	9.35
<b>At March 31, 2022</b>	<b>70.97</b>	<b>558.06</b>	<b>17.75</b>	<b>646.78</b>
<b>Accumulated Amortization</b>				
<b>At April 1, 2020</b>	26.25	22.64	-	48.89
Addition on acquisition of subsidiary (Refer Note 39)	-	48.56	3.06	51.62
Amortization	8.24	21.29	0.64	30.17
Disposals	-	-	-	-
Exchange difference on translation	-	4.11	0.26	4.37
<b>At March 31, 2021</b>	<b>34.49</b>	<b>96.60</b>	<b>3.96</b>	<b>135.05</b>
Amortization	8.60	23.37	0.65	32.62
Disposals	-	-	-	-
Exchange difference on translation	-	3.37	0.21	3.58
<b>At March 31, 2022</b>	<b>43.09</b>	<b>123.34</b>	<b>4.82</b>	<b>171.25</b>
<b>Net Book Value</b>				
<b>At March 31, 2022</b>	<b>27.88</b>	<b>434.72</b>	<b>12.93</b>	<b>475.53</b>
<b>At March 31, 2021</b>	<b>24.62</b>	<b>342.70</b>	<b>11.88</b>	<b>379.20</b>

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 6 : FINANCIAL ASSETS - LOANS (UNSECURED, CONSIDERED GOOD) (Measured at amortised cost)

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non- current</b>		
<b>Loan to others</b>		
Loan to employees	-	3.36
	-	<b>3.36</b>
<b>Current</b>		
<b>Loan to others</b>		
Loan to employees	5.67	-
	<b>5.67</b>	-

- No Loans are due from directors or promoters of the Group either severally or jointly with any person.

### NOTE 7 : NON-CURRENT FINANCIAL ASSETS - OTHERS (UNSECURED) (Measured at amortised cost)

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Security Deposits - Premises and Other Deposits		
Considered good	444.51	402.77
Credit impaired	3.63	3.86
Less : Allowance for credit impaired balances	(3.63)	(3.86)
Bank Deposits with remaining maturity of more than 12 months*	0.68	0.25
	<b>445.19</b>	<b>403.02</b>

- No security deposits are due from directors or promoters of the Group either severally or jointly with any person.

\*Above deposits are given against bank guarantees issued to government authorities

### NOTE 8 : OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Capital advances	408.03	50.31
Prepaid expenses	100.08	99.36
	<b>508.11</b>	<b>149.67</b>

### NOTE 9 : INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
<b>Raw materials</b>		
Food, beverages & condiments	153.72	121.55
Paper & packaging material	56.77	57.46
Supplies	17.57	17.39
	<b>228.06</b>	<b>196.40</b>

**Note:**

Amount of write down of inventories in the statement of profit and loss as an exceptional expense during the year ended March 31, 2022 is ₹NIL (March 31, 2021: ₹1.20 million)

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 10 : CURRENT FINANCIAL ASSETS - INVESTMENTS (UNQUOTED)

(₹ in Million)

Particulars	March 31, 2022		March 31, 2021	
	Units	₹ in Million	Units	₹ in Million
<b>Investments in Mutual Funds:</b>				
<b>Investments measured at fair value through Profit &amp; Loss</b>				
Ultra - Money Market Fund- Growth Plan (Cost: March 31, 2022: ₹70 million, March 31, 2021: ₹70 million)	29,709	73.30	29,709	70.55
ICICI Prudential - Ultra Short Term Fund - Growth (Cost: March 31, 2022: ₹NIL, March 31, 2021: ₹60.00 million)	-	-	198,273	60.09
ICICI Prudential Money Market Fund-Reg-Growth (Cost: March 31, 2022: ₹65.12 million, March 31, 2021: ₹NIL)	216,865	65.98	-	-
Aditya Birla Sun Life Savings Fund - Growth Regular Plan (Cost: March 31, 2022: ₹303.45 million; March 31, 2021: ₹208.45 million)	727,387	320.28	507,506	214.53
HDFC Ultra Short term Fund - Regular Growth (Cost: March 31, 2022: ₹NIL; March 31, 2021: ₹30.42 million)	-	-	2,592,052	30.71
Nippon India Money Market fund (Cost: March 31, 2022: ₹24.66 million; March 31, 2021: ₹NIL)	7,688	25.53	-	-
UTI Liquid Fund -Cash Plan (Cost: March 31, 2022: ₹28 million; March 31, 2021: ₹155.05 million)	8,099	28.08	46,400	155.58
SBI Magnum Ultra Short duration fund (Cost: March 31, 2022: ₹NIL; Mar 31, 2021: ₹15.75 million)	-	-	3,402	15.91
Aditya Birla Sun Life Floating Rate Fund (Cost: March 31, 2022: ₹200 million; March 31, 2021: ₹NIL)	729,914	202.85	-	-
DSP Savings Fund Regular Plan - Growth (Cost: March 31, 2022: ₹NIL, March 31, 2021: ₹60 million)	-	-	1,459,767	60.24
Tata Money Market Fund- Growth Plan (Cost: March 31, 2022: ₹77.10 million; March 31, 2021: ₹NIL)	20,728	78.48	-	-
Aditya Birla Sun Life Money Manager Fund - Growth Regular Plan (Cost: March 31, 2022: ₹73.20 million; March 31, 2021: ₹NIL)	250,098	74.10	-	-
Kotak Money Market Scheme - Reg - Growth Plan (Cost: March 31, 2022: ₹84.83 million; March 31, 2021: ₹NIL)	23,910	86.09	-	-
Aditya Birla Sun Life Liquid Fund- Growth Regular Plan-QIP (Cost: March 31, 2022: ₹100 million; March 31, 2021: ₹NIL)	294,273	100.18	-	-
Axis Overnight Fund - Regular Growth (Cost: March 31, 2022: ₹61.07 million; March 31, 2021: ₹NIL)	54,474	61.11	-	-
Nippon India Money Market Fund- Regular Plan Growth-QIP (Cost: March 31, 2022: ₹350 million; March 31, 2021: ₹NIL)	105,681	351.02	-	-
Nippon India Quarterly Interval Fund - Series III - Growth Plan-QIP (Cost: March 31, 2022: ₹450 million; March 31, 2021: ₹NIL)	16,039,806	451.16	-	-
Aditya Birla Sunlife Savings Funds Growth Regular Plan-QIP (Cost: March 31, 2022: ₹300 million; March 31, 2021: ₹NIL)	683,311	300.88	-	-
Axis Money Market Fund - Regular Growth-QIP (Cost: March 31, 2022: ₹200 million; March 31, 2021: ₹NIL)	174,796	200.54	-	-
Kotak Money Market Scheme - Reg - Growth-QIP (Cost: March 31, 2022: ₹210 million; March 31, 2021: ₹NIL)	58,489	210.59	-	-
HDFC Money Market Fund- Regular Plan Growth-QIP (Cost: March 31, 2022: ₹200 million; March 31, 2021: ₹NIL)	43,684	200.54	-	-

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

(₹ in Million)

Particulars	March 31, 2022		March 31, 2021	
	Units	₹ in Million	Units	₹ in Million
Aditya Birla Sun Life Money Manager Fund- Growth Regular Plan-QIP (Cost: March 31, 2022: ₹100.40 million; March 31, 2021: ₹NIL)	339,748	100.66	-	-
Tata Money Market Fund - Reg - Growth-QIP (Cost: March 31, 2022: ₹380 million; March 31, 2021: ₹NIL)	100,606	380.88	-	-
Axis Liquid Fund - Regular Growth (Cost: March 31, 2022: ₹25.04 million; March 31, 2021: ₹NIL)	10,672	25.08	-	-
<b>Investments in Other Deposits measured at amortised cost</b>				
LIC Housing Finance Limited		200.00		485.25
HDFC Limited		485.25		150.00
Above deposits carry interest rate of 4.30% to 5.15%				
		<b>4,022.58</b>		<b>1,242.86</b>
Aggregate amount of unquoted current investments measured at fair value through profit or loss		3,337.33		607.61
Aggregate amount of unquoted current investments measured at amortised cost		685.25		635.25

### NOTE 11 : TRADE RECEIVABLES (UNSECURED)

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Trade receivables (Considered good)	134.12	85.60
Trade receivables- credit impaired	2.48	2.48
Less : Allowance for credit impaired balances	(2.48)	(2.48)
	<b>134.12</b>	<b>85.60</b>

### Trade Receivables Ageing Schedule

(₹ in Million)

Particulars	Current but not due	Outstanding for following periods from due date of payment		Total
		Less than 1 year	More than 1 year	
(i) Undisputed trade receivables- considered good	15.37	118.75	-	134.12
(iii) Undisputed trade receivables- credit impaired	-	2.48	-	2.48

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment		Total
		Less than 1 year	More than 1 year	
(i) Undisputed trade receivables- considered good	7.02	78.58	-	85.60
(iii) Undisputed trade receivables- credit impaired	-	2.48	-	2.48

#### Note:

No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 12 : CASH AND CASH EQUIVALENTS

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Balances with banks		
In current accounts	1,747.83	816.49
In fixed deposits with original maturity less than 3 months	51.43	-
Cash on hand	54.65	48.07
	<b>1,853.91</b>	<b>864.56</b>

### NOTE 13 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Bank balances (held with Monitoring agency in relation to IPO proceeds)	14.14	250.62
Bank deposits with original maturity of more than 3 months and remaining maturity less than 12 months*	904.24	1,661.66
	<b>918.38</b>	<b>1,912.28</b>

\*Above deposits includes deposits of ₹2.35 million (March 31, 2021: ₹2.66 million) given against bank guarantees issued to government authorities. Deposits carry interest of 3.32%

### NOTE 14 : OTHER FINANCIAL ASSETS - CURRENT (UNSECURED, CONSIDERED GOOD) (Measured at amortised cost)

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Deposit with body corporate	30.00	30.00
Income receivables	48.54	40.77
Derivative asset	-	0.08
Other receivables	26.17	28.14
	<b>104.71</b>	<b>98.99</b>

### NOTE 15 : OTHER CURRENT ASSETS (UNSECURED)

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Prepaid expenses	97.41	86.93
Advance to suppliers	83.91	119.90
Advance to employees	2.16	0.30
Other advances	1.18	-
Share issue expenses (to the extent not written off) {Note (i)}	-	22.83
Balances with government authorities		
Considered good	10.31	31.60
Credit impaired	8.67	8.67
Less : Allowance for balances with government authorities- credit impaired	(8.67)	(8.67)
	<b>194.97</b>	<b>261.56</b>

(i) The amount pertains to share issue expenses (not adjusted against securities premium as on March 31, 2021) in connection with public offer of equity shares. These expenses have been subsequently adjusted against securities premium as permissible under Section 52 of the Companies Act, 2013 on successful completion of Initial Public Offer (IPO) during the financial year ended March 31, 2022.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 16 : EQUITY SHARE CAPITAL

Authorised equity share capital	Equity shares	
	No.	₹ in Million
At April 01, 2020	390,000,000	3,900.00
Increase during the year	115,000,000	1,150.00
At March 31, 2021	505,000,000	5,050.00
Increase during the year	95,000,000	950.00
At March 31, 2022	<b>600,000,000</b>	<b>6,000.00</b>

Authorised Preference share capital	Preference shares	
	No.	₹ in Million
At April 01, 2020	11,500,000	1,150.00
Decrease during the year	(11,500,000)	(1,150.00)
At March 31, 2021	-	-
Changes during the year	-	-
At March 31, 2022	-	-

#### Terms/rights attached to equity shares

The Company has a single class of equity shares having par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### Terms related to dividend

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

#### Issued Capital

Equity shares of ₹10 each issued, subscribed and fully paid

Particulars	No.	₹ in Million
At April 1, 2020	277,741,785	2,777.42
Increase during the year	105,237,859	1,052.38
At March 31, 2021	382,979,644	3,829.80
Increase during the year through QIP	108,480,018	1,084.80
Increase during the year through exercise of options under Share based payment plan	1,289,080	12.89
At March 31, 2022	<b>492,748,742</b>	<b>4,927.49</b>

#### A. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Particulars	March 31, 2022		March 31, 2021	
	Number of shares	₹ in Million	Number of shares	₹ in Million
QSR Asia Pte Ltd - Holding Company (Promoter)	201,811,110	2,018.11	201,811,110	2,018.11
Equity shares of ₹10 each fully paid				
F&B Asia Ventures (Singapore) Pte. Ltd.	1	0*	1	0*
- Holding Company of QSR Asia Pte. Ltd				
Equity share of ₹10 each fully paid				

\* Denotes amount less than ₹5,000

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### B. Details of shareholders holding more than 5% shares in the Company

(₹ in Million)

Particulars	March 31, 2022		March 31, 2021	
	No. of shares	% Holding	No. of shares	% Holding
QSR Asia Pte Ltd - Holding Company (Promoter)	201,811,110	40.96%	201,811,110	52.69%
Amansa Investments Ltd	28,212,820	5.73%	28,212,820	7.37%
Fidelity Investment Trust : Fidelity Emerging Markets Fund	25,205,436	5.12%	-	-

% change of promoter shareholding during the year ended March 31, 2022 is -11.73% (March 31, 2021: -46.72%)

Notes:

- As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.
- There were no equity shares issued as bonus and shares bought back during the period of five years immediately preceding the reporting date.

### C. Issue of shares under Qualified Institutional Placement ("QIP")

During the year ended March 31, 2022, the Company issued 108,480,018 fully paid up equity shares to Qualified Institutional Buyers in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. These shares were issued at a price of ₹129.25 per share (including securities premium of ₹119.25 per share) for an aggregate consideration of ₹14,021.04 million.

### NOTE 17 : OTHER EQUITY

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
<b>a. Securities premium</b>		
Balance at the beginning of year	8,193.31	3,361.08
Addition on acquisition of subsidiary (Refer Note 39)	-	220.98
Add: Transfer on account of exercise of options	21.73	35.86
Add: Issue of shares	12,991.46	4,953.01
Less: Share issue expenses (including ₹23.53 million for Pre-IPO placement)	(0.15)	(377.62)
Less: Expenses for Qualified Institutional Placement ("QIP")	(436.12)	-
Add: Transfer from NCI	80.79	-
<b>Balance at the end of year</b>	<b>20,851.02</b>	<b>8,193.31</b>
<b>b. Share based payment reserve</b>		
Balance at the beginning of year	95.62	40.88
Add: Charge for the year	(1.87)	104.35
Less: Unrealized Gain on Forex	(3.12)	(23.25)
Less: Transfer on account of exercise of options	(21.73)	(35.86)
Add: Transfer from NCI	46.15	9.50
<b>Balance at the end of year</b>	<b>115.05</b>	<b>95.62</b>
<b>c. Retained earnings</b>		
Balance at the beginning of year	(6,874.02)	(3,412.30)
Addition on acquisition of subsidiary (Refer Note 39)	-	(1,003.60)
Add: Total comprehensive loss during the year	(1,959.28)	(2,458.12)
Add: Transfer from / (to) NCI	(860.94)	-
<b>Balance at the end of year</b>	<b>(9,694.24)</b>	<b>(6,874.02)</b>
<b>d. Share application money pending allotment:</b>		
Balance at the beginning of year	0.20	-
Shares converted/money received (net)	10.52	0.20

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
<b>Balance at the end of year</b>	<b>10.72</b>	<b>0.20</b>
<b>e. Capital reserve on Consolidation</b>		
Balance at the beginning of year	(4,449.49)	-
Addition on account of acquisition of investment in subsidiary	(1,357.17)	(4,449.49)
<b>Balance at the end of year</b>	<b>(5,806.66)</b>	<b>(4,449.49)</b>
<b>f. Other Comprehensive income</b>		
Balance at the beginning of year	53.44	(12.82)
Addition on acquisition of subsidiary (Refer Note 39)	-	(8.37)
Re-measurement (losses)/gains on defined benefit plans	(2.37)	(1.59)
Exchange differences on translating the financial statements of a foreign subsidiary	(49.10)	76.22
<b>Balance at the end of year</b>	<b>1.97</b>	<b>53.44</b>
<b>Total other equity (a+b+c+d+e+f)</b>	<b>5,477.86</b>	<b>(2,980.94)</b>

### Nature of reserve:

- Securities premium: Securities premium reserve represents premium received on shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.
- Share based payment reserve: Share based payment reserve represents the grant date fair value of options issued to employees under employee stock plan.
- Retained earnings: Retained earnings are the losses that the Group has made till date, less any transfers to general reserve, dividends, or other distributions paid to the shareholders. Retained earnings is a free reserve available to the Group.
- Share application pending allotment: Share application pending allotment represents the amount received on the share application on which allotment is not yet made.
- Capital Reserve on Consolidation: Capital reserve on Consolidation represents the difference between the amount of consideration paid by the Company and the amount of Share Capital of the Subsidiary (Refer Note 39).

### NOTE 18 : BORROWINGS

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
<b>Non current borrowings</b>		
<b>(Measured at Amortised cost)</b>		
<b>Loans:</b>		
(i) from banks (Secured)		
Term loan from Bank (Secured)	876.97	1,350.71
(ii) from other Parties (Unsecured)		
Consumer financing loan	-	0.71
Loan from related party (Refer Note 35)	-	367.45
Loan from others	-	168.71
<b>Balance at the end of year</b>	<b>876.97</b>	<b>1,887.58</b>
<b>Current borrowings</b>		
<b>(Measured at Amortised cost)</b>		
Current maturities of non-current borrowings	542.39	507.01
Bank overdraft (Secured)	-	49.30
<b>Balance at the end of year</b>	<b>542.39</b>	<b>556.31</b>

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

(i)	(₹ in Million)		
	Particulars	Interest	Terms Security Covenants
Bank Loan - PT Bank Central Asia Tbk ("BCA") - IDR 235,000 million	1 <sup>st</sup> Loan: Interest rate determined by BCA and shall be paid on monthly basis 2 <sup>nd</sup> Loan (Tranche A) (360 days): Interest rate determined by BCA and shall be paid on monthly basis 3 <sup>rd</sup> Loan (Tranche B) (360 days): Interest rate determined by BCA and shall be paid on monthly basis (Due to Covid, BCA agreed for a lower rate of 8% (fixed) starting May 14, 2020 until March 31, 2022 on all loans. The rate increases to 8.25% (fixed) from April 01, 2022)	1 <sup>st</sup> Loan: 16 instalment of IDR 6,250 million each from January 01, 2021 to October 01, 2024 2 <sup>nd</sup> Loan (Tranche A): 16 instalment of IDR 6,250 million each from March 19, 2021 to December 19, 2024 3 <sup>rd</sup> Loan (Tranche B): 16 instalment of IDR 2,187.50 million each from July 20, 2021 to April 20, 2025	1. Corporate Guarantee from F&B Asia Ventures (S) Pte., Ltd., a company established under the laws of Singapore in the amount of 66.48% (sixty six point forty eight percent) from Facility Limit; 2. Letter of Undertaking from PT Mitra Adiperkasa Tbk. Refer (A) below" Certain restrictions and covenants such as, among others, requirement for the company to obtain prior written approval from the bank in relation with certain transactions, such as, among others, changes in its AOA and composition of shareholder, M&A and maintenance of certain financial ratios (Debt service coverage ratio of minimum 1 and Gearing ratio of maximum 2) Refer (B) below.
Bank Loan - PT Bank Niaga Tbk ("CIMB") - IDR 169,868 million	1 <sup>st</sup> Loan: Interest rate determined by CIMB and shall be paid on monthly basis 2 <sup>nd</sup> Loan: Interest rate determined by CIMB and shall be paid on monthly basis (Due to Covid, CIMB agreed for a lower rate of interest of 8% (fixed) w.e.f May 2020.)	1 <sup>st</sup> loan: 3 instalments of IDR 5,929.25 million each on June 01, 2019, October 01, 2019 and January 01, 2020. After that, 13 instalments of IDR 5,929.25 million each from January 01, 2021 to January 01, 2024. 2 <sup>nd</sup> loan: 15 instalment of IDR 5,000 million each from May 01, 2021 to October 30, 2024.	1. Corporate Guarantee from F&B Asia Ventures (S) Pte., Ltd., a company established under the laws of Singapore in the amount of 66.48% (sixty six point forty eight percent) from Facility Limit; 2. Letter of Undertaking from PT Mitra Adiperkasa Tbk Refer (A) below" Certain restrictions and covenants such as, among others, requirement for the company to obtain prior written approval from the bank in relation with certain transactions, such as, among others, changes in its AOA and composition of shareholder, M&A and maintenance of certain financial ratios (Debt service coverage ratio of minimum 1 and Gearing ratio of maximum 2) Refer (B) below.
Shareholder Loan - QSR Indoburger Pte. Ltd - IDR 105,505.09 Million	8% per annum (360 days) and shall be paid together with the repayment of the loan.	The loan shall be repaid when BK Indonesia becomes a public listed company or if there is a change in control of BK Indonesia or 5 years from the date of this agreement (whichever is earlier) unless the parties agree to extend the loan duration. The loan has been repaid during the year ended March 31, 2022.	None None

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

(i)	(₹ in Million)		
	Particulars	Interest	Terms Security Covenants
Third-party Loan - PT Prima Utama Mitra Abadi ("PUMA") - IDR 43,576 million	8% per annum (360 days) and shall be paid together with the repayment of the loan.	The loan shall be repaid when BK Indonesia becomes a public listed company or if there is a change in control of BK Indonesia or 5 years from the date of this agreement (whichever is earlier) unless the parties agree to extend the loan duration. The loan has been repaid during the year ended March 31, 2022.	None
Profit Participating Loan - Ajay Kaul - IDR 3232.54 Million	The profit participating loan does not carry interest but carries a loan bonus If BK Indonesia decides to declare and distribute dividend (Distributable Amount): Loan profit = (2,586 shares / (505,938 shares issued to shareholders of BK Indonesia plus 2,586 shares) x Distributable Amount Upon repayment of loan on listing date, BK Indonesia must pay loan bonus Loan Bonus = (2,586 shares x IPO price) - IDR 3,232.54 million In case Change in Control event happens prior to listing date, then Lender shall have the option to demand repayment of the Loan along with the Loan Profit. Loan Sale Bonus = (2,586 shares x sale price per equity share in the Change in Control event) - IDR 3,232.54 million In the event the Loan has not been fully repaid within a period of 5 years from the agreement date, then the Parties may either a) renew the agreement for a further period of 5 years or B) repay the Loan. In the event the Parties choose to repay the loan upon the expiry of the 5 years period, then the Lenders shall be repaid the Loan Amount, the Loan Profit and the Loan Expiry Bonus. Loan Expiry Bonus = 2,586 shares x fair value per equity share in, as may be determined by a third party valuer appointed by the Parties - IDR 3,232.54 million	The Listing Date or upon the expiry of 5 years from the agreement date or on the date of the Change in Control event. In the event the Loan has not been fully repaid within a period of 5 years from the agreement date, then the Parties may either a) renew the agreement for a further period of 5 years or B) repay the Loan. In the event the Parties choose to repay the loan upon the expiry of the 5 years period, then the Lenders shall be repaid the Loan Amount, the Loan Profit and the Loan Expiry Bonus. The loan has been repaid during the year ended March 31, 2022 along with the profit share.	None



## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

Particulars	Interest	Terms	Security	Covenants
Profit Participating Loan - Prayerna Kaul - IDR 3295.33 Million	The profit participating loan does not carry interest but carries a loan bonus If BK Indonesia decides to declare and distribute dividend (Distributable Amount): Loan Profit = (2,636 shares / 505,938 shares currently issued to shareholders of BK Indonesia plus 2,636 shares) x Distributable Amount If loan is repaid on listing, BK Indonesia must pay loan bonus Loan Bonus = (2,636 shares x IPO price) - IDR 3,295.33 million	The Listing Date or upon the expiry of 5 years from the agreement date or on the date of the Change in Control event. In the event the Loan has not been fully repaid within a period of 5 years from the agreement date, then the Parties may either a) renew the agreement for a further period of 5 years or B) repay the Loan. In the event the Parties choose to repay the loan upon the expiry of the 5 years period, then the Lenders shall be repaid the Loan Amount, the Loan Profit and the Loan Expiry Bonus. The loan has been repaid during the year ended March 31, 2022 along with the profit share.	None	None
Bank Consumer Loan - BCA IDR 370.91 Million	In case Change in Control event happens prior to listing date, then Lender shall have the option to demand repayment of the Loan along with the Loan Profit. Loan Sale Bonus = (2,636 shares x sale price per equity share in the Change in Control event) - IDR 3,295.33 million In the event the Loan has not been fully repaid within a period of 5 years from the agreement date, then the Parties may either a) renew the agreement for a further period of 5 years or B) repay the Loan. In the event the Parties choose to repay the loan upon the expiry of the 5 years period, then the Lenders shall be repaid the Loan Amount, the Loan Profit and the Loan Expiry Bonus. Loan Expiry Bonus = (2,636 shares x fair value per equity share in, as may be determined by a third party valuer appointed by the Parties - IDR 3,295.33 million	36 instalments of IDR 10,303,000 each commencing from February 19, 2019 and ending on January 19, 2022	None	BK Indonesia is obliged to maintain the goods or collateral in a reasonable and appropriate manner and ensure car maintenance/repairs are performed at official workshops
Bank Consumer Loan - BCA IDR 396.81 Million	4.65% flat per annum or equal with 9.21% effective per annum	36 instalment of IDR 11,022,500 each commencing from October 30, 2019 and ending on September 30, 2022	None	BK Indonesia is obliged to maintain the goods or collateral in a reasonable and appropriate manner and ensure car maintenance/repairs are performed at official workshops

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

Particulars	Interest	Terms	Security	Covenants
Bank Consumer Loan - BCA IDR 256.43 Million	4.65% flat per annum or equal with 9.21% effective per annum	36 installment of IDR 7,123,100 each commencing from July 30, 2019 and ending on June 30, 2022	None	BK Indonesia is obliged to maintain the goods or collateral in a reasonable and appropriate manner and ensure car maintenance/repairs are performed at official workshops
Bank Consumer Loan - BCA IDR 256.43 Million	4.65% flat per annum or equal with 9.21% effective per annum	36 installment of IDR 7,123,100 each commencing from July 30, 2019 and ending on June 30, 2022	None	BK Indonesia is obliged to maintain the goods or collateral in a reasonable and appropriate manner and ensure car maintenance/repairs are performed at official workshops
Bank Consumer Loan - BCA IDR 255.08 Million	4.45% flat per annum or equal with 8.82% effective per annum	36 instalment of IDR 7,085,600 each commencing from September 26, 2019 and ending on August 26, 2022	None	BK Indonesia is obliged to maintain the goods or collateral in a reasonable and appropriate manner and ensure car maintenance/repairs are performed at official workshops
Bank Consumer Loan - BCA IDR 484.99 Million	4.18% flat per annum or equal with 8.31% effective per annum	36 installment of IDR 13,472,000 each commencing from January 24, 2018 and ending on December 20, 2020	None	BK Indonesia is obliged to maintain the goods or collateral in a reasonable and appropriate manner and ensure car maintenance/repairs are performed at official workshops
Bank Consumer Loan - BCA IDR 383.09 Million	3.60% flat per annum or equal with 7.19% effective per annum	36 instalment of IDR 10,641,500 each commencing from August 25, 2017 and ending on July 25, 2020	None	BK Indonesia is obliged to maintain the goods or collateral in a reasonable and appropriate manner and ensure car maintenance/repairs are performed at official workshops
Bank Consumer Loan - BCA IDR 249.54 Million	5.9956% flat per annum or equal with 11.75% effective per annum	36 instalment of IDR 6,931,726 each commencing from October 12, 2017 and ending on September 14, 2020	None	BK Indonesia is obliged to maintain the goods or collateral in a reasonable and appropriate manner and ensure car maintenance/repairs are performed at official workshops

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

(A) As part of SSHA, the Company has provided commitment to procure the release of F&B Asia Ventures (Singapore) Pte. Ltd. ("F&B Asia") from the corporate guarantees given by it pursuant to the borrowings availed by PT Sari Burger Indonesia from BCA.

(B) As at March 31, 2022 and March 31, 2021 BK Indonesia had non-compliance with respect to covenant related to financial ratio (Debt Service coverage ratio of minimum 1) from both the banks- BCA and CIMB. The waiver letters were obtained before the approval of these financial statements and accordingly the borrowings have been classified as non-current.

**The details regarding the contractual maturities of Borrowings as at March 31, 2022 and March 31, 2021 on an undiscounted basis are as follows:**

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Repayable on demand	-	49.30
Less than one year	542.39	507.01
One to five years	876.97	1,887.58
More than five years	-	-
	<b>1,419.36</b>	<b>2,443.89</b>

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Changes in liabilities arising from financing activities		
Beginning of the year	2,443.89	1,985.16
Addition on acquisition of subsidiary (Refer Note 39)	-	1,340.29
Cash outflows(net)	(1,126.95)	(985.08)
Exchange difference on translation	102.42	103.52
<b>End of the year</b>	<b>1,419.36</b>	<b>2,443.89</b>

### NOTE 19: LEASES

**Leases are shown as follows in the Group's balance sheet and profit & loss account**

The Group has lease contracts for operational stores, corporate office and restaurant equipment's used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
<b>Right-of-use Leasehold Restaurants</b>		
Gross carrying amount	10,829.11	9,149.90
Accumulated depreciation	4,293.36	3,281.38
<b>Net carrying amount</b>	<b>6,535.75</b>	<b>5,868.52</b>
<b>Right-of-use Restaurant Equipments</b>		
Gross carrying amount	299.59	251.53
Accumulated depreciation	84.29	62.94
<b>Net carrying amount</b>	<b>215.30</b>	<b>188.59</b>
<b>Lease liabilities</b>		
<b>As at the beginning of the year</b>	<b>6,568.92</b>	<b>5,977.47</b>
Addition on acquisition of subsidiary (Refer Note 39)	-	779.32
Additions (net off remeasurements)	1,618.66	431.39
Finance cost	704.65	715.38
Payments	(1,177.92)	(757.57)

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Lease concessions (Refer Note 26)	(266.08)	(567.51)
Deletions	(23.91)	(81.81)
Exchange Difference	24.67	72.25
<b>As at the end of the year</b>	<b>7,448.99</b>	<b>6,568.92</b>
<b>Current lease liabilities</b>	<b>645.11</b>	<b>755.81</b>
<b>Non-current lease liabilities</b>	<b>6,803.88</b>	<b>5,813.11</b>

Amounts recognized in the Statement of Profit and Loss	(₹ in Million)	
	March 31, 2022	March 31, 2021
<b>Other income</b>		
Gain on termination of lease	4.54	4.15
Gain on remeasurement of lease	2.23	29.83
Lease concessions (Refer Note 26)	-	191.56
<b>Other Expenses</b>		
Variable lease rent expense (Refer Note 26 & Note 31)	312.13	-
<b>Depreciation and impairment losses</b>		
Depreciation of right of use asset (Refer Note 4 & Note 30)	1,023.18	994.92
<b>Finance cost</b>		
Interest expense on lease liability (Refer Note 29)	704.65	715.38
<b>Amount recognised in statement of cash flow</b>		
Total cash outflow for leases (including interest on lease liabilities)	1,177.92	785.71

The Group had total cash outflows for leases of ₹1,177.92 million for March 31, 2022 (March 31, 2021: ₹785.71 million)

The Group also had non-cash additions to Rights-of-use assets of ₹1,704.15 million for March 31, 2022 (March 31, 2021: ₹2,355.01 million)

The Group also had non-cash additions to lease liabilities of ₹1,618.66 million for March 31, 2022 (March 31, 2021: ₹1,210.71 million)

Difference between ROU assets and lease liabilities pertaining to new leases recorded on initial recognition represents initial direct costs and deferred component of Security deposits given to lessors.

**The details regarding the contractual maturities of lease liabilities as at March 31, 2022 and March 31, 2021 on an undiscounted basis are as follows:**

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Less than one year	1,384.60	1,384.85
One to five years	4,616.91	4,344.72
More than five years	7,342.18	5,203.15
	<b>13,343.69</b>	<b>10,932.72</b>

**Practical expedient as per Ind AS 116 availed by the Group**

#### (i) Short term leases or leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases of restaurant and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### (ii) Lease concessions

As per MCA notification dated 24<sup>th</sup> July 2020 and subsequently amended on June 18, 2021 in respect of IND- AS 116, a lessee may apply practical expedient and elect not to assess whether a rent concession is a lease modification if specified criteria are met. It applies to only those rent concessions occurring as a direct consequence of the COVID-19 pandemic and if all the following conditions are met:

- the change in lease payments is substantially the same or less than the lease payments immediately preceding the change;
- any reduction in lease payments affects only the payments originally due on or before the June 30, 2022; and
- there is no substantive change to other terms and conditions of the lease.

The Group has disclosed the application of the practical expedient and the amount recognised in the profit or loss for the reporting period to reflect changes in lease payments that arise from rent concessions in the Note 26.

### NOTE 20 : PROVISIONS

(₹ in Million)		
Particulars	March 31, 2022	March 31, 2021
<b>Non-current provisions</b>		
Provision for employee benefit		
Gratuity (Refer note 34)	62.00	45.04
Payable to employees under Long Term Incentive Plan	-	105.18
Pension benefit (Refer note 34)	104.42	114.30
Other provision		
Site restoration liability (Refer note below)	246.38	213.72
	<b>412.80</b>	<b>478.24</b>

#### Note:

The Group records a provision for site restoration liability associated with the stores opened

(₹ in Million)		
Particulars	March 31, 2022	March 31, 2021
<b>Movement of site restoration provision</b>		
<b>Beginning of the year</b>	213.72	153.66
Addition on acquisition of subsidiary	-	45.50
Additions during the year	32.36	19.58
Deletions during the year	(2.21)	(9.01)
Exchange difference on translation	2.51	3.99
<b>End of the year</b>	<b>246.38</b>	<b>213.72</b>

\* Includes amount of ₹NIL due to change in estimate for March 31, 2021 (March 31, 2020: ₹6.27 million)

(₹ in Million)		
Particulars	March 31, 2022	March 31, 2021
<b>Current provisions</b>		
Provision for employee benefit		
Gratuity (Refer note 34)	4.08	2.35
Compensated absences	55.62	38.45
Pension benefit (Refer note 34)	18.63	4.30
Pension benefit- contract employees	5.44	3.27
	<b>83.77</b>	<b>48.37</b>

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 21 : OTHER NON-CURRENT LIABILITIES

(₹ in Million)		
Particulars	March 31, 2022	March 31, 2021
Income received in advance (Contract Liabilities)	25.79	25.31
	<b>25.79</b>	<b>25.31</b>

### NOTE 22 : TRADE PAYABLES

(₹ in Million)		
Particulars	March 31, 2022	March 31, 2021
Micro and small enterprises*	0.57	6.20
Others	2,586.84	2,449.56
	<b>2,587.41</b>	<b>2,455.76</b>

### Trade Payables Ageing Schedule

(₹ in Million)					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	0.57	-	-	-	0.57
Others	2,578.00	8.16	0.45	0.23	2,586.84

### As at March 31, 2021

(₹ in Lakhs)					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	6.20	-	-	-	6.20
Others	2,448.18	1.32	0.06	-	2,449.56

\* Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Group.

### NOTE 23 : OTHER FINANCIAL LIABILITIES- CURRENT (Measured at amortised cost)

(₹ in Million)		
Particulars	March 31, 2022	March 31, 2021
Payable to capital vendors*	721.43	246.71
Retention Money Payable	16.00	14.94
Towards acquisition of Subsidiary**	-	5,989.37
	<b>737.43</b>	<b>6,251.02</b>

\*Includes payable of ₹0.19 million (March 31, 2021: ₹0.61 million) to Micro and small enterprises.

\*\*Liabilities towards acquisition of shares of PT Sari Burger Indonesia from QSR Indoburger Pte. Ltd (Refer Note 39)

### NOTE 24 : OTHER CURRENT LIABILITIES

(₹ in Million)		
Particulars	March 31, 2022	March 31, 2021
Income received in advance (Contract Liabilities)	39.07	57.40
Statutory dues	384.24	204.32
	<b>423.31</b>	<b>261.72</b>

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 25 : REVENUE FROM OPERATIONS

Particulars	₹ in Million	
	March 31, 2022	March 31, 2021
Set out below is the disaggregation of the Group's revenue from contracts with customers:		
<b>Revenue recognised at the point of time</b>		
Income from Sale of food and beverages	14,848.31	10,015.36
<b>Revenue recognised over the period of time</b>		
Income from sub franchisee operations	12.93	5.91
<b>Total revenue from contracts with customers</b>	<b>14,861.24</b>	<b>10,021.27</b>
<b>Other Operating revenue</b>		
Scrap Sales	41.49	18.34
<b>Total revenue from operations</b>	<b>14,902.73</b>	<b>10,039.61</b>
<b>Contract liabilities</b>		
The Group has recognised the following revenue-related contract liabilities:		
Contract liabilities (Refer note 21 & 24)	64.86	82.71
Contract liabilities includes payments received in advance of performance under the contract.		
<b>Revenue recognised in the year from:</b>		
Amounts included in contract liability at the beginning of the year	22.31	21.78

Contract liability relates to payments received in advance of performance under the contract. Contract liabilities are recognised as revenue as (or when) the Group performs under the contract.

### NOTE 26 : OTHER INCOME

Particulars	₹ in Million	
	March 31, 2022	March 31, 2021
Interest income on Fixed deposits measured at amortised cost	89.68	41.89
MTM Gain on financial instruments at fair value through profit and loss	27.82	7.95
Fair value Gain on financial instruments at fair value through profit and loss (Refer Note (i) below)	31.08	-
Profit on sale of investments at fair value through profit and loss	28.51	5.29
Interest income on security deposits	30.08	19.35
Provisions written back	9.86	6.87
Gain on termination of lease	4.54	4.15
Gain on remeasurement of lease	2.23	29.83
Fair value gain on financial instruments at fair value through profit or loss	-	0.32
Exchange differences (net)	-	31.67
Lease concessions (Refer Note (ii) below)	-	191.56
Miscellaneous income	0.58	1.64
	<b>224.38</b>	<b>340.52</b>

#### Note:

- Fair value gain on financial instruments at fair value through profit or loss relates to foreign exchange forward contracts that was not designated for hedge accounting and did not qualify for embedded derivatives.
- The Group has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24<sup>th</sup> July 2020 and subsequently amended on June 18, 2021 in respect of IND- AS 116 for all rent concessions which are granted due to COVID-19 pandemic. As per requirements of MCA notification, total lease concessions confirmed till March 31, 2022 of ₹266.08 million has been adjusted under rent expenses. Out of the total lease concessions confirmed till March 31, 2021 of ₹567.51 million, ₹375.95 has been accounted under rent expenses (to the extent available) and balance of ₹191.56 million has been accounted under other income for the year ended March 31, 2021.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 27 : COST OF MATERIALS CONSUMED

Particulars	₹ in Million	
	March 31, 2022	March 31, 2021
<b>Food, beverages, condiments, paper and packaging materials</b>		
Inventory at the beginning of the year	179.01	94.34
Addition on acquisition of subsidiary	-	125.57
Add: Purchases	5,525.73	3,915.30
Less: Inventory at the end of the year	(210.49)	(179.01)
Exchange difference	3.81	11.89
	<b>5,498.06</b>	<b>3,968.09</b>
<b>Details of materials consumed</b>		
Food, beverages and condiments	5,175.25	3,787.13
Paper & packing material	322.81	180.96
	<b>5,498.06</b>	<b>3,968.09</b>

### NOTE 28 : EMPLOYEE BENEFITS EXPENSE

Particulars	₹ in Million	
	March 31, 2022	March 31, 2021
Salaries and wages#	2,250.52	1,822.12
Contribution to provident and other funds (net of government grant under PMRPY* of ₹1.61 million (March 31, 2021: ₹5.32 million))	159.14	126.00
Employee stock compensation expense (refer note 36)	134.49	134.02
Gratuity and Pension expense (refer note 34)	20.86	42.06
Staff welfare expense	103.04	78.64
	<b>2,668.05</b>	<b>2,202.84</b>

#includes expense of ₹29.22 million (March 31, 2021: ₹2.30 million) towards compensated absences

\*PMRPY stands for Pradhan Mantri Rojgar Protsahan Yojana

### NOTE 29 : FINANCE COSTS

Particulars	₹ in Million	
	March 31, 2022	March 31, 2021
Interest expense		
- on term loan (at amortised cost)	231.86	290.98
- on lease liability	704.65	715.38
- others	17.07	38.05
	<b>953.58</b>	<b>1,044.41</b>

### NOTE 30 : DEPRECIATION AND AMORTISATION EXPENSE

Particulars	₹ in Million	
	March 31, 2022	March 31, 2021
Depreciation of property, plant and equipment	1,280.04	1,264.05
Amortization of intangible assets	32.62	30.17
Depreciation of Right of use assets	1,023.18	994.92
	<b>2,335.84</b>	<b>2,289.14</b>

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 31 : OTHER EXPENSES

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Rent (Refer Note 26)	312.13	-
Power and Fuel	1,301.70	919.48
Rates & Taxes	52.15	48.19
Operating Supplies	178.66	126.66
Advertising and Marketing Expenses	961.11	712.69
Consultancy & Professional Fees	180.30	113.20
Telephone and communication expenses	47.29	60.51
Travelling expenses	62.90	33.71
Director's sitting fees	2.55	1.69
Insurance	17.13	17.77
Repairs and Maintenance - Leasehold Improvements	178.89	139.62
Repairs and Maintenance - Restaurant Equipments	136.29	93.17
Repairs and Maintenance - Others	239.93	207.02
Royalties Fees	643.38	346.86
Allowance for credit impaired deposits	-	3.76
Allowance for doubtful receivables	7.25	-
Write off of Property, plant and equipment (net)	28.12	29.10
Commission & Delivery expenses	1,232.89	622.05
Exchange differences (net)	0.89	-
Fair value loss on financial instruments at fair value through profit or loss	0.25	-
Loss on termination of lease	8.62	9.24
Miscellaneous Expenses	178.84	134.46
	<b>5,771.27</b>	<b>3,619.18</b>

### NOTE 32 : INCOME TAXES

#### (A) The major components of income tax expense for the year ended:

##### Statement of profit and loss

Particulars	(₹ in Million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Current income tax:</b>		
Current income tax charge	-	-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	-	-
<b>Income tax expense reported in the statement of profit or loss</b>	<b>-</b>	<b>-</b>

#### (B) Amounts recognised in other comprehensive income

Particulars	(₹ in Million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Income tax expense charged to OCI	-	-
	-	-

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

#### (C) Reconciliation of tax expense and the accounting profit/(loss) multiplied by effective tax rate:

Particulars	(₹ in Million)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Accounting loss before income tax</b>	(2,351.54)	(2,820.64)
At India's statutory income tax rate for March 31, 2022: 25.17% (March 31, 2021: 25.17%)	(591.83)	(709.90)
<b>Adjustments in respect of current income tax of previous years</b>		
Tax effect of brought forward losses/unabsorbed depreciation of year on which no deferred tax is recognised	491.37	654.01
Effect of Differential Tax Rate under various jurisdiction	37.10	55.91
Others	63.36	(0.02)
<b>Effective tax rate</b>	<b>-</b>	<b>-</b>
Income tax expense reported in the statement of profit and loss	-	-

#### (D) Components of deferred tax assets and liabilities recognised in the Balance Sheet, Statement of profit and loss and Statement of other comprehensive income

Particulars	(₹ in Million)	
	March 31, 2022	March 31, 2021
Deferred Tax Assets	185.86	156.02
Deferred Tax Liabilities	(185.86)	(156.02)
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>-</b>	<b>-</b>

#### Movement in Deferred Tax:

Particulars	(₹ in Million)			
	Balance Sheet March 31, 2022	Balance Sheet March 31, 2021	Profit and Loss For the year ended March 31, 2022	Profit and Loss For the year ended March 31, 2021
<b>Deferred tax relates to the following:</b>				
<b>Deferred tax liability recognised for timing difference due to:</b>				
a. Property, plant and equipment & intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	30.86	15.85	15.01	15.85
b. Others- Ind AS adjustments (Security deposit, unamortised processing fees etc.)	88.03	73.79	14.24	(4.13)
c. Deferred License Fees	1.19	1.14	0.05	0.04
d. Right of use assets	65.78	65.24	0.54	(8.95)
	<b>185.86</b>	<b>156.02</b>	<b>29.84</b>	<b>2.81</b>

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

(₹ in Million)

Particulars	Balance Sheet	Balance Sheet	Profit and Loss	Profit and Loss
	March 31, 2022	March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Deferred tax assets recognised due to:</b>				
a. Property, plant and equipment & intangible assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	11.80	10.33	1.47	(9.36)
b. Expenses allowable in Income Tax on payment basis	138.13	44.60	93.53	9.61
c. Others- Ind AS adjustments (Lease arrangements, deferred income amortisation etc.)	11.63	71.54	(59.91)	20.51
d. Unabsorbed depreciation and carried forward losses*#	24.30	29.55	(5.25)	(17.95)
<b>Deferred Tax expense/(income)</b>	<b>185.86</b>	<b>156.02</b>	<b>29.84</b>	<b>2.81</b>
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*The Company has unused carried forward business tax losses of ₹1,787.04 million and unabsorbed tax depreciation amounting to ₹2,489.34 million as on March 31, 2022. The unused tax losses expire in 8 years and may not be used to offset taxable income by the Company. Unabsorbed tax depreciation does not have any expiry period under the Income Tax Act, 1961. The Company neither has any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognise deferred tax assets of ₹1,076.28 million on these unused carried forward tax losses and unabsorbed depreciation. Hence, deferred tax asset is recognised to the extent of deferred tax liabilities.

### Unused business tax losses will expire as per below table:

(₹ in Million)

Assessment Year	Amount
2014-15 (Expiring on March 31, 2023)	26.72
2015-16 (Expiring on March 31, 2024)	267.36
2016-17 (Expiring on March 31, 2025)	233.86
2017-18 (Expiring on March 31, 2026)	315.66
2018-19 (Expiring on March 31, 2027)	258.14
2021-22 (Expiring on March 31, 2030)	685.30
<b>Total Business Loss</b>	<b>1,787.04</b>

#PT Sari Burger Indonesia ("BK Indonesia") has unused carried forward business tax losses amounting to ₹1,795.51 million as on December 31, 2021. The unused tax losses expire in 5 years and may not be used to offset taxable income by BK Indonesia. BK Indonesia neither has any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, BK Indonesia has determined that it cannot recognise deferred tax assets of ₹395.01 million on these unused carried forward tax losses. Hence, deferred tax asset is recognised to the extent of deferred tax liabilities

### Unused business tax losses will expire as per below table:

(₹ in Million)

Expiring on	Amount
December 31, 2022	11.11
December 31, 2024	44.57
December 31, 2025	864.00
December 31, 2026	875.83
<b>Total Business Loss</b>	<b>1,795.51</b>

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 33: EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the loss attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in Million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Loss attributable to equity holders:</b>		
Loss attributable to equity holders for basic EPS	(1,959.28)	(2,458.12)
	<b>(1,959.28)</b>	<b>(2,458.12)</b>
<b>Loss attributable to equity holders adjusted for the effect of dilution</b>		
Weighted average number of Equity shares for basic EPS	396,884,513	318,123,007
Effect of dilution:		
Share options under ESOP	3,833,278	2,540,570
Weighted average number of Equity shares adjusted for the effect of dilution	400,717,791	320,663,577
<b>Basic EPS (in ₹)</b>	<b>(4.94)</b>	<b>(7.73)</b>
<b>Diluted EPS (in ₹)</b>	<b>(4.94)</b>	<b>(7.73)</b>

Potential equity shares are anti dilutive and hence the effect of anti dilutive potential equity shares is ignored in calculating diluted earning per share.

### NOTE 34 : EMPLOYEE BENEFITS

#### (a) Defined Contribution Plans

The Group has recognised following amounts as expense in the Statement of Profit and Loss:

(₹ in Million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contribution to provident fund and other funds	159.14	126.00
	<b>159.14</b>	<b>126.00</b>

#### (b) Defined Benefit Plans

##### (i) Gratuity :

Gratuity liability pertains to the Company and is a defined benefit scheme. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Gratuity liability is unfunded. The cost of providing benefits under this plan is determined on the basis of an actuarial valuation done.

##### (ii) Pension benefit :

Pension liability pertains to BK Indonesia and is a defined benefit scheme. It is governed by government regulation UU 13 Tahun 2003 (in force) and PP 35 Tahun 2021 (to be implemented in Sept, 2022). As per regulation, all permanent employees are entitled to specific benefit. The level of benefit provided depends on member's length of service and salary at retirement age. The Pension benefit is unfunded. The cost of providing benefits under this plan is determined on the basis of an actuarial valuation done.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### Changes in the present value of the defined benefit obligation are, as follows:

(₹ in Million)

Particulars	Pension (PT Sari Burger Indonesia)		Gratuity (Company)	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>I Change in present value of defined benefit obligation during the year</b>				
1. Present Value of defined benefit obligation at the beginning of the year	118.60	80.83	47.39	34.98
2. Interest cost	8.00	7.28	2.64	1.91
3. Current service cost	24.53	21.65	14.24	13.46
4. Past Service Cost - Plan Amendment	(23.95)	-	-	-
5. Benefit Paid Directly by the Employer	(4.60)	(2.23)	(4.96)	(1.96)
6. Experience Adjustments on Obligation	(7.64)	(4.40)	-	-
7. Actuarial changes arising from changes in demographic assumptions	-	-	0.02	-
8. Actuarial changes arising from changes in financial assumptions	2.16	8.74	(3.48)	(0.66)
9. Actuarial changes arising from changes in experience adjustments	-	-	10.23	(0.34)
10. Exchange rate difference	5.95	-6.73	-	-
<b>11. Present Value of defined benefit obligation at the end of the year</b>	<b>123.05</b>	<b>118.60</b>	<b>66.08</b>	<b>47.39</b>
<b>II Net liability recognised in the balance sheet</b>				
1. Present Value of defined benefit obligation at the end of the year	123.05	118.60	66.08	47.39
2. Fair value of plan assets at the end of the year	-	-	-	-
<b>3. Net liability recognised in balance sheet</b>	<b>123.05</b>	<b>118.60</b>	<b>66.08</b>	<b>47.39</b>
<b>Current</b>	<b>18.63</b>	<b>4.30</b>	<b>4.08</b>	<b>2.35</b>
<b>Non-current</b>	<b>104.42</b>	<b>114.30</b>	<b>62.00</b>	<b>45.04</b>

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021	For the year ended March 31, 2022	
			For the year ended March 31, 2022	For the year ended March 31, 2021
<b>III Expenses recognised in the statement of profit and loss for the year</b>				
1. Current service cost	24.53	21.65	14.24	13.46
2. Past Service Cost - Plan Amendment	(23.95)	-	-	-
2. Interest cost on benefit obligation	8.00	7.28	2.64	1.91
3. Benefit Paid Directly by the Employer	(4.60)	(2.23)	-	-
<b>3. Total expenses included in employee benefits expense</b>	<b>3.98</b>	<b>26.70</b>	<b>16.88</b>	<b>15.37</b>

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021	For the year ended March 31, 2022	
			For the year ended March 31, 2022	For the year ended March 31, 2021
<b>IV Recognised in other comprehensive income for the year</b>				
1. Experience Adjustments on Obligation	(7.64)	(4.40)	-	-
2. Actuarial changes arising from changes in demographic assumptions	-	-	0.02	-
3. Actuarial changes arising from changes in financial assumptions	2.16	8.74	(3.48)	(0.66)
4. Actuarial changes arising from changes in experience adjustments	-	-	10.23	(0.34)
<b>5. Recognised in other comprehensive income</b>	<b>(5.48)</b>	<b>4.34</b>	<b>6.77</b>	<b>(1.00)</b>

(₹ in Million)

Particulars	Pension (PT Sari Burger Indonesia)		Gratuity (Company)	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>V Maturity profile of defined benefit obligation</b>				
Maturity <= 1 year	18.63	4.30	4.08	2.35
Maturity > 1 year and <= 5 years	54.24	72.00	23.96	15.77
Maturity > 5 year and <= 10 years	80.06	78.59	19.92	14.33
Maturity > 10 years	1,479.93	1,737.04	-	-
<b>VI Quantitative sensitivity analysis for significant assumption is as below:</b>				
1. Increase/(decrease) on present value of defined benefits obligation at the end of the year				
(i) One percentage point increase in discount rate	(112.49)	(111.50)	(5.93)	(4.54)
(ii) One percentage point decrease in discount rate	130.55	130.49	7.16	5.52
(i) One percentage point increase in rate of salary Increase	132.57	132.47	7.02	5.39
(ii) One percentage point decrease in rate of salary Increase	(110.70)	(109.74)	(5.94)	(4.53)
(i) One percentage point increase in employee turnover rate	-	-	(1.22)	(1.27)
(ii) One percentage point decrease in employee turnover rate	-	-	1.34	1.41

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### 2. Sensitivity Analysis Method

The sensitivity analysis is determined based on reasonably possible changes of the assumptions occurring at the end of the year, while holding other assumptions constant.

Particulars	Pension (BK Indonesia)		Gratuity (Company)	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>VII Actuarial assumptions</b>				
1. Discount rate	7.00%	7.25%	6.09%	5.58%
2. Salary escalation	6.00%	6.00%	7.00%	7.00%
3. Mortality rate during employment	Indonesia Mortality Table 2019 (TMI IV)	Indonesia Mortality Table 2019 (TMI IV)	Indian Assured Lives Mortality 2012-14 Urban	Indian Assured Lives Mortality 2006-08 Ultimate
4. Mortality post retirement rate	N.A	N.A	N.A	N.A
5. Rate of Employee Turnover	10% up to age 25 years then reducing linearly 0% at 56 and thereafter	10% up to age 25 years then reducing linearly 0% at 56 and thereafter	<b>Operations :-</b> Service < 5 yrs - 35% Service >=5 yrs & <= 10 yrs - 15% Service >= 11 yrs - 5% <b>Restaurant Support Centre:-</b> Service < 5 yrs - 15% Service >= 5 yrs - 5%	<b>Operations :-</b> Service < 5 yrs - 35% Service >=5 yrs & <= 10 yrs - 15% Service >= 11 yrs - 5% <b>Restaurant Support Centre:-</b> Service < 5 yrs - 15% Service >= 5 yrs - 5%
6. Retirement age	57 years	57 years	58 years	58 years

#### Notes :

- The actuarial valuation of the defined benefit obligation were carried out at March 31, 2022. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.
- Discount rate is based on the prevailing market yields of Indian/Indonesian Government securities as at the balance sheet date for the estimated term of the obligations.
- The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.
- The average duration of the defined benefit plan obligation:
  - The Company: March 31, 2022: 11 years (March 31, 2021: 12 years)
  - PT Sari Burger Indonesia (Subsidiary): March 31, 2022: 12.30 years (March 31, 2021: 12.40 years)

### NOTE 35 : RELATED PARTY TRANSACTIONS

#### Names of related parties and related party relationship

##### Related parties where control exists

Holding company	QSR Asia Pte. Ltd.
Holding company of QSR Asia Pte. Ltd.	F&B Asia Ventures (Singapore) Pte. Ltd.
Ultimate Holding Company	F&B Asia Ventures Ltd. (Mauritius)
Fellow Subsidiary Company	QSR Indoburger Pte. Ltd

##### Other related parties with whom transactions have taken place during the year

Enterprises over which Key Management Personnel are able to exercise control	Tagtaste Foods Private Limited
--	--------------------------------

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### Key management personnel

#### Directors

Mr. Rajeev Varman (Whole-time Director & Chief Executive Officer)  
Mr. Ajay Kaul (Non Executive Director)  
Mr. Jaspal Singh Sabharwal (Non Executive Director)  
Mr. Amit Manocha (Non Executive Director)  
Mr. Shivakumar Dega (Chairman & Independent Director)  
Mrs. Tara Subramaniam (Independent Director)  
Mr. Sandeep Chaudhary (Independent Director)  
Mr. Peter Perdue (upto October 29, 2021)  
Mr. Ekrem Ozer (w.e.f October 29, 2021 uptill January 28, 2022)  
Mr. Rafael Odorizzi De Oliveira (Non Executive Director) (w.e.f February 03, 2022)

#### Chief Financial Officer

Mr. Sumit Zaveri

#### Company Secretary

Ms. Madhulika Rawat (w.e.f Oct 26, 2020)  
Ms. Ranjana Saboo (Uptill Aug 31, 2020)

#### Relative of Key management personnel

Mrs. Prayerna Kaul

### (I) Transactions with related parties

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
	(₹ in Million)	
<b>(a) Investment in equity in PT Sari Burger Indonesia</b>		
Purchase of shares from QSR Indoburger Pte. Ltd.	-	5,989.37
<b>(b) Remuneration to Key management personnel *</b>		
Mr. Rajeev Varman	71.34	69.75
Ms. Ranjana Saboo	-	1.69
Mr. Sumit Zaveri	31.61	17.18
Ms. Madhulika Rawat	3.93	1.50
<b>Above remuneration includes:</b>		
<b>(c) Compensation of key management personnel of the Group</b>		
Short-term employee benefits	0.13	(0.29)
Post-employment gratuity	0.35	0.22
Share-based payment transactions	23.27	39.19
*The amounts disclosed in the table are the amounts recognised as an expense during the reporting year related to key management personnel.		
<b>(d) Directors' sitting fees</b>		
Mrs. Tara Subramaniam	0.96	0.47
Mr. Shivakumar Pullaya Dega	0.71	0.47
Mr Sandeep Chaudhary	0.49	0.36
<b>(e) Management services</b>		
Tagtaste Foods Private Limited	3.30	-
<b>(f) Borrowings taken / (repaid)*</b>		
QSR Indoburger Pte. Ltd	(378.92)	339.48
Mr. Ajay Kaul	(36.09)	16.51
Mrs. Prayerna Kaul	(36.79)	16.83

\* Inclusive of interest/premium



## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### (II) Outstanding balances with related parties:

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
<b>(a) Trade Payables</b>		
QSR Asia Pte. Ltd.	-	60.93
<b>(b) Borrowings</b>		
QSR Indoburger Pte. Ltd	-	334.59
Mr. Ajay Kaul	-	16.27
Mrs. Prayerna Kaul	-	16.59
<b>(c) Other Financial Liabilities-Towards acquisition of Subsidiary</b>		
QSR Indoburger Pte. Ltd.	-	5,989.37

### NOTE 36 : SHARE-BASED PAYMENTS

#### 1. The expense recognised for employee services received during the year is shown in the following table:

(₹ in Million)

Particulars	The Company		BK Indonesia		Total	
	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Expense arising from equity-settled share-based payment transactions	38.12	82.30	(43.03)	13.76	(4.91)	96.06
Expense arising from cash-settled share-based payment transactions	-	-	139.40	37.96	139.40	37.96
Total expense arising from share-based payment transactions	38.12	82.30	96.37	51.72	134.49	134.02

#### A. The Company:

The Company provides share-based payment schemes to its senior executives.

On September 21, 2015, the board of directors approved the Equity Settled 'Employees Stock Option Scheme 2015' (Scheme 2015) (as last amended vide shareholders' resolution dated November 13, 2020) for issue of stock options to the key employees of the Company.

The ESOS 2015 was amended to increase the exercise period from 12 months to 24 months for the options vesting on the completion of the Initial Public Offer of the Company vide shareholders' resolution dated November 12, 2020.

#### 2. Additional Grant under ESOP 2015 Scheme (as last amended vide shareholders' resolution dated November 13, 2020)

(₹ in Million)

	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V
No. of options Granted	3,416,608	3,549,108	378,571	18,929	757,142
No. of options exercised	1,584,596	-	-	9,464	-
No. of options lapsed	331,252	-	-	-	-
Grant Date	01-07-19	30-08-19	26-09-19	05-02-20	16-07-21
Weighted average exercise price	52.83	52.83	52.83	52.83	53.00

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

(₹ in Million)

	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V
Market Price on the date of grant	52.83	52.83	52.83	52.83	166.25
Weighted average Fair Value on grant date of the option	15.34	17.38	15.48	14.35	122.89
Vesting Period	The Stock Options, subject to the ESOS 2015 (as amended form time to time), shall vest as follows: 50% on Initial Public Offering subject to a minimum of 1 year from the grant date or 3 years from the grant date, whichever is earlier. 50% on 3 years from Grant Date.	The Stock Options, subject to the ESOS 2015 (as amended form time to time), shall vest as follows: 50% on Initial Public Offering subject to a minimum of 1 year from the grant date or 3 years from the grant date, whichever is earlier. 50% on 3 years from Grant Date.	The Stock Options, subject to the ESOS 2015 (as amended form time to time), shall vest as follows: 50% on Initial Public Offering subject to a minimum of 1 year from the grant date or 3 years from the grant date, whichever is earlier. 50% on 5 years from Grant Date.	The Stock Options, subject to the ESOS 2015 (as amended form time to time), shall vest as follows: 50% on Initial Public Offering subject to a minimum of 1 year from the grant date or 3 years from the grant date, whichever is earlier. 50% on 3 years from Grant Date.	3 years from grant date
Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled
Exercise Period	Vested Options may be exercised for equity shares within 2 years of the vesting date for 50% vesting on Initial Public offering and 1 year of the vesting date for balance 50%	Vested Options may be exercised for equity shares within 2 years of the vesting date for 50% on Initial Public offering and 1 year of the vesting date for balance 50%	Vested Options may be exercised for equity shares within 2 years of the vesting date for 50% on Initial Public offering and 1 year of the vesting date for balance 50%	Vested Options may be exercised for equity shares within 1 year of the vesting date.	Vested Options may be exercised for equity shares within 1 year of the vesting date.

The weighted average remaining contractual life for the share options outstanding as at March 31, 2022 is 1.50 years (March 31, 2021 is 1.32 years)

The weighted average fair value of the option granted during the year ended March 31, 2022 is ₹122.89

(₹ in Million)

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
<b>Movements during the year</b>		
Outstanding at April 1	7,162,738	7,344,287
Granted during the year	757,142	-
Exercised during the year	(1,285,280)	(105,834)
Exercised and pending allotment during the year	(202,946)	-
Lapsed during the year	(236,608)	(75,715)
<b>Outstanding/Exercisable at year</b>	<b>6,195,046</b>	<b>7,162,738</b>

Out of the total options outstanding as on March 31, 2022, 3,823,580 options are unvested at year end and 2,371,466 options are vested but not exercised at year end.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

The following tables list the inputs to the models used for valuation of respective grants dates:

(₹ in Million)

Fair Valuation	Tranche I		Tranche II		Tranche III		Tranche IV		Tranche V
No. of options	1,708,304	1,708,304	1,774,554	1,774,554	189,286.00	189,285.00	9,464.00	9,465.00	757,142
Method Used	Black- Scholes		Black- Scholes		Black- Scholes		Black-Scholes		Black- Scholes
Risk-Free Rate	6.20%	6.51%	5.56%	5.95%	5.61%	6.42%	5.56%	5.95%	5.28%
Option Life (Years)	1.75	3.50	1.59	3.50	1.51	5.50	1.17	3.50	3.50
Expected Volatility	33.32	37.19	33.12	35.99	34.59	36.49	33.12	35.99	38.04
Dividend Yield	0%	0%	0%	0%	0%	0%	0%	0%	0%

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

### B. Subsidiary - PT Sari Burger Indonesia:

- (i) On May 16, 2016, the Chief Executive Officer of BK Indonesia ("BK Indonesia CEO") was granted such number of shares that represent IDR 6,500 million or USD 500,000 at a post-money valuation. The vesting of such issued shares shall occur exactly 3 years, 4 years and 5 years after the CEO's commencement date, with 33.33% of total shares vesting in each period. The aggregate subscription price shall be USD 3. The tranches got due for vesting on May 16 2019, May 16 2020 and May 16 2021. Further, BK Indonesia CEO was granted a notional Equity Option Grant worth USD 500,000, the same being fixed and entitled payout is on the effective% equity upside on the Equity Option Grant amount. (The grant date and vesting date same as above plan) The upside is subject to the Exit Realization, or any M&A transactions. This plan does not result in any pay out if F&B Asia Ventures (Singapore) Pte Ltd. does not make any gains on its total investment in BK Indonesia. The above grants were classified as a share-based reserve. During the year ended March 31, 2022, it was decided that the settlement will happen in cash and hence share based reserve balance was transferred to liabilities and the liability was settled during the year ended March 31, 2022.
- (ii) On September 01, 2015, the Chief Financial Officer of BK Indonesia ("BK Indonesia CFO") was granted equity shares of value USD 200,000 on the same valuation basis as the shareholders equity. Vesting will occur over a five year period or immediately on liquidation of shareholders' equity (in full or proportion to) whichever is earlier. The vesting period over five years comprises one third of the equity grant vesting at the end of years 3, 4 and 5 from the start date. The above grants were classified as a share-based reserve. During the year ended March 31, 2022, it was decided that the settlement will happen in cash and hence share based reserve balance was transferred to liabilities and the liability was settled during the year ended March 31, 2022.
- (iii) For Leadership Team Members ("LT") in BK Indonesia:  
The leadership team members will receive his/her respective incentive amount which will vest on expiry of 4 years (5 years in case of 1 employee) from date of grant. BK Indonesia will make the incentive payment as multiple of the incentive amount to the employee on the occurrence of liquidity event. If liquidity event happens before 4 years/5 years from grant date, the incentive amount will vest 100%. Multiple is based on the multiple on invested capital (MoIC) of F&B Asia Ventures (Singapore) Pte Ltd. investment in BK Indonesia. The incentive will be paid out in the form of cash, therefore the same are recognized as provision instead of share-based payments, and based on the par value of their respective incentive amount. The liability was settled in March 2022.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 37 : COMMITMENTS AND CONTINGENCIES

#### a. Commitments : Estimated amount of contracts remaining to be executed on capital account and not provided for

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	355.45	95.49

#### b. Contingent Liabilities

The Company believes that there is no impact of retrospective applicability of the Supreme Court (SC) judgement on definition of basic wages for PF contributions. The Company has complied with the Supreme Court (SC) judgement on prospective basis.

### NOTE 38 : CAPITALIZATION OF PRE-OPERATIVE EXPENDITURE

During the year, the Group has capitalized the following expenses as pre-operative expenses. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Group.

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Salary, Bonus and Allowances	59.84	34.05
Rates and taxes	5.33	1.04
Legal and Professional Fees	0.51	1.33
Power and Fuel	1.38	2.95
Rent	3.03	2.89
Miscellaneous Expenses	4.47	4.47
	<b>74.56</b>	<b>46.73</b>

### NOTE 39: BUSINESS COMBINATION

- i. During the year ended March 31, 2022, the Company acquired controlling stake of 87.75% in PT Sari Burger Indonesia ("BK Indonesia") on March 9, 2022 as per the terms of the sale and purchase agreement executed by and amongst the Company, QSR Indoburger Pte. Ltd. ("QSR Indo"), PT Mitra Adiperkasa TBK ("MAP"), F&B Asia Ventures (Singapore) Pte. Ltd. ("F&B Asia") and BK Indonesia on December 16, 2021 and the Share Subscription cum Shareholders' Agreement executed between the Company, MAP and BK Indonesia on December 16, 2021, as amended ("SSHA") on March 8, 2022 as per below:

- purchase of 416,796 equity shares from QSR Indo and MAP for an aggregate amount of INR7,507.31 million; and
- subscribe to 184,346 fresh equity shares of BK Indo for an aggregate amount of Rs. 3,323.52 million

in the manner as determined pursuant to the SPA and on such terms and conditions as agreed in the SSHA. Further, the Company through the SSHA has the right to appoint majority of the seats on Board and accordingly have ability to direct the relevant activities of BK Indonesia.

Consequently, BK Indonesia has become a subsidiary of the Company.

Prior to Qualified Institutional Placement ("QIP") and acquisition of controlling stake in BK Indonesia, QSR Asia Pte Ltd ("QSR Asia") held a controlling stake of 52.52% in the Company and QSR Indo held a controlling stake of 66.48% in BK Indonesia. QSR Indo and QSR Asia were ultimately controlled by F&B Asia Ventures Limited. Accordingly, BK Indonesia and the Company were considered to be under common control.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

Post QIP as on March 31, 2022, QSR Asia stake in the Company reduced to 40.96% in the Company but continued to exercise de-facto control.

In assessment of de-facto control the Company has considered the following factors:

- (i) As per Articles of Association ('AOA') of the Company, QSR Asia has right to nominate 4 directors so long as QSR Asia continues to hold at least 40% of total share capital of the Company and 3 directors if it continues to hold 25% of total share capital of the Company.
- (ii) Further as per the AOA until such time QSR Asia continues to remain promoter of the Company, it shall have a right to appoint the chief executive officer of the Company who shall hold office as a whole time director. Accordingly, QSR Asia has 5 directors out of current board composition of 8 directors, thereby holding majority of the seats on Board of the Company. Any alteration in right of QSR Asia to appoint directors, which were conferred on it by virtue of AOA of the Company, will require special resolution in the shareholders meeting. Considering the shareholding of QSR Asia in the Company post QIP, it will be able to control the outcome of special resolution.
- (iii) There are no contractual arrangements between any of shareholders (including QIP shareholders) of the Company which gives them rights, power or any commitment to act on behalf of other shareholders. None of shareholders including the prospective QIP shareholders are expected to vote in concert.
- (iv) No special rights have been granted to any shareholders.
- (v) Based on the historical voting pattern in shareholders meeting of the Company, QSR Asia is expected to have majority votes at the shareholders meeting.
- (vi) As per the master franchise agreement, the Company has right to use the Burger King brand until QSR Asia is a substantial shareholder of the Company. The right to use Burger King brand is critical for ongoing operations of the Company.

Considering above and based on best estimate and judgment of the management considering all information / understanding available, the management of the Company has assessed the following:

- (i) QSR Asia right to appoint directors remains the same as pre QIP
- (ii) If Board composition increases beyond current 8 directors, post QIP for any reason, which in management estimate is highly unlikely to happen immediately, substantial period is expected to elapse for effecting any proposed change in Board composition
- (iii) QSR Asia is expected to have majority votes in the shareholders meeting based on the historical voting pattern in shareholders meeting of the Company
- (iv) As per the master franchise agreement with QSR Asia, the Company has right to use the Burger King brand until QSR Asia is a substantial shareholder of the Company. The right to use Burger King brand is critical for ongoing operations of the Company. Based on best estimate and judgment of the management considering all information / understanding available, the management believes that QSR Asia will continue to be substantial shareholder of the Company.

Considering all of the above, the Company has assessed that QSR Asia continues to have power and de-facto control over the Company post QIP, even without having overall majority of shareholding and voting power.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

The assessment of de facto control and conclusion thereon requires significant judgement and estimate, and the conclusion is drawn based on current facts and circumstances as described above. The management of the Company will re-assess the conclusion arrived at each reporting period or as and when circumstances require, to ensure that there are no changes in facts and circumstances considered while assessing de-facto control. The impact of changes in facts and circumstances, if any, on assessment of de facto control, etc., will be assessed appropriately in the period when changes occur.

Basis assessment carried above, the Company and BK Indonesia are ultimately controlled by the same party (i.e., F&B Asia Ventures Limited) both before and after the business combination and the control is not transitory. Therefore, the acquisition of BK Indonesia by the Company is concluded as common control business combination accounted using pooling of interest method as per Appendix C of Ind AS 103.

In accordance with Appendix C of Ind AS 103, the comparatives in the financial statements in respect of prior periods has been restated as if the business combination had occurred from the beginning of the preceding period i.e. April 01, 2020, irrespective of the actual date of the combination. Consequently, the Company has restated the preceding period to the extent of shareholding acquired from QSR Indo i.e. 66.48%, being the shares held under common control.

Accordingly, as at April 1, 2020:

- (i) the assets and liabilities of BK Indonesia the are recognised at their carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities.
- (ii) the only adjustments that are made are to harmonise accounting policies.
- (iii) the components of equity of BK Indonesia are added to the same components within the Company's equity.  
  
the difference, if any, between the consideration paid in the form of cash and the amount of share capital of BK Indonesia is transferred to capital reserve.

### ASSETS ACQUIRED AND LIABILITIES ASSUMED

The carrying values of the identifiable assets and liabilities of BK Indonesia as at April 1, 2020 were:

Particulars	(₹ in Million)
Property, plant and equipment	3,117.93
Right-of-use assets	1,155.96
Capital work-in-progress	115.58
Intangible assets	108.22
Income tax assets (net)	2.58
Inventories	139.15
Trade receivables	101.80
Cash and cash equivalents	135.86
Other financial assets	174.50
Other assets	351.74
<b>Total assets (a)</b>	<b>5,403.32</b>
Borrowings	1,340.29
Lease Liabilities	779.32
Provisions	206.78
Other liabilities	94.55
Trade payables	1,420.32
Other financial liabilities	243.52
<b>Total liabilities (b)</b>	<b>4,084.78</b>

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

Particulars	(₹ in Million)
<b>Net Assets (c)=(a)-(b)</b>	<b>1,318.54</b>
Other equity (debit balance) (d)	791.01
<b>Net Assets including reserves (e)=(c)+(d)</b>	<b>2,109.55</b>
<b>Consideration paid (f)</b>	<b>5,989.37</b>
<b>NCI (g)</b>	<b>569.67</b>
<b>Capital Reserve on Consolidation (h)=(f)+(g)-(e)</b>	<b>4,449.49</b>

- I. The shares acquired from MAP has been considered part of the minority interest until the actual date of transaction. Since the acquisition of minority interest shares was close to the year end, the movement from non-controlling interest to equity was accounted based on the financial position as on March 31, 2022.
- II. BK Indonesia established a wholly owned subsidiary PT Sari Chicken Indonesia vide Notarial deed dated March 22, 2022 and same was approved by the Minister of Law and Human Rights in decision on March 29, 2022. However, there has neither been any capital subscription nor any financial transaction in PT Sari Chicken Indonesia till date.

### NOTE 40 : FAIR VALUES OF FINANCIAL INSTRUMENTS

The fair values of financial instruments is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

#### a. Fair value hierarchy

The Group categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 — Quoted prices (unadjusted) market prices in active markets for identical assets or liabilities
  - Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
  - Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
- Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

- b. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments:

Particulars	Carrying value		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Financial assets measured at amortised cost</b>				
Security deposits	444.51	402.77	444.51	402.77
Loan to employees	5.67	3.36	5.67	3.36
Bank deposits	0.68	0.25	0.68	0.25
Trade receivables	134.12	85.60	134.12	85.60
Cash and cash equivalents	1,853.91	864.56	1,853.91	864.56
Bank balances other than cash and cash equivalents	918.38	1,912.28	918.38	1,912.28
Other financial assets	104.71	98.99	104.71	98.99

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

Particulars	Carrying value		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Financial assets at fair value through profit or loss</b>				
Investments	4,022.58	1,242.86	4,022.58	1,242.86
<b>Total</b>	<b>7,484.56</b>	<b>4,610.67</b>	<b>7,484.56</b>	<b>4,610.67</b>
<b>Financial liabilities measured at amortised cost</b>				
Borrowings	1,419.36	2,443.89	1,419.36	2,443.89
Trade payables	2,587.41	2,455.76	2,587.41	2,455.76
Other financial liabilities	737.43	6,251.02	737.43	6,251.02
<b>Total</b>	<b>4,744.20</b>	<b>11,150.67</b>	<b>4,744.20</b>	<b>11,150.67</b>

The management assessed that cash and cash equivalents, trade receivables, bank deposits, Bank balances other than cash and cash equivalents, other financial assets, borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values for security deposits is calculated based on cash flows discounted using risk adjusted discounting rates currently available for debt on similar terms, credit risk and remaining maturities.

It is classified as level 3 fair value hierarchy due to the inclusion of unobservable inputs.

The fair value of unquoted mutual fund investment is calculated based on the Net Assets value on reporting date and it is classified as level 2 fair value hierarchy since NAV quotes are obtainable from Mutual fund.

### NOTE 41 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and foreign currency risk. The following sections provide details regarding the Group's exposure to the above—mentioned financial risks and the objectives, policies and processes for the management of these risks.

#### (a) Credit risk

Credit risk is the risk of loss that may arise on the outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from deposits with landlords for store properties taken on leases and other receivables including receivables from vendors, investment in mutual funds and balances with banks. There is no significant concentration of credit risk. For Investment in mutual funds and cash and bank balances, the Group minimises credit risk by dealing with high credit rating parties.

#### Trade receivables:

The Group's business is predominantly retail in nature on 'cash and carry' basis which is largely through cash and credit card collections. The credit risk on such credit card collections is minimal, since they are primarily owned by customers' card issuing banks. The Group also carries credit risk on lease deposits with landlords for store properties taken on leases, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. No allowance for collective impairment was made based on past experience (Refer Note 11)

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### Financial instruments and Cash deposits:

Credit risk from balances with banks and financial institutions is managed in accordance with the Group's policy. Investments of surplus funds in mutual funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. (Refer Note 6, 7 and 10 to 14)

### Credit risk concentration:

The Group's revenue is principally settled on cash terms or through credit cards, thus there are no significant past due balances in the Group's trade receivables. The Group's customers are walk-in whose individual annual expenditure at the Group's establishments does not constitute a substantial percentage relative to the Group's revenue. Other receivables consist mainly of deposits placed with well-established and reputable lessors for lease of retail space.

The Group's maximum exposure to credit risk for the components of the balance sheet is the carrying amount as provided in Note no 6, 7, 10 to 14.

### (b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. The Group's operations are financed through internally generated funds, external borrowings and issue of shares. During the year ended March 31, 2022, the Company raised ₹14,021.04 million through issue of shares to Qualified Institutional buyers.

The table below summarises the maturity profile of the Group's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

(₹ in Million)

Particulars	March 31, 2022			March 31, 2021		
	Payable on demand	<1 yrs.	>1 yrs.	Payable on demand	<1 yrs.	>1 yrs.
Trade payables	-	2,587.41	-	-	2,455.76	-
Other financial liabilities	-	737.43	-	-	6,251.02	-

For maturity profile of Borrowings, Refer Note 18

For maturity profile of lease liabilities, Refer Note 19

### (c) Foreign Currency risk

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee

The following table shows foreign currency exposure of US dollars converted to ₹ at the end of respective reporting period.

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Trade payables	94.00	37.77

### (d) 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 Group's exposure to the risk of changes in market interest rates.

With all other variables held constant, the Group's loss after tax is impacted through floating rate borrowings.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### Interest rate sensitivity

Year	Increase/decrease in basis points	(₹ in Million)	
		Effect on loss before tax	
March 31, 2022	+10	(1.68)	
March 31, 2022	-10	1.68	
March 31, 2021	+10	(1.69)	
March 31, 2021	-10	1.69	

### NOTE 42: CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group.

The primary objective of the Group's capital management is to ensure it maintains sufficient cash in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2022.

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
	₹ in Million	₹ in Million
Total Borrowings	1,419.36	2,443.89
Less : Cash and cash equivalents	1,853.91	864.56
Net Debt	(434.55)	1,579.33
Equity and Liabilities	10,682.48	1,100.71
Debt to equity ratio	-*	1.43

\*Since Net debt is negative as on March 31, 2022, debt to equity ratio has not been disclosed

### a) Utilisation of IPO proceeds

(₹ in Million)

Objects of the issue as per prospectus	Net proceeds as per prospectus	Revised net proceeds	Utilisation upto March 31, 2022	Unutilised amounts as on March 31, 2022
Repayment or prepayment of outstanding borrowings of the Company obtained for setting up of new Company owned Burger King restaurants	1,649.79	1,649.79	1,649.79	-
Capital expenditure incurred for setting up of new Company owned Burger King Restaurants	1,770.00	1,770.00	906.61	863.39
General corporate purposes	711.70	726.08	700.62	25.46
<b>Total</b>	<b>4,131.49</b>	<b>4,145.87</b>	<b>3,257.02</b>	<b>888.85</b>

During the year ended March 31, 2022, the actual offer expenses (Company's share) were concluded at ₹354.13 million as against original projected offer expenses of ₹368.51 million, pursuant to which the unutilised portion of offer expenses of ₹14.38 million has been added to the net proceeds for General corporate purposes resulting in balance available for utilisation being revised to ₹726.08 million.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

IPO Proceeds which were unutilised as at March 31, 2022 were temporarily invested in deposits with scheduled commercial banks and balance amount was kept in public issue and monitoring agency bank accounts.

### b) Utilisation of QIP proceeds

During the year ended March 31, 2022, the Company has issued 108,480,018 fully paid up equity shares to Qualified Institutional Buyers in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. These shares were issued at a price of ₹129.25 per share (including securities premium of ₹119.25 per share) for an aggregate consideration of ₹14,021.04 million.

Particulars	(₹ in Million)
Gross QIP Proceeds	14,021.04
Less: Issue Expenses	(412.16)
<b>Net Proceeds</b>	<b>13,608.88</b>

#### Utilisation:

Funding the acquisition in PT Sari Burger Indonesia for supporting any of its business requirements, business expansion plans and acquisition of any other business/asset/brand.

### NOTE 43: SEGMENT INFORMATION

The Chief Executive Officer (CEO) of the Company has been identified as Chief Operating Decision Maker ("CODM") of the Group who evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by reportable segments. CODM reviews the operating results of the business based on geographical areas for the purpose of making decisions about resource allocation and performance assessment and therefore, the Group believes that there are two reportable segment i.e. India and Indonesia both of which derive revenue from "Restaurant and management". Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial results.

The revenues from transactions with a single customer does not exceed 10 percent or more of the Group's revenue.

Particulars	Year ended	
	March 31, 2022 Audited	March 31, 2021 Audited
<b>Segment Revenue</b>		
- India	9,437.09	4,944.54
- Indonesia	5,465.64	5,095.07
<b>Total Segment Revenue</b>	<b>14,902.73</b>	<b>10,039.61</b>
<b>Segment Results</b>		
- India	901.71	149.87
- Indonesia	63.64	99.63
<b>Total Segment Results</b>	<b>965.35</b>	<b>249.50</b>
<b>Finance Cost</b>		
- India	(679.53)	(821.21)
- Indonesia	(274.05)	(223.20)
<b>Depreciation and amortisation expenses</b>		
- India	(1,356.95)	(1,275.45)
- Indonesia	(978.89)	(1,013.69)

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

Particulars	Year ended	
	March 31, 2022 Audited	March 31, 2021 Audited
<b>Other Income</b>		
- India	205.30	284.78
- Indonesia	19.08	55.74
<b>Exceptional items</b>		
- India	-	(77.11)
- Indonesia	-	-
- Unallocated exceptional items	(251.85)	-
<b>Total Loss before tax</b>	<b>(2,351.54)</b>	<b>(2,820.64)</b>
<b>Segment Assets</b>		
- India	17,816.91	14,282.10
- Indonesia	6,004.43	5,351.84
<b>Total Segment Assets</b>	<b>23,821.34</b>	<b>19,633.94</b>
<b>Segment Liabilities</b>		
- India	9,396.55	7,547.39
- Indonesia	3,742.31	4,996.47
- Unallocated corporate liabilities	-	5,989.37
<b>Total Segment Liabilities</b>	<b>13,138.86</b>	<b>18,533.23</b>
<b>Non-Current Assets</b>		
- India	22,973.75	10,179.62
- Indonesia	3,932.88	4,350.89
<b>Total Non-Current Assets</b>	<b>26,906.64</b>	<b>14,530.51</b>

### NOTE 44 ADDITIONAL INFORMATION ON THE ENTITIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Name of the entity in the Group	Net Assets ie total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As% of consolidated net assets	Amount	As% of consolidated profit or loss	Amount	As% of consolidated other comprehensive income	Amount	As% of consolidated total comprehensive income	Amount
<b>Parent</b>								
Restaurant Brands Asia Limited	182.57%	19,503.04	47.44%	(929.46)	13.15%	(6.77)	46.56%	(936.23)
<b>Foreign Subsidiaries</b>								
PT Sari Burger Indonesia	21.18%	2,262.20	59.73%	(1,170.23)	-12.83%	6.60	57.87%	(1,163.63)
PT Sari Chicken Indonesia	-	-	-	-	-	-	-	-
<b>Others</b>								
Non-controlling interests	-2.59%	(277.13)	-20.02%	392.26	7.90%	(4.07)	-19.31%	388.19
Consolidation adjustments/ Eliminations	-101.15%	(10,805.63)	12.85%	(251.85)	91.75%	(47.23)	14.87%	(299.08)
<b>Total</b>	<b>100.00%</b>	<b>10,682.48</b>	<b>100.00%</b>	<b>(1,959.28)</b>	<b>100.00%</b>	<b>(51.47)</b>	<b>100.00%</b>	<b>(2,010.75)</b>

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 45: GOING CONCERN

During the year ended March 31, 2022, the Group has incurred total comprehensive loss of ₹2,010.75 million (March 31, 2021: ₹2,383.49 million). The accounts of the Group for the above periods have been prepared on the basis of going concern, as the management is confident that the performance of the Group will improve in the upcoming years. The Group has a positive net worth of ₹10,682.48 million as at March 31, 2022. The Group is therefore considered as a going concern and accordingly, the financial statements have been prepared based on going concern assumption.

### NOTE 46: EXCEPTIONAL ITEMS

- During the year ended March 31, 2022, the Group has recognised acquisition related cost amounting to ₹251.85 million in the statement of profit and loss in accordance with Ind AS 103 Business combinations.
- The Group operates in QSR Segment, its inventory includes food items which are perishable in nature. Based on the situation of COVID-19 resulting in overall decline in customer frequencies, the Group had provided for food inventory and related commitments amounting to ₹7.50 million and ₹28.80 million for the year ended March 31, 2021 respectively.
- The Group had shut down certain stores, which led to write off of property, plant and equipment amounting to ₹27.83 million for the year ended March 31, 2021.
- The Group had written off assets amounting to ₹20.48 million during the year ended March 31, 2021 owing to change in "Burger King" logo globally"

### NOTE 47: COVID-19

COVID-19 pandemic has had a significant impact on the business operations and the financial results of the Group for the year ended March 31, 2022 and year ended March 31, 2021. The Group has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial results, in determination of the recoverability and carrying value of financial assets and non-financial assets. The impact of the current surge in COVID-19 pandemic on the overall economic environment is uncertain and may affect the underlying assumptions and estimates used to prepare the Group's financial results, whereby actual outcome may differ from those assumptions and estimates considered as at the date of approval of these financial results. The Group will continue to closely monitor any material changes to future economic conditions. The Group continues to take various precautionary measures to ensure health and safety of its customers, employees and their families from COVID-19.

Since Group operates in QSR Segment, its inventory includes food items which are perishable in nature. Based on the situation of COVID-19 resulting in overall decline in customer frequencies, the Group had provided for food inventory and related commitments amounting to ₹28.80 million during the year ended March 31, 2021 (Refer Note 46) Also, the Group has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24<sup>th</sup> July 2020 and subsequently amended on June 8, 2021 in respect of IND- AS 116 for all rent concessions which are granted due to COVID-19 pandemic (Refer Note 26)

### NOTE 48: CODE OF SOCIAL SECURITY

The Code of Social Security 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.

## Notes

Forming part of Consolidated Financial Statements for the year ended March 31, 2022

### NOTE 49: REGROUPINGS / RECLASSIFICATIONS

Previous period/year figures have been re-grouped/re-classified wherever necessary, to confirm to current period's classification and in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 1, 2021.

As per our report of even date attached  
For **S R B C & CO LLP**  
Chartered Accountants  
Firm Registration Number: 324982E/E300003

**per Ravi Bansal**  
Partner  
Membership No: 49365

Place: Mumbai  
Date: May 30, 2022

**For and on behalf of the Board of Directors of  
Restaurant Brands Asia Limited** (formerly known as Burger King India Limited)

**Rajeev Varman**  
Whole-time Director & Chief Executive Officer  
DIN: 03576356  
Place: Mumbai

**Sumit Zaveri**  
Chief Financial Officer

Place: Mumbai  
Date: May 30, 2022

**Shivakumar Dega**  
Director  
DIN: 00364444  
Place: Mumbai

**Madhulika Rawat**  
Company Secretary  
Membership No: F8765

Place: Mumbai

**Tara Subramaniam**  
Director  
DIN: 07654007  
Place: London

**FORM AOC- 1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint Ventures Part a Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in ₹)

Name of the subsidiary	PT Sari Burger Indonesia
The date since when subsidiary was acquired	March 9, 2022
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	January - December
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Currency: Indonesian Rupiah Exchange Rate: Closing Rate: 0.005286 Average Rate: 0.005192
Share capital	3,621.24
Reserves and surplus	(1,359.04)
Total assets	6,004.54
Total Liabilities	6,004.54
Investment	-
Turnover	5,465.64
Profit before taxation	(1,170.22)
Provision for taxation	-
Profit after taxation	(1,170.22)
Proposed Dividend	-
Extent of shareholding	87.75%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: PT Sari Chicken Indonesia\*
- Names of subsidiaries which have been liquidated or sold during the year: N/A

\*Note: PT Sari Burger Indonesia established a wholly owned subsidiary PT Sari Chicken Indonesia vide Notarial deed dated March 22, 2022 and same was approved by the Minister of Law and Human Rights in decision on March 29, 2022. However, there has neither been any capital subscription nor any financial transaction in PT Sari Chicken Indonesia till date.

For and on behalf of the Board of Directors  
**For Restaurant Brands Asia Limited**  
*(formerly known as Burger King India Limited)*

**Rajeev Varman**  
Whole-time Director & Chief Executive Officer  
DIN: 03576356  
Place: Mumbai

**Shivakumar Dega**  
Director  
DIN: 00364444  
Place: Mumbai

**Tara Subramaniam**  
Director  
DIN: 07654007  
Place: London

**Sumit Zaveri**  
Chief Financial Officer  
Place: Mumbai  
Date: May 30, 2022

**Madhulika Rawat**  
Company Secretary  
Membership No: F8765  
Place: Mumbai



**RESTAURANT BRANDS ASIA LIMITED**  
**(Formerly known as Burger King India Limited)**

CIN: L55204MH2013FLC249986

**Registered Office:** Unit Nos.1003 to 1007, 10<sup>th</sup> Floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai - 400 059, Maharashtra, India  
**Website:** [www.burgerking.in](http://www.burgerking.in) | **Tel No.:** +91 22 7193 3000 | **E-mail:** investor@burgerking.in

**NOTICE**

**NOTICE IS HEREBY GIVEN THAT** the Ninth (9<sup>th</sup>) Annual General Meeting ('AGM') of Restaurant Brands Asia Limited ('the Company') will be held on **Wednesday, September 14, 2022 at 4:00 p.m.** Indian Standard Time ('IST') through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') to transact the following business:

**ORDINARY BUSINESS**

- Adoption of Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors along with annexures and the Auditor's thereon and Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the Report of the Auditor's thereon**

To consider and if thought fit, to pass with or without modification(s), the following resolutions as **ORDINARY RESOLUTIONS:**

- "RESOLVED THAT** the Audited Standalone Financial Statements of the Company comprising of the Balance Sheet as at March 31, 2022, the Statement of Profit & Loss and the Cash Flow Statement for the financial year ended on that date together with the Notes forming part thereof and Annexures thereto alongwith the Report of the Board of Directors and Auditor's thereon, be and is hereby approved and adopted."
- "RESOLVED THAT** the Audited Consolidated Financial Statements of the Company comprising of the Balance Sheet as at March 31, 2022, the

Statement of Profit & Loss and the Cash Flow Statement for the financial year ended on that date together with the Notes forming part thereof and Annexures thereto alongwith Auditor's thereon, be and is hereby approved and adopted."

- Re-appointment of Mr. Ajay Kaul (DIN : 00062135), director liable to retire by rotation**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 ('Act') read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Ajay Kaul (DIN : 00062135), who retires by rotation at this Annual General Meeting and being eligible for such re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

By Order of the Board of Directors  
**For Restaurant Brands Asia Limited**  
*(Formerly known as Burger King India Limited)*

**Madhulika Rawat**  
Company Secretary  
Place: Mumbai  
Date: May 30, 2022  
(Membership No. F8765)



**NOTES:**

**1. VIRTUAL 9<sup>TH</sup> AGM OF THE COMPANY:**

Ministry of Corporate Affairs ('MCA') has vide its General Circular nos. 02/2022 dated May 5, 2022 and 21/2021 dated December 14, 2021 read with Circular nos. 02/2021, 20/2020, 17/2020, and 14/2020 dated January 13, 2021, May 5, 2020, April 13, 2020 and April 8, 2020, respectively ('MCA Circulars') permitted to conduct the AGM through VC or OAVM on or before December 31, 2022.

Further, the Securities and Exchange Board of India ('SEBI') vide its circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 read with circular nos. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, had given relaxations under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.r.t. compliances of AGM ('SEBI Circulars').

In view of the aforesaid and in compliance with the MCA Circulars and SEBI Circulars, the 9<sup>th</sup> AGM of the Members of the Company is being held through VC or OAVM.

Accordingly, members are requested to attend and participate in the 9<sup>th</sup> AGM through VC/ OAVM.

The venue of the 9<sup>th</sup> AGM shall be deemed to be the Registered Office of the Company i.e. Unit Nos. 1003 to 1007, 10<sup>th</sup> Floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai - 400 059, Maharashtra. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

**2. EXPLANATORY STATEMENT AS PER SECTION 102 OF THE COMPANIES ACT, 2013 ('ACT'):**

As there is no special business in the Notice of AGM, the statement pursuant to Section 102 of the Act, setting out the material facts in respect of special business is not annexed hereto.

The relevant details with respect of Directors seeking appointment/ re-appointment at the AGM, in terms of regulations 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and clause 1.2.5 of Secretarial Standards on General Meetings, are set out in **Annexure A**, which forms part of this notice.

**3. ELECTRONIC DISPATCH OF ANNUAL REPORT AND NOTICE OF AGM:**

The MCA and SEBI vide its circulars mentioned above has dispensed with the requirement of printing and sending the hard copies of the Annual Report along with AGM Notice and the same shall

be sent through electronic means to the Members whose e-mail addresses are registered with the Company / Registrar and Share Transfer Agent ('RTA') / Depository Participants ('DPs'). Also it is mandated on the part of the Company to give a general newspaper notice to the shareholders informing the following:

- a) Statement that the AGM will be held through electronic means i.e. VC / OAVM
- b) Availability of the AGM notice on the website of the Company and of the Stock Exchanges
- c) Manner of voting through remote e-Voting or e-Voting during the meeting
- d) Manner of registering the email address with the Company
- e) Manner of receiving dividend, if any, directly through ECS or any other means
- f) Any other matter as prescribed

Accordingly, the Annual Report and AGM Notice is being sent to the shareholders through electronic means and the same will be also available on the website of the Company at [www.burgerking.in](http://www.burgerking.in), websites of the Stock Exchanges viz. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of Link Intime India Private Limited ('LIPL' / 'LINKINTIME') at <https://instavote.linkintime.co.in>

**4. ATTENDANCE AT THE AGM:**

- Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- As per the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 9<sup>th</sup> AGM is being held through VC/OAVM as per the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 9<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- Pursuant to the provisions of the Act and the MCA Circulars, Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a copy (PDF/JPG Format) of its Board or Governing Body Resolution/Authorization etc., to the Company Secretary at [investor@burgerking.in](mailto:investor@burgerking.in), authorizing its representative to attend and participate in the AGM through VC / OAVM on its behalf & to vote through e-Voting. The Resolution/ Authorization shall be sent not less than 48 (forty-eight) hours before the commencement of the AGM i.e. by 4:00 p.m. on Monday, September 12, 2022.

- Since the AGM is being held through VC / OAVM, the participation of members will be on first-come-first-serve basis. However, the large shareholders (shareholders holding shares more than 2%), Promoters, Directors, Key Managerial Personnel, the Chairperson of Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Statutory Auditors, etc. are allowed to attend the AGM without the restriction on account of first-come-first-serve basis.

**5. INSPECTION OF DOCUMENTS:**

- All documents referred to in the accompanying Notice shall be available for inspection electronically. The relevant documents will also be available for inspection by the Members electronically during the AGM. Members seeking to inspect such documents can send an email to [investor@burgerking.in](mailto:investor@burgerking.in) with subject line "Inspection of AGM Documents".
- The following documents required to be kept open for inspection by the Members at the AGM in terms of the applicable laws will be available for inspection by the Members electronically during the AGM on September 14, 2022. Members seeking to inspect such documents can send an email to [investor@burgerking.in](mailto:investor@burgerking.in).
  - (a) Certificate from Secretarial Auditor of the Company that the Employees Stock Options Scheme of the Company has been implemented in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (b) Register of Directors and Key Managerial Personnel and their shareholding; and
  - (c) Register of Contracts or Arrangements in which the Directors are interested, maintained under the Act.

**6. MEMBER'S PARTICIPATION AT AGM THROUGH VC / OAVM:**

Members/ Shareholders will be able to attend the AGM through VC or OAVM through InstaMeet provided by LIPL.

**Process and manner for attending the Annual General Meeting through InstaMeet:**

- A. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

- B. Select the "Company" and "Event Date" and register with your following details:

<b>Demat Account or Folio No</b>	Enter your 16 digit Demat Account No. or Folio No
<b>PAN</b>	<ul style="list-style-type: none"> <li>• Shareholders/ Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID</li> <li>• Shareholders/ Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID</li> <li>• Shareholders/ Members holding shares in physical form shall provide Folio Number registered with the Company</li> <li>• Enter your 10-digit Permanent Account Number (PAN)</li> <li>• Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable</li> </ul>
<b>Mobile No. and E-mail ID</b>	<ul style="list-style-type: none"> <li>• Enter your mobile number</li> <li>• Enter your e-mail ID, as recorded with your DP/Company.</li> </ul>

- C. Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

**Notes:**

- (a) Shareholders/ Members, who will be present in the AGM through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through remote e-Voting prior to the AGM will be eligible to attend/ participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the AGM.
- (b) Shareholders/ Members are encouraged to join the AGM through Tablets/ Laptops connected through broadband for better experience.
- (c) Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the AGM.
- (d) Please note that shareholders/ members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- (e) Please refer the instructions with respect to software requirements on the website of the Company at [www.burgerking.in](http://www.burgerking.in) and also at [www.linkintime.co.in](http://www.linkintime.co.in)
- (f) In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022 - 4918 6175.

**Speakers Registration for the AGM:**

1. Shareholders/Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request at least **3 days before the AGM** mentioning their name, demat account number/folio number, e-mail ID, mobile number at investor@burgerking.in.
2. Shareholders will get confirmation on **first come first serve basis** depending on the availability of time at the AGM.
3. Shareholders will receive **“speaking serial number”** once they mark attendance for the meeting.
4. Shareholders/Members are requested to remember speaking serial number and start the conversation only when moderator of the meeting/management will announce the name and serial number for speaking.

The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 (three) days prior to the AGM mentioning their name, demat account number/ folio number, e-mail ID, mobile number at investor@burgerking.in. The Company will give response to the queries suitably by e-mail.

*Members may note that the Company reserves the right to restrict the number of questions and number of speakers during the AGM, depending upon availability of time and for conducting the proceedings of the meeting smoothly. However, the Company will suitably respond to the questions which have remained unanswered during the meeting, over email.*

**7. E-VOTING:**

- A. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Secretarial Standards on General Meetings and Regulation

**I. Login method for Individual shareholders holding securities in demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p><b>A. Users registered for NSDL IDeAS facility:</b></p> <ul style="list-style-type: none"> <li>• Please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password.</li> <li>• After successful authentication, you will be able to see e-Voting services under value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e LINKINTIME and you will be re-directed to “InstaVote” website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>

44 of the SEBI Listing Regulations, the Company is required to give the facility of voting through electronic means. Accordingly, the Company is pleased to offer the e-Voting facility before the AGM through remote e-Voting and during the AGM to its shareholders.

- B. Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the E-voting Service Provider (‘ESP’) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process.

Shareholders are advised to update their mobile number and e-mail ID in their demat accounts to access e-Voting facility.

**Remote E-Voting:**

The remote e-Voting period will commence on **Saturday, September 10, 2022 (9:00 A.M. IST) and end on Tuesday, September 13, 2022 (5:00 P.M. IST)**. During this period, members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e **Wednesday, September 7, 2022**, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by LinkIntime for voting thereafter. Once the vote on resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

Type of shareholders	Login Method
	<p><b>B. Users not registered for IDeAS e-Services:</b></p> <ul style="list-style-type: none"> <li>• Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>• Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>
Individual Shareholders holding securities in demat mode with CDSL	<p><b>A. Existing users who have opted for Easi/Easiest</b></p> <ul style="list-style-type: none"> <li>• Existing user can login through their user ID and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>• After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote.</li> </ul> <p><b>B. Users who have not opted for Easi/Easiest:</b> Option to register is available at <a href="https://web.cdslindia.com/myeasi./Registration/EasiRegistration">https://web.cdslindia.com/myeasi./Registration/EasiRegistration</a></p> <p><b>C. By visiting the website of CDSL:</b></p> <ul style="list-style-type: none"> <li>• Alternatively, the user can directly access e-Voting page by providing demat account number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered mobile &amp; e-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote where the e-Voting is in progress.</li> </ul>
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> <li>• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>• Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>• Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>

**Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 22-23058542-43.

**II. Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:**

Individual Shareholders of the Company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-Voting may register for e-Voting facility of LINKINTIME as under:

- Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
- Click on “Sign Up” under “SHARE HOLDER” tab and register with your following details:

<b>USER ID</b>	<ul style="list-style-type: none"> <li>Shareholders/ Members holding shares in physical form shall provide Event No + Folio Number registered with the Company.</li> <li>Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.</li> </ul>
<b>PAN &amp; DOB/DOI</b>	<ul style="list-style-type: none"> <li>Enter your 10-digit Permanent Account Number (PAN);</li> <li>Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li>Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> </ul>
<b>Bank Account Number</b>	<ul style="list-style-type: none"> <li>Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</li> </ul>

Shareholders/ Members holding shares in physical form but have not recorded DOB/DOI and Bank Account Number, shall provide their Folio number in Bank Account Number.

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).
- Click “confirm” (Your password is now generated).
- Click on “Login” under “SHARE HOLDER” tab.
- Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on “Submit”
- After successful login, you will be able to see the notification for e-Voting. Select “View” icon.
- E-Voting page will appear.
- Refer the Resolution description and cast your vote by selecting your desired option “Favour / Against” (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
- After selecting the desired option i.e. Favour / Against, click on “Submit”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Yes”, else to change your vote, click on “No” and accordingly modify your vote.

**III. Guidelines to Institutional shareholders:** Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-Voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as “Custodian / Mutual Fund / Corporate Body”. They are also required to

upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the “Custodian / Mutual Fund / Corporate Body” login for the Scrutinizer to verify the same.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & e-Voting service Provider is LIPL:**

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions (‘FAQs’)** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 - 4918 6000.

**IV. Individual Shareholders have forgotten the password:**

Individual Shareholders holding securities in Physical mode have forgotten the password:	Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:
<p>If an Individual Shareholder holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of LIPL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></p> <ul style="list-style-type: none"> <li>Click on “Login” under “SHARE HOLDER” tab and further Click ‘forgot password?’</li> <li>Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.</li> </ul> <p><i>In case shareholder is having valid e-mail address, password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter.</i></p> <p>User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company.</p>	<p>Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.</p> <ul style="list-style-type: none"> <li>It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.</li> <li>For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.</li> <li>During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.</li> </ul>

**E-voting at the AGM:**

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-Voting can cast the vote as under:

Sr. No.	Steps
1.	On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2.	Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered e-mail ID) received during registration for InstaMeet and click on ‘Submit’.
3.	After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4.	Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under “Favour/Against”.
5.	After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6.	Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

## 8. OTHER INFORMATION RELATED TO E-VOTING

- a. A person, whose name is recorded in the register of members or in the register of beneficial owners of the Company, as on the cut-off date i.e. **Wednesday, September 7, 2022**, only shall be entitled to avail the facility of e-Voting, either through remote e-Voting and voting at the AGM. A person who is not a member as on the cut-off date should treat this notice for information purposes only.
- b. Members who have cast their vote by remote e-Voting prior to the AGM will be entitled to attend the AGM and their presence shall be counted for the purpose of quorum. However, they shall not be entitled to cast their vote again. Shareholders/ Members, who will be present in the AGM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the AGM.
- c. Voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. **Wednesday, September 7, 2022**.
- d. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holds shares as of the cut-off date i.e. **Wednesday, September 7, 2022**, may follow the procedure for remote e-Voting as enumerated in detail hereinabove.
- e. Every client ID no./ folio no. will have one vote, irrespective of number of joint holders. However, in case the joint holders wish to attend the meeting, the joint holder whose name is higher in the order of names among the joint holders, will be entitled to vote at the AGM.
- f. The Board of Directors has appointed Ms. Ashwini Mohit Inamdar, Partner of M/s. Mehta and Mehta, Company Secretaries, failing her, Mr. Atul Mehta, Partner of M/s. Mehta and Mehta, Company Secretaries as a Scrutinizer to scrutinize the voting process in a fair and transparent manner.
- g. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-Voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes

cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

- h. The Results on above resolutions shall be declared not later than 48 hours from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
- i. The Results of voting declared along with Scrutinizer's Report will be displayed on the website of the Company ([www.burgerking.in](http://www.burgerking.in)) and LIPL website ([www.linkintime.com](http://www.linkintime.com)) and the same shall also be simultaneously communicated to the BSE Limited and the National Stock Exchange of India Limited. The result of the e-Voting will also be displayed at the Registered Office of the Company.

## 9. GENERAL GUIDANCE TO MEMBERS

- As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's Registrars and Transfer Agent, Link Intime India Private Limited for assistance in this regard.

### • Nomination Facility:

As per the provisions of Section 72 of the Act, facility for making nomination is available to the Members in respect of the shares held by them.

Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form SH-13. If a member desires to cancel the earlier nomination and record fresh nomination, he / she may submit the same in Form SH-14.

The said forms to be submitted as follows:

<b>Shares in Physical Form</b>	To the Company / RTA
<b>Shares in Dematerialised Form</b>	To their DP with whom they are maintaining their demat account

### • Updation of Address and Bank Details:

In case any change in the address or bank details of the Members they are requested to inform the same to the following:

<b>For Shares in Physical Form</b>	To the Company / RTA
<b>For Shares in Dematerialised Form</b>	To their DP with whom they are maintaining their demat account

For any assistance regarding share transfers, transmissions, change of address or bank mandates, duplicate / missing share certificates and other related matters, the RTA of the Company may be contacted at the following address:

### Link Intime India Private Limited

C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400 083.

**Tel.:** 022 - 4918 6270/ 4918 6200 / 1800 1020 878

**Fax:** 022 - 4918 6060

**Email:** [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in)

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

### • Green Initiative:

With a view to take "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies, the MCA has allowed companies to share/send the documents with/ to members respectively through electronic communication. It is a welcome move for the society at large, as this will minimize the utilization of paper to a great extent and allow public at large to contribute towards a greener environment.

To support the "Green Initiative", the Members who have not yet registered their e-mail addresses are requested to register the same with the RTA / DPs as follows:

<b>For Shares in Physical Form</b>	To the Company / RTA
<b>For Shares in Dematerialised Form</b>	To their DP with whom they are maintaining their demat account

Registering e-mail address helps to receive communication promptly, reduce paper consumption and save trees, eliminate wastage of paper, avoid loss of document in postal transit and save costs on paper and on postage.

An electronic copy of the Annual Report 2021-22 of the Company, *inter-alia*, comprising Notice of 9<sup>th</sup> AGM is being sent to the Members through electronic means and the same will be also available on the website of the Company at [www.burgerking.in](http://www.burgerking.in), websites of the Stock Exchanges viz. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of LIPL at <https://instavote.linkintime.co.in>.

- Non-resident Indian shareholders are requested to immediately inform the Company/ RTA, if shares are held in physical mode or to their DP, if the holding is in electronic mode, regarding change in the residential status on return to India for permanent settlement and/or the particulars of the NRE account with a bank in India, if not furnished earlier.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN and / or AADHAAR to the Company/ RTA.

By Order of the Board of Directors  
For **Restaurant Brands Asia Limited**  
(Formerly known as **Burger King India Limited**)

**Madhulika Rawat**

Company Secretary

(Membership No. F8765)

**Place:** Mumbai

**Date:** May 30, 2022

## ANNEXURE A

Information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India regarding the Directors proposed to be appointed/re-appointed

### MR. AJAY KAUL

<b>Director Identification Number</b>	00062135
<b>Date of Birth and Age</b>	December 11, 1963 and 58 years
<b>Brief resume, Qualification and Nature of his expertise in specific functional areas</b>	He has a Bachelor's Degree in technology from Indian Institute of Technology, Delhi and an MBA Degree from XLRI Jamshedpur. In a corporate career span of more than 30 years, he has served renowned companies like American Express, Lufthansa, TNT (India and Indonesia), and been the CEO of Jubilant FoodWorks (operating Domino's Pizza and Dunkin' Donuts in India). He is now working in an advisory capacity with various companies such as Burger King Indonesia, Everstone Capital Advisors, Domino's Pizza Indonesia, Chaayos, California Burrito, etc.
<b>Date of first appointment on the Board</b>	October 29, 2018
<b>Terms and conditions of appointment or re-appointment</b>	He is proposed to be re-appointed as a Non-Executive Director, liable to retire by rotation.
<b>Details of remuneration sought to be paid</b>	Nil
<b>Remuneration last drawn by Director</b>	Nil
<b>Shareholding of non-executive directors including shareholding as a beneficial owner</b>	Nil
<b>Relationship with other Director, Manager and other Key Managerial Personnel of the company</b>	He is not related to other Directors and /or Key Managerial Personnel of the Company
<b>Number of Meetings of the Board attended during the year</b>	7 out of 9
<b>List of other companies in which Directorship is held <sup>(1)</sup></b>	Nil
<b>Chairperson*/ Member of Committee(s) of Board of Directors of the Company <sup>(2)</sup></b>	Nil
<b>Chairperson*/ Member of Committee(s) of Board of Directors of the other company <sup>(2)</sup></b>	Nil

#### Notes:

- (1) In terms of the applicable provisions of the Act and SEBI Listing Regulations, total number of directorships:
- consist of directorships in all public limited companies (including deemed public company), whether listed or not;
  - excludes this company, foreign companies, private limited companies and companies formed under section 25 of the erstwhile Companies Act, 1956 and under section 8 of the Act.
- (2) In terms of the applicable provisions of SEBI Listing Regulations, memberships in committee only includes the audit committee and stakeholders relationship committee in other public limited companies (including deemed public company), whether listed or not and chairmanships in committee only includes the audit committee and stakeholders relationship committee in other listed entities.



**RESTAURANT BRANDS ASIA LIMITED**

(Formerly known as Burger King India Limited)

**CIN:** L55204MH2013FLC249986

**Registered Office:** Unit Nos. 1003 to 1007, 10<sup>th</sup> Floor, Mittal Commercial, Asan Pada Road,  
Chimatpada, Marol, Andheri (East), Mumbai - 400 059, Maharashtra, India

**Website:** [www.burgerking.in](http://www.burgerking.in) | **Tel No.:** +91 22 7193 3000 | **E-mail:** investor@burgerking.in