



July 31, 2021

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, 5th Floor, Plot no. C/1,
G Block, Bandra Kurla Complex, Bandra (E)
Mumbai- 400 051
SYMBOL: BURGERKING

Sub.: Annual Report FY 2020-21 and Notice of the 8th Annual General Meeting of Burger King India 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 May 26, 2021 and July 29, 2021 and pursuant to the SEBI Listing Regulations, please find enclosed herewith the Annual Report for the financial year 2020-21 (*'Annual Report'*) along with the Notice of the 8th 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; 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.

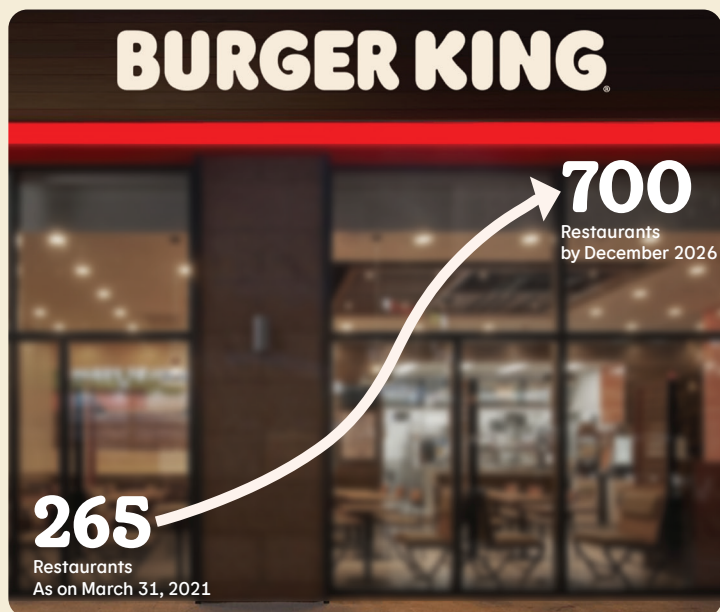
Thanking You,
For Burger King India Limited
(Formerly Known as Burger King India Private Limited)

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



JUST GETTING STARTED...

Burger King India Limited
Annual Report 2020-21



₹ 50^{*} STUNNER MENU
each

VEG CRUNCHY VOLCANO
CRISPY VEG WRAP
VEG MAKHANI BURST
TIKKI TWIST
PERI PERI RICE

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**FOR BEST
OFFERS,
DOWNLOAD
THE NEW
BK APP**



Welcome to Burger King India!



Read the report online or
download at www.burgerking.in

Contents

Corporate Overview

- 01 JUST GETTING STARTED...
- 02 ...On an Opportunity Called India
- 04 ...On Brand Burger King
- 06 ...On Value Leadership
- 08 ...With the Power of Whopper
- 10 ...On BK App and Delivery Dominance
- 12 ...On Profitable Expansion
- 14 ...On Margin and Operating Cash Flow
- 16 About Us
- 20 CEO's Message
- 22 Performance Highlights
- 23 Marketing Awards Won in the Last 2 Years
- 24 Board of Directors
- 26 Corporate Information

Statutory Reports

- 27 Management Discussion & Analysis (MD&A)
- 39 Directors' Report
- 62 Report on Corporate Governance

Financial Statements

- 85 Independent Auditor's Report
- 94 Balance Sheet
- 95 Statement of Profit and Loss
- 96 Statement of Cash Flow
- 98 Statement of Changes in Equity
- 99 Notes forming part of Financial Statements
- 140 Notice of Annual General Meeting

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



This is our first Annual Report as a listed entity and we would like to take this opportunity to introduce ourselves.

We are the National Master Franchisee of the “BURGER KING®” brand in India.

We launched our first restaurant in India in November 2014, with a target to open 700 restaurants by December 2026. We are well on track to achieve this target.

We have been one of the fastest to open 250 restaurants among all the international Quick Service Restaurant (QSR) chains in India*. As of March 31, 2021, we had 265 Burger King restaurants across 58 cities of India, including 9 sub-franchisee restaurants.

In December 2020, we launched our Initial Public Offering (IPO). Our IPO was met with a tremendous response and was oversubscribed 157x. We received more than 240,000 applications, and against an IPO size of ₹ 8,100 Million, we received ₹ 770,000 Million. This stellar subscription saw our shares listing at a premium of 92.25% over the issue price of ₹ 60 per share.

We thank each and every shareholder as well as the investing community for this great success.

*Technopak Report dated November 2020

**At Burger King
India, we are
JUST
GETTING
STARTED...**

JUST GETTING STARTED...

On an Opportunity Called India

3 reasons. 1 result.

India is a
Whopper of
an Opportunity.



Reason #1

Largest millennial population in the world

426 Million*

India's estimated millennial population

India's millennials (18-35 years) are 34% of the total population, amongst the highest in the world. Bolstered by better education opportunities and higher incomes, these consumers are able and willing to spend on food, lifestyle experiences; and are very discerning in their choices. The shift in consumption preferences is just getting started.

*<https://www.outlookindia.com/outlookmoney/insurance/life-insurance-opportunities-for-millennials-4206>



Reason #2

Increase in out-of-home eating

2x in a month**

Number of times India's millennial population ate out in FY 2019-20

Gone are the days when Indians dined out only on special occasions. With changing lifestyles, more exposure and higher confidence, Indian millennials are eating out more frequently than ever before – it is estimated that millennials dine out twice in a month on an average. This trend is just getting started, and it is increasingly visible all across the nation, including Tier 2 cities.

**Source: Technopak Research & Analysis

Reason #3

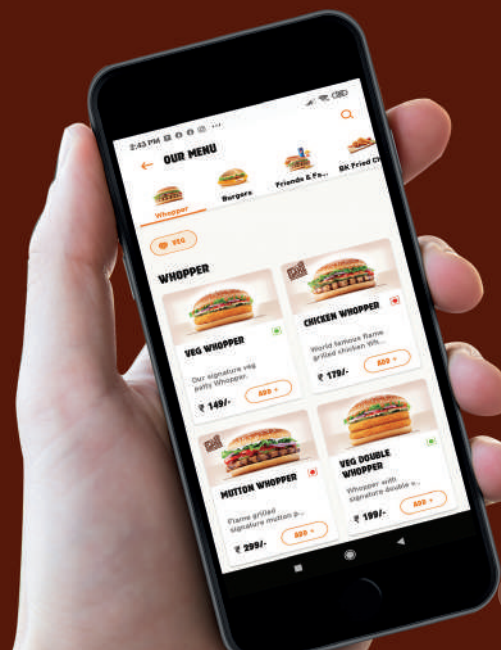
Surge in delivery through online ordering

US\$ 21.41 Billion***

Estimated size of India's online food delivery market by 2026, from US\$ 4.66 Billion in 2020

Online ordering (delivery business), driven by the consumers' need for convenience, has now become an integral part of food consumption behaviour in India. With the rise of delivery aggregators, we are seeing home ordering become a sustained habit among our consumers. The growing number of dual-income families is further increasing the rate of ordering in; and for larger families, ordering in is often a way of breaking the routine of home meals. Online ordering has seen an unprecedented growth during the pandemic, especially as consumers have preferred at this time to a trusted brands, such as ours, with promise of Safety & Quality. The delivery juggernaut is just getting started.

***Source: <https://www.researchandmarkets.com/r/u73gpm>





JUST GETTING STARTED...

On Brand “BURGER KING®”

Brand “BURGER KING®”
is targeted at the largest
eating-out population in
India, the millennials.

Millennials are India's largest single demographic group. Millennials have a 47% share in India's working age population. Millennials are India's chief wage earners. Millennials, characterised by high levels of disposable income, are digitally connected, place emphasis on value for money, and make informed decisions. Millennials are also the largest population group eating out of home or ordering in.

Brand "BURGER KING®" is focused on this millennial population.

We address our target group in the language they speak. A language that connects burgers and their life; burgers and fake news/ real news; burgers and innovation; burgers and hashtags; burgers and culture. We are present in everything that millennials talk about.

We also know that this generation is street-smart, clear in its choices, and wants the best value for its money.

Therefore, we connect with millennials through our value leadership and strong entry menu at attractive price points and wide variety in our product offering through menu laddering. Our in-restaurant design, messaging, and product packaging are also in sync with the preferences of millennials.

Globally, Burger King is known for connecting with customers in a very authentic and light-hearted manner. The same approach has been adopted by us for the Indian market.

Our recent advertising campaigns targeting millennials have included our "#WrapsWithoutGaps" launch, the "#LonelyClown", and our "#DateTheWhopper" and "#ItsNotABurgerItsAWhipper"

campaigns. They focus on the Burger King brand being all about self-expression and just being "who you are". Our campaigns have echoed the popular sentiment among the Indian youth against sensational journalism. On Valentine's Day, we had a celebrity give her perspective on 'no compromised relationships'. We engage our target audience through 'Whopper Fridays', a weekly programme featuring the influencer and the blogger community. Our campaign 'Because colour is great for Holi, not food' let the customers know that Burger King India takes a stand against synthetic colours.

Listed by Quint Bloomberg
among the

**Top 10 social media
brands in India**



We are growing by striking a chord with the largest population group of India. And we are getting recognised for it with multiple marketing awards.

With millennials, We are JUST GETTING STARTED...

JUST GETTING STARTED...

On Value Leadership

Millennials seek value in everything. And that's how our business is built.
We are value leaders.



Value is core to our menu and pricing. Since we started, we have always had the most accessible entry-price point across international QSRs in India. We redefined value leadership when we launched our unique '2ForX Burger' offers - 2 Crispy Veg Burgers for ₹ 69 and 2 Crispy Chicken Burgers for ₹ 89. We also launched King Deals, which include "3 for ₹ 99" and "3 for ₹ 129" with varied option promotions combining the burgers/wraps with fries and Pepsi.

We recently launched our new 'Stunner Menu' at ₹ 50 / 70 to redefine value leadership in the international QSR space. The menu includes a stunning variety of product formats (burgers, wraps, rice, and volcano); it delivers a great taste experience, bringing together global and Indian flavours (Tikki Twist, Makhani, Peri-Peri, Crispy) at a very accessible price point. Our innovative and well-researched menu architecture is our Value 2.0 for customers.



When it comes to redefining value leadership, We are JUST GETTING STARTED...

₹50*
each

STUNNER MENU

Tikki Twist ₹50*

Veg Crunchy Volcano ₹50*

Peri Peri Rice ₹50*

Veg Makhani Burst ₹50*

Crispy Veg Wrap ₹50*

King Egg ₹50*

NO SYNTHETIC COLOURS AND ARTIFICIAL FLAVOURS

₹70*
each

STUNNER MENU

Chicken Makhani Burst ₹70*

Chicken Crunchy Volcano ₹70*

Crispy Chicken ₹70*

Crispy Chicken Wrap ₹70*

King Egg Wrap ₹70*

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JUST GETTING STARTED...

With the Power of Whopper

Unique seven-layer indulgence – that is Whopper from Burger King; it's not a burger, it's a Whopper... Period.



There are burgers. And then there is the Whopper.

Bringing the gourmet burger experience to Indian customers, Whopper is Burger King's global power brand. Our flagship offering is unique for its size, quality, and taste. With a flame-grilled patty, combination of sauces and multiple veggies, the Whopper is a seven-layer indulgent meal on its own. The Whopper and our various Limited Time flavour builds are not only our signature offerings, but they also allow us to drive brand premiumisation and increased ordering frequency.

In FY 2020-21, we launched a new Whopper range. The reinvigorated selection offers a new crunchier vegetarian patty, new juicier chicken patty, and new sauces for more taste and flavour. Additionally, to make our signature Whopper more accessible, Junior Whoppers were launched at very attractive price points, both in vegetarian and chicken variants.

The new Whopper range was launched in India on national television. We also activated 360-degree integrated

marketing campaign communications to bring out how the Whopper was not comparable to a burger — it was gourmet fare. Innovative campaigns such as 'It's not a contest' further helped to drive the credentials of the Whopper. Our focused marketing increased Whopper awareness among consumers to 53%, from 4% pre-campaign.

The Whopper launch campaign was followed by trial offers. Volume sales of the Whopper beat all our targets in this period. The limited time offering of Twisted Whopper, which combined sweet & spicy taste profiles in a unique Whopper experience, further added to the taste excitement.

Besides the Whopper, we have also launched a new premium portfolio made up of unique tasting burgers called The King's Collection. Available in four favourite taste profiles — Cheese, Paneer, Tandoori Chicken, and Fiery Chicken — these never-seen-before gourmet burgers once again demonstrate our passion and our commitment to bring the best burger experience to Indian consumers.



When it comes to indulging the taste buds of millennials, We are JUST GETTING STARTED...

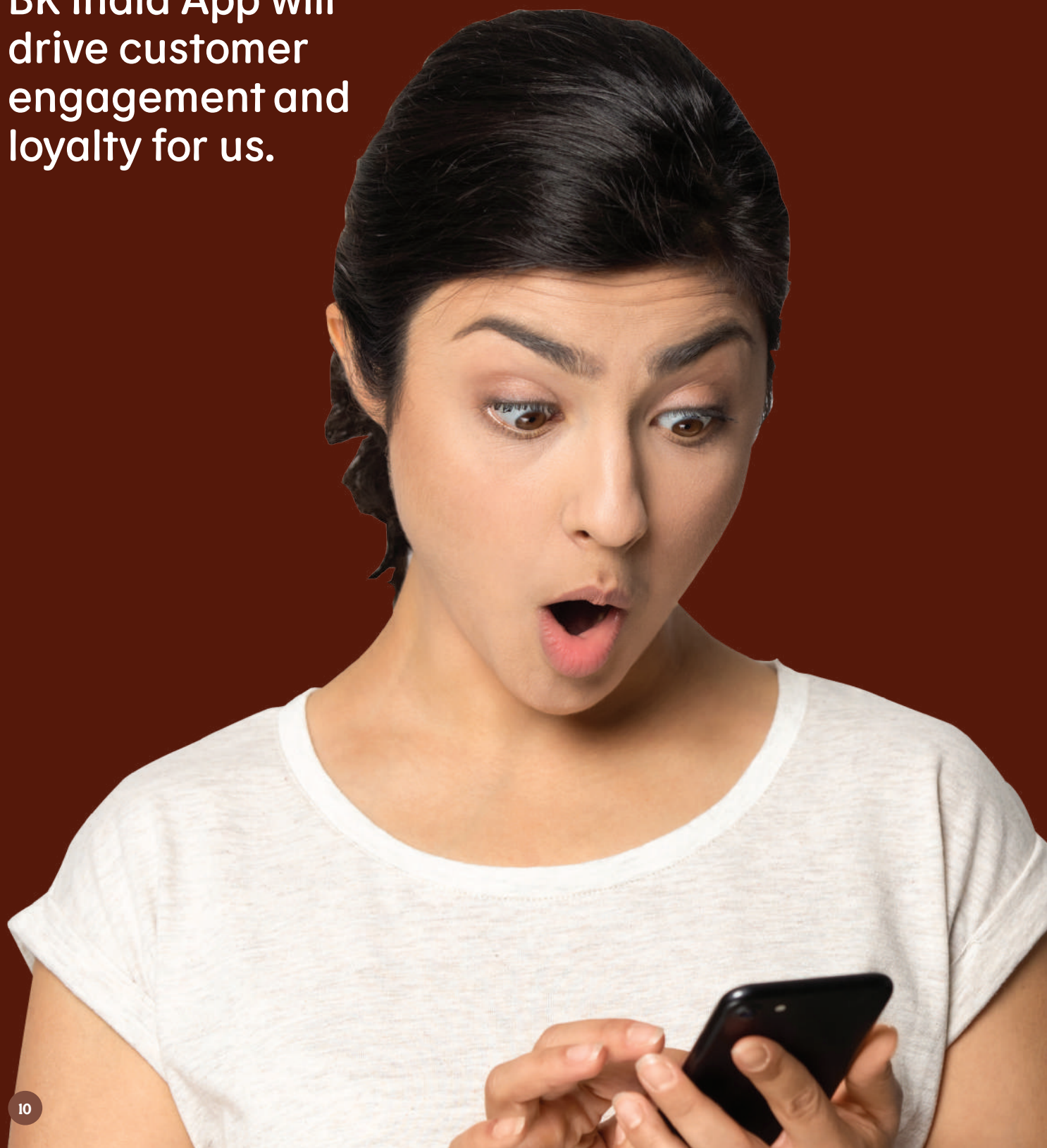




JUST GETTING STARTED...

On BK App and Delivery Dominance

BK India App will
drive customer
engagement and
loyalty for us.



Features of BK App

Omni-channel Ordering

Best Offers

Rewarding Loyalty Programme

In-app Engagements

Since it was launched in June 2020, the mobile app has witnessed over 1 Million downloads and generated promising revenue growth.

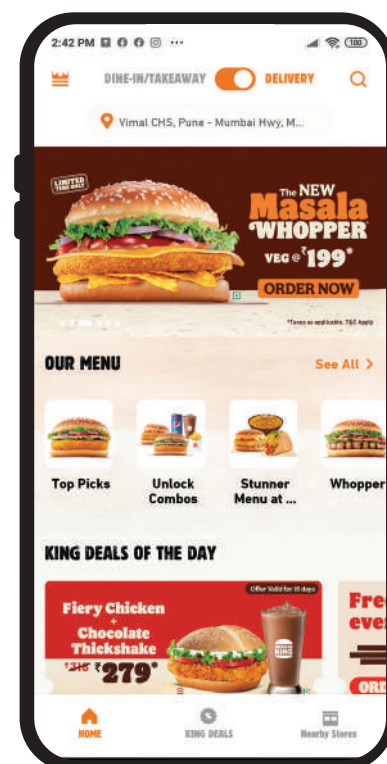
At Burger King India, we have been quick to recognise the emerging consumer preference for online delivery. We were the first brand to partner with food delivery aggregators, integrating with their systems since their inception.

The integration of our customer platforms with delivery aggregators, together with innovative delivery packaging, has accelerated Brand “BURGER KING®” on Delivery Platforms.

We are now demonstrating thought leadership with the rollout of our new mobile app. Far lighter and faster than the average app, the BK India mobile app has all the features to ensure a seamless online ordering experience. With a burger-industry-first loyalty programme, every purchase on our app rewards the consumer with Crowns. Another unique element of our mobile app is the inclusion of a gaming feature. Other aspects include an omni-channel experience, be it for ordering in, dine-in, or takeaway and exclusive offers through digital coupons. The app also features electronic paperless billing and enables contactless ordering and payment.

All these enhancements – be it improving the app download speed or significantly decreasing its size, customer loyalty programme, best-in-class promotions, gaming experience, in-app feedback form – have been designed to address the usage needs of our millennial customers. The app also seeks to engage our “super fans”, meaning frequent customers, and thus give them more reasons to continue staying with the brand.

The app is enabling us to improve consumer experience through delivery efficiencies and rider tracking. At the same time, the intelligent app understands consumer order patterns. Data analytics are helping us to map consumer cohorts and drive cohort-based marketing campaigns for higher conversions.



BK India App is just a few months old. And we are JUST GETTING STARTED...



JUST GETTING STARTED...

On Profitable Expansion

Ours is a business
of scale and
operating leverage.

265

Restaurants
As on March 31, 2021





700

Restaurants by December 2026

Our target under the Master Franchise and Development Agreement (MFDA) is to open at least 700 restaurants in India by December 2026.

Expansion requires capital allocation, which is the most important financial decision taken at Burger King India. No restaurant, to date, has opened without the personal visit of our CEO. Since inception, we have adopted a cluster-based disciplined store rollout strategy to ensure profitable expansion.

This discipline also encompasses the format and size of our new restaurants, ensuring better payback and return

on investment. In the early phase of our expansion, malls dominated; going forward, the substantial focus will be on growth through High Streets and Drive-Thru Burger King outlets at non-mall locations.

We paused our expansion in FY 2020-21 due to the COVID-19 uncertainty and will progress cautiously in FY 2021-22, gathering pace in the following years. As we expand and generate scale, operating leverage will kick in, thereby expanding our EBITDA margins. Opening 700 stores will just be the first milestone; we will continue to strive to deliver greater value for our Stakeholders.

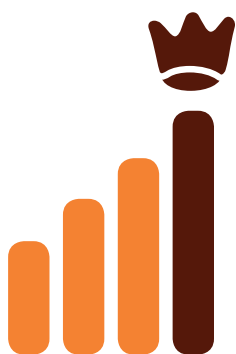
Burger King India expansion is JUST GETTING STARTED...

JUST GETTING STARTED...

On Margin and Operating Cash Flow

Ours is a business
of degrees, grams,
seconds and pennies.





Our Gross Margin at 64.68% is healthy, with plenty of opportunity to grow.

At Burger King India, we are focused on the quality of growth, demonstrated by gross margin profile and expansion. Our gross margin expansion, in turn, is being driven by our disciplined restaurant expansion, product mix, and scale.

This expansion also brings better operating leverage, led by rising store EBIDTA and company EBIDTA, the key metrics of our business performance.

Our expansion strategy is focused on optimising the supply chain and logistics, and identifying the best consumer catchment areas. This is steadily bringing down fixed costs as a percentage of revenue. With no debt and a widening margin, our return on equity and return on capital employed will improve, too.

The path to improving margins at Burger King India is JUST GETTING STARTED...

BURGER KING



FLAME GRILLING



બર્ગર કિંગ

G SINCE 1954

BURGER
KING

About Us

Incorporated in 2013, Burger King India Limited is the all-India master franchisee of the global BURGER KING® brand. We have emerged as one of the fastest growing international QSR chains in India during the first five years of our operations, based on the number of restaurants¹. As of March 31, 2021, we operated 265 restaurants, including 9 sub-franchised restaurants.

¹Technopak Report dated November 2020



EXCLUSIVE NATIONAL MASTER FRANCHISEE

Under the Master Franchise and Development Agreement (MFDA), we have exclusive pan-India rights to develop, establish, operate, and franchise Burger King branded restaurants in India. We also have sub-franchise rights, which gives us additional flexibility in growing our restaurant network. Pursuant to the MFDA, we are required to develop and open at least 700 restaurants by December 31, 2026. Further, the agreement gives us long-term franchisee rights, extending till December 2039.

Our master franchisee arrangement enables us to use the globally recognised brand name “BURGER KING®” to grow our business in India. We do this by leveraging the technical, marketing and operational expertise associated with the global “BURGER KING®” brand. We also have the flexibility to tailor our menu, promotions, and pricing to Indian tastes and preferences.

Advantages of the Master Franchisee Arrangement

- Operational efficiencies
- Speedy rollout of national advertising campaigns
- Effective management of supply chain
- Easy tailoring of menu architecture, promotions, and pricing
- Leveraging the globally recognised “BURGER KING®” brand

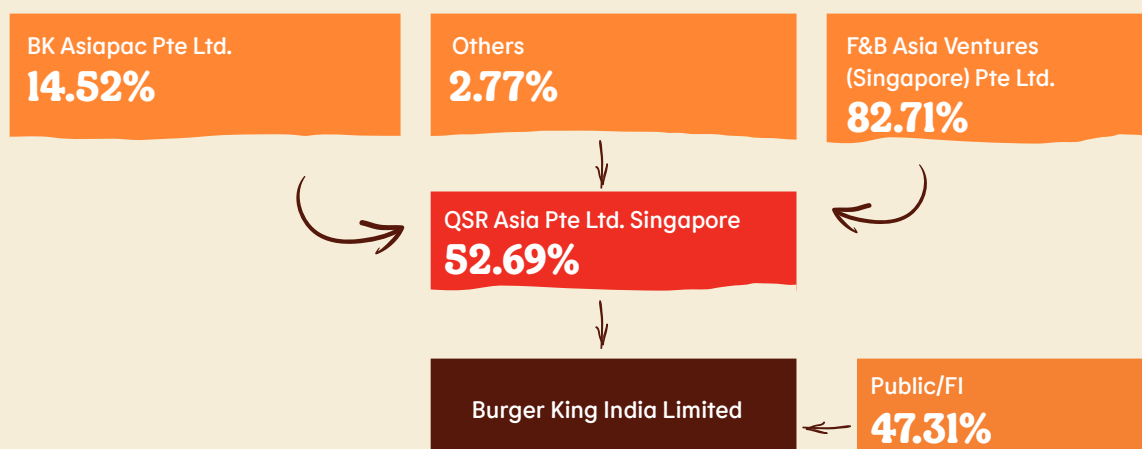
SHAREHOLDING PATTERN

Our Company is promoted by QSR Asia Pte Ltd (QSR Asia), which is held by F&B Asia Ventures (Singapore) Pte Ltd (82.71%) and BK AsiaPac (14.52%)¹.

We came up with an IPO in December 2020, following which the share of QSR Asia was diluted to 52.88% from the previously held stake of 85.38%. The remaining stake of 47.12% was owned by the public.

¹Shareholding as on March 31, 2021

The shareholding pattern as on March 31, 2021, is as follows:



OUR CUSTOMER 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, rice, beverages, sides, snacks, shakes and desserts across different day parts



Vegetarian options

Wide range of vegetarian offerings to cater to the local Indian palate



Taste advantage

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



Flame-grilling expertise

Serving flame-grilled patties for various burgers, for which specially designed patented broiler equipment is imported

OUR KEY STRENGTHS

Exclusive National Master Franchise Rights

with favourable royalty fees (capped at 5% of sales)

Strong customer proposition

enabling us to attract customers and drive footfalls at our restaurants

Effective brand positioning

targeting the large and growing millennial population in India

Vertically managed and scalable supply chain

wherein we individually negotiate with and actively manage our suppliers

Operational quality

through well-defined and standardised processes that are consistent with Burger King's global standards

People-centric operating culture

as a principal component of our ability to enhance customer experience

Effective technology systems

used in our customer interactions, restaurant operations, supply chain and in the management of our business

Well-defined restaurant rollout and development process

to identify locations and build out restaurants quickly, consistently, and efficiently

Experienced, passionate, and professional management team

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

TOP AWARDS RECEIVED FROM BURGER KING CORPORATION



CEO's Message



Dear Shareholders,

I hope that all of you are healthy and safe in these tough times. My prayers for every family that has suffered. My deepest gratitude to all the frontline warriors who have led without fear and served the country. I sincerely hope that India and the world are soon fully inoculated, so that normal life returns. Despite all the challenges, I believe this, too, will pass soon.

Let me take a minute to thank you all for the phenomenal response given to Burger King India's IPO. It has infused new energy into my entire team — especially me — to continue on the path that we had envisioned when we first introduced the Burger King brand to India. Shareholder Value Creation and Guest Delight are two of the most important pillars of our business; we are committed to both as we continue our journey together.

Values we live by: This being my first interaction with you, I would like to share our Company's **three core values:**

- **Hunger** to grow
- **Hard Work** when no one is watching and
- **Humility** to learn

My team and I are committed to these core values and will continue to raise the bar on them.

Business of scale and long-term growth: In FY 2013-14, we had put together a plan to build 700 restaurants. We had invested upfront to build and resource a team and infrastructure to build

these 700 restaurants. As we continue to scale up, our restaurant expenses and corporate overheads will continue to be amortised, over growing number of restaurants improving operating cash flow. Being a young Company, our refurbishment and maintenance expenditure continues to be low; these are added advantages to cash generation. Ours is a scale business and our plans are to build long-term value for our shareholders.

As I reminisce through our journey to reach here today, there are certain strategic pillars of Burger King India that I would like to share.

Burger King India Menu – (Veg Menu, Variety, Taste): We spent our first year building products. All the products, recipes, vegetables, sauces, and spices are sourced and made in India. We hired Indian chefs and conducted one of the largest taste-test ever done by Burger King anywhere in the world. That is how the Burger King India Menu was created. We continue to improve and respond to changing consumer needs. As an example, we just launched a gourmet style, never-seen-before, burger experience through our King's Collection range.

Value Leadership: At Burger King India, we are value leaders. People often confuse value with price. Our philosophy is to provide great tasting products with good size portions at value pricing. We recently launched our Value Menu 2.0 — the Stunner Menu. The Stunner Menu has burgers, wraps, rice and an exciting new product called Volcano. Varied food formats with varied taste options at value pricing is the USP of this menu.

Menu, Nutrition Transparency: We constantly endeavour to provide high-quality and great-tasting food to our guests. Under the aegis of "Trust in Taste", we are constantly working to reduce fat, sugar, and salt across our food and have set stringent targets beyond the prescribed norms. We are also happy to announce that all our food is free from synthetic colours and artificial flavours. We continue on this path to ensure that our food is constantly evolving and our next target is to make it free from all artificial preservatives.

Positioned with Millennials: Burger King India is positioned with millennials, the largest population group in India. These younger consumers are generally characterised by good taste and a high demand for quality, variety, and value for money. While the frequency with which they eat out is the highest across all age groups, they are also value conscious and are likely to prefer eating with family and friends.

Brand Strength: At Burger King India, marketing has always been our strength. It is about being authentic at the same time being quirky. With a vision to make the Burger King brand the most loved quick service restaurant (QSR) brand in India, we connect with millennials through our advertising and marketing campaigns (both on television and social media), in-restaurant and packaging, focusing on the millennial lifestyle and thoughts.

Disciplined Growth: Following a pause in restaurant expansion in FY 2020-21, because of the pandemic, we are again picking up speed and are on track to deliver 700 Burger King restaurants by December 2026. Deploying capital is one of the most important decisions a CEO makes. You will see brand Burger King continue to grow with a disciplined, cluster-based and profitable expansion strategy. We will continue to build 70% of our Burger King restaurants each year in existing clusters, taking advantage of economies of scale. Burger King India will continue to expand its gross margins, see operating leverage on fixed costs to generate high operating cash flow as we scale up our business.

Sustainability: Our sustainability measures include initiatives focusing on Food, Planet, and People & Communities. We are working towards sourcing 100% of our palm oil from sustainable origins by the end of calendar year 2021. Further, with our initiatives on Plastic Waste Management, we have reduced more than 300MT of plastics from our system in the past couple of years and have plans to introduce alternatives and be plastic-free. All our chicken products are antibiotic-free and are from cage-free birds. Our Fries vendors work with 2,500+ local farmers on a contract farming model for regular and sustainable supply of potatoes, ensuring improved and consistent realisation for farmers and also providing complete produce traceability.

Community Initiatives: As a part of our efforts to support society, the Company has identified Girl Child Education and Support as a key initiative. We have an in-store fund collection programme and the proceeds are given to the non-profit organisation, “Room to Read” for its girls’ education programme. At Burger King India, our female employees proudly wear a shirt pin with the slogan: “QUEEN AT BURGER KING”. This reflects our investment in our female employees, as we groom them professionally to take up higher roles in the organisation.

Lastly, I am highly optimistic about the collective future of the country. We are currently engaged in two very important initiatives to unlock value for our investors and guests. Let me share them with you.

Burger King India Mobile Application (“BK India App”) and Delivery: We are in the process of relaunching a renewed, reimagined BK India App that will redefine guest ordering experience. Our app will be the one-stop-shop for everything at Burger King India - exclusive menu, best offers, rewarding loyalty programme and in-app engagements. We will continue building strong partnerships with food aggregators. We were the first international QSR on aggregator platforms and we continue to work closely with them to grow the category.

Burger King Café: As India opens up and people get out of their homes with new energy, Burger King India plans to enter the ₹ 2,500 Crore café market in India through Burger King Café. We are very excited about giving millennial India a differentiated café experience, deep-rooted in our quality leadership and differentiated menu.

As we enter a new world, and a new India, I want to thank all our stakeholders – Restaurant Brand International, Everstone, QSR Asia Pte. Ltd. (our Promoter), the Government of India, our supply partners, our real estate partners, our guests, our agency partners, and shareholders of Burger King India for trusting us, and my brilliant and hardworking team that continues to live by our values of hunger, hard work, and humility. Thank you all.

At Burger King India, we are JUST GETTING STARTED...

Yours Sincerely,

Rajeev Varman

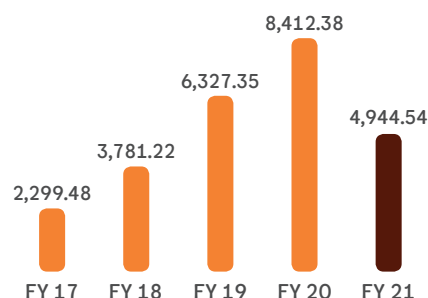
Whole-time Director and Chief Executive Officer

Performance Highlights

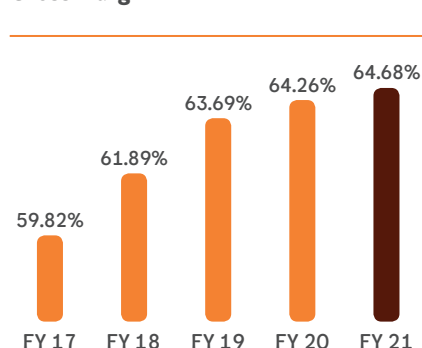
FINANCIAL HIGHLIGHTS

Revenue from Operations

₹ in Mn.

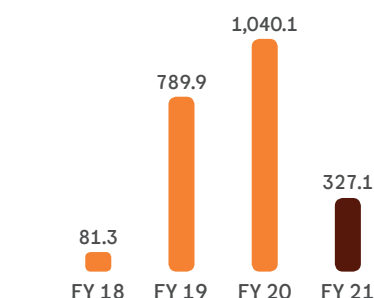


Gross Margin



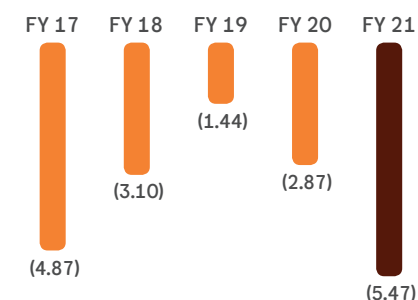
Company EBITDA post IND AS 116

₹ in Mn.



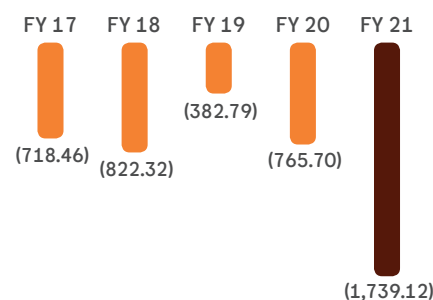
Earnings Per Share

₹ Per Share



Net Profit/Loss After Tax

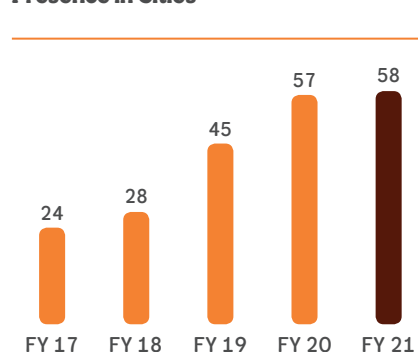
₹ in Mn.



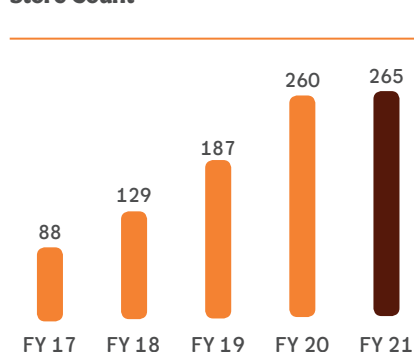
Note: FY 17 and FY 18 figures are taken from restated financial statements for comparison purpose

OPERATIONAL HIGHLIGHTS

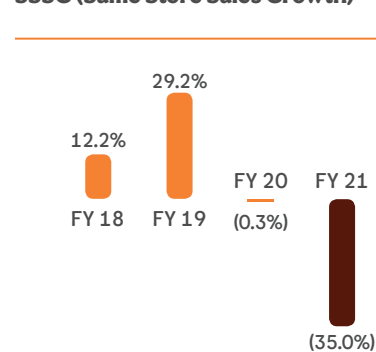
Presence in Cities



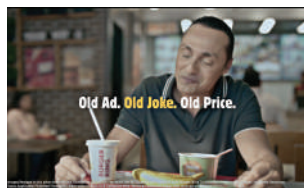
Store Count



SSSG (Same Store Sales Growth)



Marketing Awards Won in the Last 2 Years



Trump Posts Blue Elephant

Topical Advertising -
Social Media



Rahul Bose Baby Elephant

Guerilla Marketing or Stunts

Direct Response - Film

Topical Advertising - Film

Live Brand Experience
or Activations

Guerilla Marketing or Stunts



#LonelyNoMore Baby Elephant

Topical Advertising
- Social Media

Guerilla Marketing
or Stunts

Live Brand Experience
or Activations

Film Advertising
- Single Spot (31-60 Sec)

Social Media
- Community Building



Bronze

Best Use of
Social Networks /
Social Media

Silver

Leveraging Social Media
to Boost Brand
ROI & Engagement

Burger King was adjudged Top 10
social media brands in 2020 by
Quint Bloomberg



Board of Directors



Shivakumar Pullaya 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 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.



Tara Subramaniam
Independent Director

She holds a Bachelor's degree in law from the University of Bombay. She has over 37 years of work experience in banking, real estate, project financing, and business development. Prior to being associated with our Company, she worked with the 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 an Independent Director and is also a member of the Governing Council of NAREDCO.



Sandeep Chaudhary
Independent Director

He is a business leader, advisor, 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.



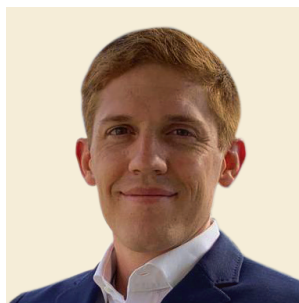
Rajeev Varman
Whole-time Director and
Chief Executive Officer

He holds a Bachelor's degree in mechanical engineering from Bangalore University and a Master's degree in business administration in marketing from GGU in California. He has over 20 years of experience in the food and beverage industry, having worked with the Tricon/Taco Bell brand, Lal Enterprises Inc., and Burger King Corporation, where he held leading positions.



Amit Manocha
Non-Executive Director

He has 20 years of private equity and corporate finance experience 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.



Peter Perdue
Non-Executive Director

He holds a Bachelor's degree of arts in economics and a certification of undergraduate programme in finance from Princeton University, United States. He was appointed as Interim Regional President of BK AsiaPac. He also worked with BK AsiaPac North Division of the BURGER KING® brand and US West Division for the BURGER KING® brand prior to his current position. He had joined Restaurant Brands International Inc. in July 2013 and has served in various capacities.



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.



Ajay Kaul
Non-Executive Director

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. He has a Bachelor's degree in technology from IIT Delhi and an MBA degree from XLRI Jamshedpur.



Corporate Information

Board of Directors

Mr. Shivakumar Pullaya Dega
Chairman and Non-Executive -
Independent Director

Mr. Rajeev Varman
Whole-time Director and 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. Peter Perdue
Non-Executive Director

Chief Financial Officer



Mr. Sumit Zaveri

Company Secretary and Compliance Officer



Ms. Madhulika Rawat
(w.e.f. November 12, 2020)

Ms. Ranjana Saboo
(upto August 31, 2020)

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
Website: www.linkintime.co.in

Registered and Corporate Office

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

CIN: L55204MH2013FLC249986
Unit Nos. 1003 to 1007, Mittal
Commercial, 10th Floor,
Asan Pada Road, Chimatpada,
Marol, Andheri (East), Mumbai,
Maharashtra, 400 059
Tel: +91 22 7193 3000;
E-mail: investor@burgerking.in
Website: www.burgerking.in



Management Discussion & Analysis (MD&A)

ABOUT BURGER KING INDIA LIMITED

Burger King India Limited ('BKIL') is the national master franchisee of the BURGER KING® brand in India, with exclusive rights to develop, establish, operate and franchise Burger King branded restaurants in India. As of March 31, 2021, we had a widespread network of 265 restaurants, including 9 sub-franchisee restaurants across 58 cities in the country. We are one of the fastest growing international Quick Service Restaurant (QSR) chains in India.

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

ECONOMIC OVERVIEW

Global Economy

The year 2020 will be long remembered as the year that changed the world forever. The world woke up on the first day of 2020 to the terrible news of a new kind of virus that was fast spreading globally and causing widespread damage. In a matter of few months, COVID-19 had entered our vocabulary and our world forever.

By March 2020, one country after another was announcing strict and complete lockdowns to contain the spread of the highly contagious COVID-19 virus as the World Health Organisation declared this as a global pandemic. This resulted in economic activities around the globe coming to a standstill. There was a marked contraction of the global trade volumes of goods and services, contracting the global Gross Domestic Product ('GDP') by 3.3% in 2020 as against 2.8% growth recorded in 2019, as estimated by International Monetary Fund ('IMF'). As the world came to grips with this new reality, unprecedented efforts were underway to create a vaccine that would counter this virus. By the end of the year, the world saw hope as few vaccines proved to be successful. By the beginning of 2021, phased roll out of these vaccines started in most countries, raising both confidence and sentiments across the globe. Combined with proactive fiscal and monetary policy support, and lockdowns being relaxed in a phased manner across various countries, the world economy is expected to head for a speedy recovery. On the back of this optimism, global GDP growth for 2021 and 2022 is projected at 6% and 4.4%, respectively. However, the resurgence of severe second wave of COVID-19 in the month of April-May 2021 is posing challenges again. On account of

the second wave of COVID-19, economists, brokerages and rating agencies have started lowering their GDP estimates for the Financial Year ('FY') 2021-22.

(Source: IMF World Economic Outlook, April 2021)

Indian Economy

India witnessed major economic disruptions in FY 2020-21, as the outbreak of the COVID-19 pandemic severely impacted health and safety of the citizens. This prompted the government to undertake one of the world's tightest lockdowns, bringing manufacturing and trading activities to a screeching halt. Prolonged lockdowns accentuated existing vulnerabilities of the country and weakened investment and consumption demand. India's GDP contracted by 8% as against 4.2% growth recorded in FY 2019-20, marking a recession since 1980, as per IMF estimates.

With the help of continued government support and normalisation of economic activities, the country's GDP is projected to grow at 10.1% in FY 2021-22; however, ensuring recovery from the resurgence of infections remains an immediate challenge. Notable initiatives such as special package under 'Atmanirbhar Bharat'; liquidity support for banks and financial institutions; liberalisation of Foreign Direct Investment ('FDI') norms; creation of National Infrastructure Pipeline ('NIP'); Production-Linked Incentive ('PLI') scheme – are all expected to reinvigorate the economy.

INDUSTRY OVERVIEW & DEVELOPMENTS

Indian Food Services Market

The Indian food services market can be classified into two segments – organised and unorganised, based on three key characteristics, namely accounting and transparency, organised operations with quality control and sourcing norms, and outlet penetration. Food services outlets that do not conform to these parameters are considered to fall within the unorganised segment, which primarily include dhabas, roadside small eateries, hawkers, and street stalls. On the other hand, food services companies abiding by these parameters comprise the organised segment.

The food services market has been gaining strong momentum since the past few years due to changing consumption patterns, increase in eating out trends, and growing market proliferation of brands in India. There is an increased brand consciousness and people want to experiment with new cuisines, which is contributing to the country's expanding food services sector.

Market Structure and Classification

The organised segment can be sub-categorised as chains (domestic or international outlets that have more than three restaurant outlets across the country) or standalone outlets. Chains are further subdivided into six sub-segments based on average price charged per person, service quality and speed, and product offering:

- **Fine dining ('FDR'):** Full-service restaurants with high quality interiors, specific cuisine specialty, and high standard of service. Fine dining targets rich and upper middle-class consumer segments as it offers unique ambience and upscale service with highly trained staff.
- **Casual dining ('CDR'):** Restaurants serving moderately priced food in an ambience-oriented towards affordable dining with table services. The offering bridges the gap between fast food establishments and fine dining restaurants.
- **Pub, bar, club and lounge ('PBCL'):** Outlets that mainly serve alcohol and related beverages and include night clubs and sports bars.

- **Quick service restaurants ('QSR'):** These are focused on speed of service, affordability and convenience and include the dine-in/ takeaway/ delivery sub-formats.
- **Cafes:** These include coffee bars and parlours, and chai bars. They are mostly casual restaurants that emphasise on serving beverages and food incidental to those beverages.
- **Frozen desserts/ Ice cream ('FD/IC'):** Small kiosk outlets of ice cream brands which have been extended to dine-in concept of frozen yoghurt and ice cream brands.

Food Services Market Size

The food services market in India has shown consistent growth since FY 2014-15 and was estimated at ₹4,236 billion in FY 2019-20. The market is projected to grow at a CAGR of 9% over the next five years and is expected to reach ₹6,505 billion by FY 2024-25. In FY 2019-20, the biggest segment of the food services market was the unorganised market, which accounted for 59% of the food service market, followed by the organised standalone segment, the chain market and restaurants in hotels, each accounting for 28%, 9% and 3% of the food services market, respectively.

Food Services Market Size (₹4,236 Bn)



Format	Market Share FY 2015	Market Share FY 2020	Market Share FY 2025 (P)
Unorganised Market	68.1%	59.5%	47.3%
Organised Market	23%	28.4%	35.5%
Chain Market	6.1%	9.4%	14.9%
Restaurants in Hotels	2.8%	2.7%	2.4%

Source: Technopak BoK

P: Projected

Overview of operating models in the food services market

The food services market in India has evolved from home grown, standalone, family-run business ventures to international partnerships with integrated business models. Players in the food services market in India currently operate under four key business models:

Master franchise

This traditional franchising model remains one of the most attractive operating models for international brands entering the Indian market. Under this model, the international brand helps the franchisee to set up the business by sharing its technical knowhow and brand name. The master franchisee may be allowed to make modifications to menu and offerings.

Company owned and franchise

Under this model, the international brand establishes its own representative office in the country and helps the franchisee in setting up its business. The representative office has a team which works closely with the franchisee and is responsible for maintaining the brand image.

100% company owned

Under this model, the brands set up their businesses with their own investment and, as a result, exercise entire control over the operations. The Company is responsible for all operational aspects of running the business, including creating brand awareness, product development and quality control.

Joint venture

Under this model, the international brand enters into a joint venture agreement with a local entity to create a new entity which operates as master franchisee for the operations of the international brand in the country. The local partner has deep understanding of the consumer behaviour in the country and provides real estate to the international brand, as well as setting up the supply chain, which allows the international brand to scale faster in the country.

Chain Market

The chain market in India has evolved over the last three decades with penetration of newer formats, expansion and enhanced capacity building, greater customer engagement, and product enhancement. The chain market in India was estimated at ₹398 billion in FY 2019-20 and is projected to grow at a CAGR of 19% to ₹965 billion by FY 2024-25. Growth in the chain market is expected to be driven by increase in presence of international brands, strengthening of backend infrastructure, acceptance of new cuisines,

changing lifestyles, and the emergence of entrepreneurial ventures in these segments.

Due to the COVID-19 pandemic, consumers have become more cautious towards hygiene and safety issues, and the chain QSRs or CDRs are well-positioned to meet all the regulatory requirements in relation to food quality, service standards, and delivery capabilities to capture the emerging opportunities in the post COVID-19 world.

QSR submarket

Growth in the QSR sub-segment is likely to be driven by younger demographics, cultural and lifestyle changes and increased penetration in Tier II and Tier III cities, which is expected to be facilitated by improved supply chains, innovation and customisation in operating models and store sizes.

Segment-wise growth of Chain formats

	CAGR		Market Share	
	FY 2015-20	FY 2020-25P	FY 2015	FY 2025P
QSR	19%	23%	45%	54%

(Source: Technopak)

Indian organised QSR sub-segment

The organised QSR sub-segment in India was estimated at ₹348 billion in FY 2019-20 and is projected to grow at a CAGR of 19% to ₹825 billion by FY 2024-25. Growth in the QSR sub-segment is expected to be driven by the chain QSR market, which accounted for 54% of the total QSR sub-segment in FY 2019-20 and is estimated to constitute 64% by FY 2024-25.

Chain QSR

The chain QSRs grew at a CAGR of 19% between FY 2014-15 and FY 2019-20, and are expected to grow at a CAGR of 23% between FY 2019-20 and FY 2024-25. In order to remain competitive in a growing market, achieve scale and increase consumer acceptance, most of the QSR companies are optimising their offerings to meet the evolving demands of the Indian market. Amongst the initiatives to achieve these goals are the opening of vegetarian restaurants in certain parts of the country, creation of strong non-vegetarian menus, separation of vegetarian and non-vegetarian cooking areas, introduction of local flavours to the menu, roll-out of home delivery services and the setting of India-centric pricing with affordable entry level products in the menu.

INDUSTRY DRIVERS AND OPPORTUNITIES

Evolving demographics

India is the second-most populous country in the world, which stood tall at 1.38 billion in FY 2020-21. The urbanisation

rate of the country stood at 34.5% in FY 2018-19, which is expected to grow to 37% by FY 2024-25. Further, the country also has one of the youngest populations in the world, with a median age of 28.7 years, compared to 38.5 and 38.4 in US and China. These demographics have been consistently driving the growth of QSR.

Increasing availability of retail space lending

Companies in the food services industry operate in a variety of locations, including malls, high streets, office complexes, highways, hospitals, airports, etc. Malls and high streets have traditionally been the preferred locations for food services companies. Sustained growth of online shopping has resulted in brick-and-mortar retailers rationalising their retail space, thereby increasing availability for food services market companies in the organised retail environment. This has resulted in food services market to emerge as a key sector driving the retail space and being a leading segment to increase footfalls in malls or high streets.

Changing preferences and rising eating-out behaviour

The food services industry has been witnessing an increasing trend among millennial population to eat out as a part of shopping experience or a leisure outing. Indians are expecting not only to enjoy a meal but also to socialise and experiment various cuisines. Easy access, competitive pricing, availability of combos and meal packages drive QSR's preference among the younger population and working professionals. Moreover, India has the highest number of millennials in the world, and the millennial population of India is expected to grow rapidly, which is likely to drive further growth in eating out behaviour among consumers.

Growth in online food delivery and food tech

The organised QSR sub-segment in India is projected to grow at a CAGR of 19% between FY 2019-20 and FY 2024-25, on the back of consistently improving QSR infrastructure. Further, with the increasing penetration of internet and adoption of digital payments, the QSR market will grow even faster.

The Platform-to-Consumer Delivery segment focuses on online delivery services that provide customers with meals from partner restaurants that do not necessarily have to offer food delivery themselves. In India, the overall delivery market is expected to grow at a CAGR of 12.2% to reach US\$ 18.1 billion by FY 2024-25 from US\$ 10.2 billion in FY 2019-20. Prior to the COVID-19 pandemic, the growth of the Platform-to-Consumer Delivery segment between 2020 and 2025 was estimated to be 13%, but the projected growth rate has increased to 15.1% following the pandemic primarily due to consumers' preference for food delivery over dine-in

during this period. Further, the impact of technology in the food services market is not just limited to a shift in the online delivery business models, but has driven the emergence of new businesses such as restaurant discovery platforms, cloud-based kitchens, online table reservation, etc.

(Source: Statista, Technopak Research & Analysis)

OPPORTUNITIES & THREATS

Opportunities

Market size growth

The QSR segment is projected to clock the highest growth in the food services space, in the foreseeable future, growing at a CAGR of 23% between FY 2019-20 and FY 2024-25. This robust growth is seen acting as an opportunity for the sector, driving its growth multi-fold.

(Source: Edelweiss Securities)

Large millennial population

The country has the second-largest population in the world, and is home to ~400 million millennials contributing almost 46% of the entire country's workforce. Millennials lead the ever-changing trends and preferences in the food industry, contributing to the growth of the industry.

Change in eating habit and growth in doorstep deliveries

Over the years, the millennials have shifted to a more utility- and convenience-driven model, wherein, one would prefer ordering in over visiting a restaurant, especially with the pandemic in full swing. Further, a majority of the population between 16 and 24 years of age prefer ordering fast food through delivery applications. Similarly, for the age bracket between 25 and 34, and 35 and 44, the quantum is pegged at 65% and 61% respectively. These age groups also prefer eating out, over home-cooked meals, especially the age group between 16 and 35. This has led to increase in eating out habits as well.

(Source: Statista)

Growth in drive-thru demand and growth in transit

Post the pandemic, India is gradually shifting to the use of digital ordering which play a pivotal role in drive-throughs. Many QSR chains across the country have initiated building their drive-thru infrastructure, which would not only increase orders but also decrease cost and turnaround time per customer, in turn, increasing efficiency and margins for the QSR.

Growth in technology-enabled services

As a result of the pandemic, the QSRs across the country have been seeing an increase in online ordering. The QSR chains increasingly started adopting technology-enabled services,

helping in developing online order portals and increasing the use of artificial intelligence for behavioural analysis of customers and his tastes and preferences.

COVID-led opportunities

The pandemic brought forward some opportunities, such as the faster migration to digitalised world and tech-enabled food services. This has helped organised QSRs and third-party food aggregators grow even during the disruptions caused by the COVID-19 crisis.

Threats

Fragmented market and increasing competition

The Indian food services market is highly fragmented with many unorganised companies contributing to 62% of the market share. Customer loyalty is lower for small and mid-sized restaurants owing to factors such as poor hygiene practices and evolving customer aspirations. This market fragmentation has facilitated international and domestic chains to grow at a fast pace, with their market share growing from 5% in FY 2013-14 to 8% in FY 2018-19 and is expected to grow to 13% by FY 2023-24.

Shortage of skilled labour and high attrition

The food services market is labour intensive; however, it faces a shortage of trained manpower. Direct restaurant employment in India in FY 2019-20 was estimated to be 8.4 million and is expected to reach to 11.8 million by FY 2024-25, a requirement of approximately 650,000 skilled workers in the market every year. However, it is estimated that only 50,000 to 60,000 of graduates focus their career in the hospitality sector every year. Within the hospitality sector, restaurants require the highest number of workers and this share is expected to increase by FY 2021-22. This leaves an important gap requirement for talented manpower which is filled by unskilled workers, leading to diminished quality of service provided to consumers. Moreover, the lockdown caused by the pandemic saw both skilled and unskilled workers moving away from urban areas to rural areas resulting in labour shortage issues.

High real estate prices

In the food services industry, rentals are the second highest cost component after raw materials. For over a decade, real estate prices in India have been increasing driven by higher demand and availability of easy credit. High real estate prices have been exerting pressure on the profitability of food service companies and hampering the growth of their 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. With the easing of restrictions and resumption of

operations, mall owners and landlords might re-look at their revenue-sharing models for rent payments.

Regulatory Challenges

Over-licensing: The Indian food services market requires obtaining numerous licenses from various authorities, a process that is not centralised and requires filing applications with individual stakeholders, involving a lot of time and paperwork.

Food safety concerns: Awareness about health and nutrition, as well as frequent cases of food poisoning, adulteration and compromised food quality have raised concerns about hygiene standards. As a result, the Food Safety and Standards Authority of India ('FSSAI') identified a list of unorganised restaurants and street food stalls for audit on cleanliness and hygiene. The safety awareness generated by FSSAI has driven consumers to choose formats that comply with strict food safety norms. However, this will enable the organised food services market to grow at a faster pace than the unorganised market.

Post-COVID protocols and hygiene standards

As a result of the COVID-19 pandemic, hygiene and safety in the food industry have become prime concerns. Consumers are less willing to dine at restaurants in the unorganised segment. This gap in the market is expected to be filled by the organised market participants such as the QSRs and CDR. As part of the post-COVID protocols, the government has been imposing heightened measures relating to sanitisation in kitchen spaces, dining facilities, delivery services and other related areas, which is expected to impact the operational costs and profitability of the food service companies.

FOOD TRENDS

Higher focus on value meals

Indian consumers, irrespective of socioeconomic class or type of city, are eating-out and ordering-in at a per-household average of six to seven times per month with a view to experiment and socialise over food. While there is a willingness to spend more on these types of experiences, Indian consumers continue to be cost-conscious and look at value for money options when eating-out and ordering-in. Given the COVID-19 pandemic, consumers are also moving away from experimental eating and opting for low-cost meals.

Contemporary cuisines

The contemporisation of Indian cuisine allows consumers to experience traditional flavours and regional specialties of Indian cuisine prepared using differentiated techniques and newer presentations.

Cloud-based kitchens

Cloud-based kitchens are emerging as an alternative channel for food delivery. Cloud-based kitchens are food service players that, due to high rental prices and capex required for in-dining restaurants focus on becoming delivery-only kitchens thus removing pressures from the bottom line of companies due to lower rentals, manpower cost, and reduced cost of utilities. These delivery-only kitchens aim to provide better quality meals at affordable prices to consumers and largely target consumers demanding healthier options. With rising awareness of healthy eating habits among consumers, cloud-based kitchen players are expected to become more refined in their offering, focusing on particular conditions and nutritional requirements. In addition, internet and smartphone penetration in India have been further fuelling the growth of cloud-based kitchens.

QSR TRENDS

Evolving Demographics

Growing internet and smartphone penetration has led to increased exposure of the young consumers to global food trends and newer cuisines. Younger generation is characterised by good taste and a high demand for quality, variety, and value for money and are more likely to be open to experimenting new cuisines, format offerings and brand, while their frequency and spending on eating out and dining in is also the highest across all age groups.

Premiumisation within international chain QSR

The demanding nature of Indians is driving companies in the QSR sub-segment to introduce premium and exclusive product offerings in their menus. By introducing products that are differentiated by their raw materials or innovative cooking style, companies in the QSR sub-segment are seen curating their offerings to cater to the evolving consumer aspirations.

Beverage trends

Indian consumers, who are constantly looking for new ingredients, flavours and techniques to enhance their experience have shown an increasing trend towards higher beverage consumption. Indian QSR and CDR companies are catering to this trend and getting inspiration from their western counterparts to revamp their offerings and offer differentiated beverages for consumers.

Social media and tech-savvy consumers

Growth in digital and social media channels has been empowering consumers, improving awareness on lifestyle

and brands, and driving food service companies to establish a presence in these platforms. Through these channels, companies are able to communicate directly with consumers providing them with interesting content and useful information and also allows them to address consumers' concerns and reviews. Key international brands have adopted a mix of social media and traditional media to reach a broader group of potential consumers and are using 360° ecosystems, including search engine optimisation, mobile apps, digital/social media in addition to traditional media channels. Food review websites have also become an important source of information about restaurants for tech-savvy consumers and, as a result, useful tools for companies in the food services market. These factors, along with the country's booming e-commerce sector offer exciting opportunities to the organised food services sector and QSR market.

QSR SUB-SEGMENT LANDSCAPE

Presence of international brands

The organised chain market comprises more than 100 brands with over 7,000 outlets spread across various cities in India. International brands have been able to scale their operations given their strong supply chain, established standard operating procedures, global best practices and product innovation and benefit from increased habits of eating out amongst the Indian consumers. International companies have experimented with multiple formats and cuisine offerings, and have successfully introduced products that cater to the palate of Indian consumers. This has resulted in enhanced presence of international companies across high footfall destinations and increased consumer traffic through different formats.

Geographical penetration of chain brands

As of September 2019, the chain QSR sub-segment had around 7,000 outlets compared to 3,000 to 3,500 in FY 2015-16. Mini metros have the highest presence of chain QSR outlets, followed by mega metros and the remaining market share is accounted for Tier I and Tier II cities. Approximately 65% of the outlets of the key brands are located in the northern and southern regions of the country, followed by the western region, driven largely by higher disposable incomes, ease of accessibility, higher share of organised retail and aspirational demographics in these regions.

(Source: Technopak)

BUSINESS OVERVIEW

Burger King India Limited (formerly known as Burger King India Private Limited) embarked on its journey in 2013, as a national master franchisee of BURGER KING® in India. Leveraging the brand's rich legacy and brand recall, we are one of the fastest to open 250 restaurants amongst any QSR chains in India. The Company has exclusive rights to develop, establish, operate and franchise Burger King branded restaurants across the country.

The equity shares of the Company have been listed on BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE') w.e.f. December 14, 2020. As of March 31, 2021, BKIL had 265 restaurants including 9 sub-franchisee restaurants across 58 cities in India.

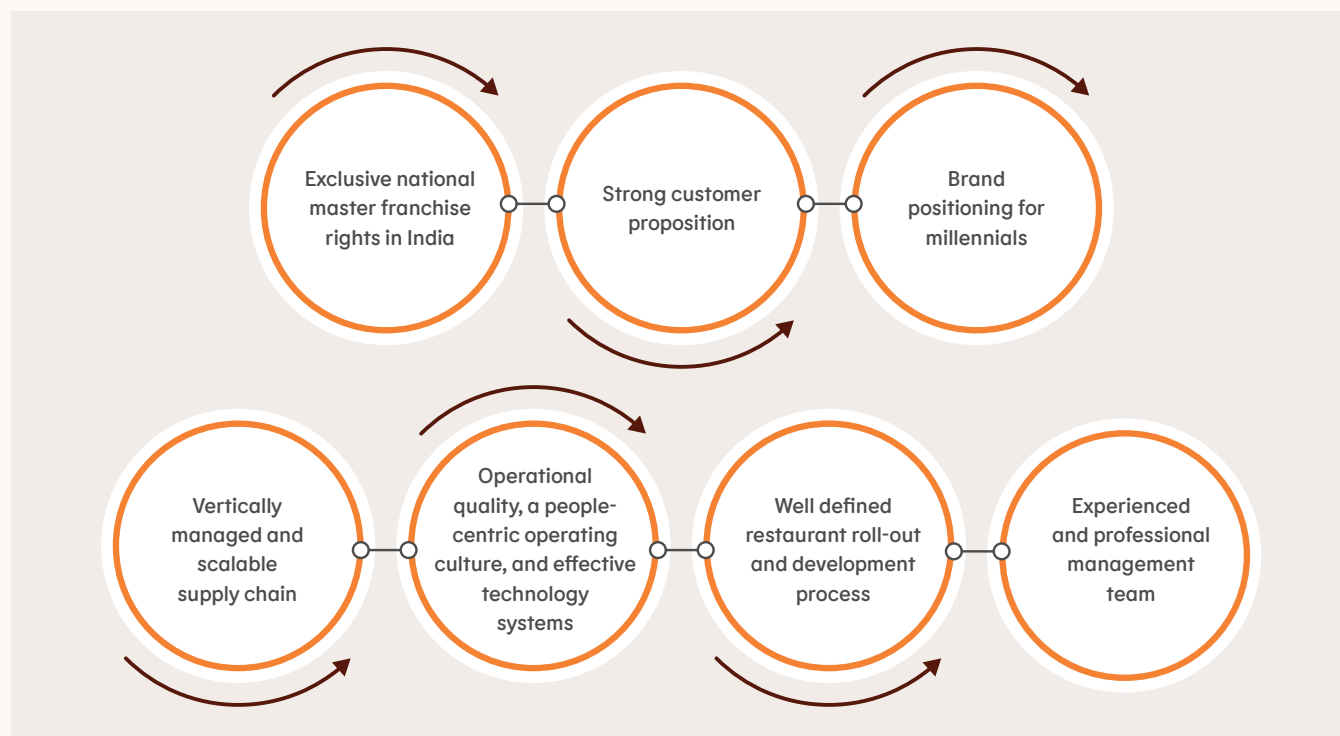
BKIL's ₹810 crore initial public offering (IPO) in December 2020, comprised fresh issue of ₹450 crore and an offer of sale of ₹360 crore. The IPO was oversubscribed

by 157 times, reflecting the tremendous confidence of both institutional and retail investors. Further, the scrip witnessed stellar listing at a premium of 92.25% over the issue price of ₹60/- per share and was one of the most successful IPOs of the year 2020.

The net proceeds from the issue are proposed to be utilised for the following purposes:

- Funding roll out of new Company-owned Burger King restaurants by way of:
 - i) Repayment or prepayment of outstanding borrowings of the Company obtained for setting up of new Company-owned Burger King restaurants
 - ii) Capital expenditure incurred for setting up of new Company-owned Burger King restaurants
- General corporate purposes

COMPETITIVE STRENGTHS



Master franchisee arrangement

Burger King India Limited is the national master franchisee of the "BURGER KING®" brand, with exclusive rights to develop, establish, operate, and franchise Burger King branded restaurants in India. Under this arrangement, BKIL has been provided the flexibility to prepare a tailor-made menu according to the tastes and preferences of the Indian masses, following which, promotions and pricing strategy has been planned out. In addition, it facilitates the Company to use Burger King's globally recognised brand name to grow

business in India, while leveraging the technical, marketing, and operational expertise associated with the global brand.

Strong customer proposition

BKIL's customer proposition focuses on servicing customers with superior price-value proposition, offering customers with a variety of innovative food offerings. The Company has also forayed in offering a wide range of vegetarian meal options, leveraging its flame grilling expertise and the ability to make the tastiest burgers. The menu comprises as many as 18

different varieties of vegetarian and non-vegetarian burgers. Further, we also continuously keep adding new dishes in our overall offerings to uplift the customer experience. In addition to burgers, we service our customers with a variety of wraps, rice, beverages, sides, snacks, shakes and desserts across different day parts, including breakfast, lunch and dinner, and snack times and late night. These customised offerings coupled with the brand recall of Burger King has enabled BKIL to expand its customer base extensively.

Quality-centricity

BKIL maintains the quality of ingredients by purchasing them from approved suppliers only. Further, to have a better control on the quality, BKIL has in place an extensive quality assurance procedure to benchmark the quality processes. In order to ensure quality-centricity, we undertake the following measures:

- Strong in-house training programmes run by the Company helps us ensure customer-centricity by quality service and quality food, on the back of developing inter-personal skills, cross-functional trainings, and training related to health, product handling, ingredient and product temperature management and prevention of cross-contamination
- Monitoring and enforcing food safety standards and managing quality across our entire supply chain – from production to end-delivery, by sourcing ingredients from approved suppliers and ensuring the traceability of all our fresh produce. We have also implemented a detailed food safety manual that covers all aspects of cleaning, food handling and storage, pest control, stock control and waste disposal based on our global standards. Further, we have food safety procedures based on a hazard analysis, and critical control points plan, wherein we ensure control on key processes such as receiving food deliveries, thawing, cooking, cooling and storage
- Addressing concerns among customers, public health professionals and government agencies about the long-term health problems arising from consuming food from QSRs, such as obesity, diabetes, tooth decay, cardiovascular disease, high cholesterol, high sodium, high trans-fat, high sugar and hypertension. We ensure improved control on our entire supply chain and service our customers with trans-fat free products.

Brand positioned for millennials

The Company has positioned its brand to target the millennial population. The Company connects with millennials by leveraging its strong entry menu and attractive prices coupled with innovative advertising and marketing campaigns, both on television and social media. The advertisements and marketing campaigns also focus on millennial lifestyles, ensuring better connect with the audience.

Vertically managed and scalable supply chain model

BKIL has in place a scalable supply chain model, wherein, suppliers are negotiated with and managed individually. The Company has multiple suppliers for every key ingredient, ensuring lesser dependence on specific suppliers. This also helps in enhanced competition among the suppliers, helping us get a better price quotation. Further, some being global suppliers, help us procure larger volumes at more competitive prices. For certain categories of ingredients, we also maintain longstanding contracts and engagements with suppliers.

For certain ingredient we also source ingredients through a single third-party distributor. This expands the exposure to the third-party distributor's multiple warehousing space and extensive logistics network across the country, providing economies of scale through operational leverage.

Well-defined restaurant roll-out and development process

New restaurant roll-out process comprises identifying locations and building restaurants quickly and efficiently. We build our restaurant network using a cluster approach, wherein we launch our 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 us efficiently manage our supply chain and ensure cost efficiencies owing to the proximal location of restaurants and distribution centres. While identifying and selecting new restaurant locations, we analyse strategic properties of the location, wherein we check the demographics of the location, the businesses in the surrounding areas, the site visibility, the site footfall generation capability, accessibility and parking, and the feasibility of the site.

360 Degree Technology

This comprises technologies such as our centrally-controlled digital menu board, handheld POS systems, in addition to the integration of our customer platforms with delivery aggregators, and the integration of our systems with our third-party distributor. We have also improved our BK app, which now has a more user-friendly interface, and ensures increased customer engagement.

Experienced Management and Leadership

BKIL's management team includes former senior employees with significant expertise and 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 commencement of its operations in November 2014.

IMPACT OF COVID-19 ON THE INDUSTRY AND BKIL COVID-19 impact on the industry

The year gone by was headlined by the COVID-19 pandemic, to counter which, the government undertook several measures such as financial stimulus to policy implementation

and rate cuts. The COVID-19 induced nationwide lockdown adversely impacted the overall food services business in varying degrees. Beginning in March 2020, people started to refrain from eating out frequently due to fear of contracting the virus. Unorganised market was the first to take hit due to hygiene concerns, followed by standalone restaurants. However, with the easing of restrictions and opening of restaurants in the country, people remained conscious about hygiene measures and were, therefore, reluctant to order delivery from restaurants. As food delivery aggregators started demonstrating capabilities for high food quality and service standards, consumers became more active in ordering via food delivery apps from the QSR chains. QSRs were amongst the first group of restaurants to start re-opening from April 2020.

The unorganised food services market is expected to continue to be heavily impacted due to the social distancing and safety protocols, and it is expected that the participants in organised food services, such as the QSR chains, will absorb the demand by the consumers of unorganised food services. Recovery in growth in the food services market will be led by organised players, such as the QSR chains, cafes, cloud kitchens, etc. with the organised market expected to rapidly bounce back to the pre-COVID levels.

COVID-19 IMPACT ON BKIL'S OPERATIONS AND OUR RESPONSE

BKIL closed its sub-franchisees temporarily across the country since March 2020, and experienced reduced store-level operations, marked by reduced operating hours

and dining-room closures. By the end of March 2020, as many as 201 restaurants shut down their operations due to the lockdown in India. However, between April 1, 2020 and June 30, 2020, 130 restaurants had re-opened for operations for either dine-in or food delivery.

During the COVID-19 crisis, we, at BKIL, implemented safety standards and hygiene protocols across all restaurants, with the objective of ensuring guest and crew safety. We were able to attain this on the back of hourly sanitisation, social distancing, temperature checks and safe deliveries. We continuously monitored the health of our staff, and any staff member feeling unwell was immediately referred to a doctor. The pandemic saw us cutting down on our expenses. However, we ran multiple campaigns to spread awareness about safety, health and hygiene, amidst these unprecedented times. We also ran campaigns like #ReassuringWhopper, which helped customers connect with their friends and family; #BailMeOutBK, which saved customers from their failed kitchen experiments; and #TrustInTaste, which helped us reinstate customers' trust in our safety measures through social media campaigns.

We have a very dynamic restaurant layout, ranging between the size of 400 square feet to 4,000 square feet. Our flexibility with respect to our restaurant formats enabled us to undertake certain temporary changes to our stores during the lockdown, wherein we moved up the cash registers and service counters closer to the restaurant entrance to facilitate takeaways and deliveries. The pandemic led to a substantial increase in business through delivery and takeaway channel.

FINANCIAL REVIEW

Particulars	(₹ in Million)	
	2020-21	2019-20
Revenue from Operations	4,944.54	8,412.38
Other Income	284.78	55.91
Total Income	5,229.32	8,468.29
Less : Cost of materials consumed	1,756.41	3,014.90
Less : Employee benefit expenses	1,176.04	1,365.03
Less : Finance cost	821.21	654.53
Less : Depreciation and amortisation expenses	1,275.45	1,163.74
Less : Other expenses	1,862.22	2,992.34
Loss before Exceptional items and Tax Expense	(1,662.01)	(722.25)
Add: Exceptional items	77.11	43.45
Loss before Tax Expense	(1,739.12)	(765.70)
Less: Tax Expense (Current & Deferred)	-	-
Loss for the year (1)	(1,739.12)	(765.70)
Total other comprehensive income/ (loss) for the year, net of tax (2)	1.00	(10.11)
Total comprehensive loss for the year, net of tax (1+2)	(1,738.12)	(775.81)
Balance of loss for earlier years	(3,425.12)	(2,649.31)
Balance carried forward	(5,163.24)	(3,425.12)

Review of Statement of Profit & Loss

During FY 2020-21, the Company reported total income of ₹5,229.32 Million, decrease of 38.25% from FY 2019-20 mainly on account of lesser sales from food and beverage due to impact of COVID-19. The total expenditure excluding exceptional items was ₹6,891.33 Million, decrease of

25.02% from FY 2019-20. The Company's gross margin improved by 42 basis point during FY 2020-21 at 64.68% as compared to 64.26% in FY 2019-20. Since the Company did not make any profit during the year, no dividends were recommended. The Company repaid the entire borrowings during FY 2020-21.

Significant Changes in the Key Financial Ratios

Particulars	FY 2020-21	FY 2019-20
1. Debtors Turnover (In days)	3.40	1.98
2. Inventory Turnover* (In days)	7.19	3.53
3. Current Ratio	2.19	0.51
4. Gross Debt Equity Ratio (excluding lease liability)	NIL	0.71
5. Operating Profit Margin	3.03%	12.36%
6. Net Profit Margin	(35.17%)	(9.10%)
7. Return on Net Worth	(25.82%)	(27.80%)

* based on days sales

OPERATIONAL REVIEW

BKIL is one of the fastest growing international QSR chains in India during the first five years of operations based on number of restaurants; marked by a network of 265 restaurants by the close of FY 2020-21.

(Source: Technopak)

The globally recognised "BURGER KING®" brand, is also known as the "HOME OF THE WHOPPER™", founded in 1954 in the United States, which holds a portfolio of fast food brands. The master franchisee arrangement provides the Company with the flexibility to tailor menu to Indian tastes and preferences. BKIL's customer proposition focuses on value leadership, offering customers variety through innovative new food offerings at different day parts, catering to the local Indian palate, offering a wide range of vegetarian meal options, taste advantage and flame grilling expertise.

BKIL focus on value leadership is a key driver of business. The key driver of this strategy has been "two good menu with variety", "2 for" promotions, such as 2 Crispy Veg burgers for just ₹69 and 2 Crispy Chicken burgers for just ₹89, as well as launch of King Deals which include "3 for ₹99" and "3 for ₹129" with varied option promotion combining the burgers/wraps with fries and Pepsi during FY 2020-21. BKIL has extended WHOPPER® brand with the launch of Lite WHOPPER®

Jr. @ ₹99. The Company has a wide variety of 18 different vegetarian and non-vegetarian burgers covering both value and premium offerings.

The Company arrangement with third-party distributor helps to reduce working capital requirements with respect to supply chain since third-party distributor purchases from suppliers and holds the ingredients and packaging materials as its own inventory until it delivers the product to Burger King restaurants. During the COVID-19 crisis, the Company continued to manage supply chain, and in certain circumstances have negotiated payment extensions from suppliers.

In past two years, in FY 2019-20, BKIL commissioned 73 new restaurants (net of closures) and in FY 2020-21, commissioned 5 new restaurants (net of closures) which was majorly impacted due to COVID-19, however, enhancing accessibility across its footprint; the Company was present in 58 cities by the close of the year under review. Although the COVID-19 crisis has adversely affected the ability to open new restaurants and expand restaurant network temporarily, the Company continue to evaluate the pace and quantity of new restaurant openings and the expansion of restaurant network and aim to increase the pace of growth when the COVID-19 crisis subsides and more of our restaurants become operational again.

RISK MANAGEMENT

Risk	Impact	Mitigation
Inflation risk	Increase in the cost of materials and ingredients can adversely impact the Company's profitability.	BKIL focuses on maintaining enduring relationships with suppliers of certain selected ingredients, which are subject to fluctuation in prices, thus, ensuring an insulated and de-risked bottom line. Further, our connect with a host of vendors, helps us attract competitive quotations and have multiple vendors ensuring cost efficiency.
Pandemic risk	Closure of restaurants and subdued customer sentiment owing to the pandemic and lockdowns across geographies may adversely impact the revenue generation of the Company.	BKIL ensured business continuity and reopening of restaurants with easing of lockdown restrictions. This coupled with the Company's sharp focus on health and safety of employees and customers, helped in continuity of operations in compliance with the stipulated norms of the government. With the help of our BK app, we ensured increased customer engagement. Further, with the integration of our customer platforms with delivery aggregators, helped us improve the delivery business.
Supply Chain risk	The dependence of the Company on a single third-party distributor for numerous ingredients may delay the supply and increase procurement costs.	BKIL maintains longstanding relationship with its suppliers across the country to ensure optimal utilisation of the supply chain.
Compliance risk	Risk of non-compliance with the statutory norms and regulations may damage the Company's reputation and impact operations.	Operating in the food sector, health, safety and environment laws play a pivotal role for BKIL. The Company ensures compliance with all such stringent norms and remains vigilant to update their processes as per changing market norms.
Operational risk	Inability to provide consistent customer service and good quality food, can turn out to be deterrent to our growth.	To combat this threat, we focused on employee training sessions in food handling and customer service. This helps us 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.
Consumer attrition risk	Preferences of consumers are ever-changing, and any failure in keeping up with the evolving trends may impact the operations of the Company.	BKIL not only has a diversified menu best suited to the Indian tastes and preferences but also has the option of an exclusive tailor-made service, ensuring it is continuously in line with the changing consumer preferences. Further, BKIL also conducted periodic customer surveys to gain insights on improvement needed in products, and capture changing preferences, helping us connect better with the consumers.
IT risk	Today, the world is empowered by technology and digitalisation. Failure in systems, processes or technology may impact the business operations at a large scale.	BKIL has equipped all its restaurants with a centrally controlled digital menu board, and handheld POS systems. BKIL also has a documented data security policy, SOC report for POS (front end and back end), and necessary security certifications for all key applications.

HUMAN RESOURCES

People are the strongest brand attribute at BKIL. The Company strives to provide a positive, safe and collaborative working environment by hiring the right talent, implementing structured and on-the-job employee training programmes covering every aspect of a restaurant's operations, and by promoting a culture of meritocracy. A well-defined internal growth path called RAP (Rewarding Ace Performance) is in place for restaurant employees – from crew to restaurant managers. "Queen at Burger King" 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.

The Company has a robust Internal Growth Program where employees are trained and developed to move into supervisory / managerial 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 horizontally as well as vertically.

In order to enhance customer experience at restaurants, the Company emphasises on the training of employees as they are the most critical link to customers. The employees are groomed to have the maturity and experience to make the right decisions and provide excellent customer service. For this reason, the Company has put the principles of “Customer First” and “Customer Delight” at the centre of its operations. In addition, a core part of our culture is our “ZEST” employee programme, which stands for “Zealous, Energy, Smiles and Thank you”, which focuses on instilling passion and enthusiasm in employees. The Company believes that enhancing the customer experience is a key component to increasing the profitability of restaurants. As on March 31, 2021, the total employee strength of the Company stood at 4,955.

In the light of the pandemic, safety and health of employees is of 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. BKIL's teams played a pivotal role in providing adequate systems to employees so that they can operate smoothly out of their homes in addition to leveraging digital mediums to conduct virtual training programmes and disseminate vital information.

BKIL focussed on employee connect for their wellbeing and safety by leveraging digital means for information dissemination/ training/ other basic HR processes. HRIS implementation was accelerated to enable employees manage HR processes online.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a well-defined internal control system commensurate with the size and nature of its business. The internal control system ensures reliability of financial information through timely and accurate recording of all financial, commercial, and operational transactions, safeguarding of assets from unauthorised use or disposition and stringent adherence to the applicable laws and regulations.

While the Company's internal team is responsible for continuous monitoring of these controls, it has also appointed an external team to oversee the adequacy and efficacy of

the internal controls. 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.

OUTLOOK

The Company plans to leverage Burger King's globally recognised brand name and marketing initiatives to drive footfalls and support same-store sales. At the same time, it intends to expand by setting up new Company-owned Burger King restaurants in various cities across India to meet the growing demands of western QSR culture amongst the consumers. The second wave of COVID-19 outbreak is likely to see a sequential contraction in the near term. Moving ahead, assuming the external environment improves, the Company is well poised to execute its well-defined roadmap to open new restaurants year-on-year. The Company's long-term vision is to take the total restaurant count to 700 by December 2026. It plans to leverage its cluster approach and penetration strategy to expand the restaurant network and drive customer footfalls. Further, ensuring health and safety of people, leveraging technologies across business operations, and enhancing customer experience remain the key focus areas.

Another important factor is the same-store sales growth ('SSSG'), which the Company expects to reach the FY 2019-20 levels of ADS by FY 2021-22. From FY 2022-23 onwards, it expects SSSG growth at 5-7%. BKIL strongly believes that the quality of business depends on the quality of gross margins, particularly in the QSR space. 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 will enable BKIL to achieve further economies of scale through operational leverage and expand margins and profitability. The Company intends to achieve a gross margin of 66% in FY 2021-22 and 68% in FY 2023-24.

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 judgments by considering all relevant factors before making any investment decision.

Directors' Report

To,
The Members,
Burger King India Limited
(Formerly known as Burger King India Private Limited)

Your Directors present the Eighth (8th) Annual Report on the Company's business and operations, together with the Audited Financial Statements for the financial year ended March 31, 2021 and other accompanying reports, notes and certificates.

COMPANY OVERVIEW AND STATE OF COMPANY AFFAIRS

Burger King India Limited ('the Company') is one of the fastest growing international Quick Service Restaurant ('QSR') chains to open 250 restaurants 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, operate and franchise Burger King branded restaurants in India. As of March 31, 2021, the Company had a widespread network of 265 restaurants, including 9 sub-franchisee restaurants across 58 cities 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

During the financial year ended March 31, 2021, the equity shares of the Company have been listed on BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE') w.e.f. December 14, 2020.

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

FINANCIAL HIGHLIGHTS AND PERFORMANCE

The Financial highlights of the Company for the financial year ended March 31, 2021 are as follows:

Particulars	(₹ in Million)	
	2020-21	2019-20
Revenue from Operations	4,944.54	8,412.38
Other Income	284.78	55.91
Total Income	5,229.32	8,468.29
Less : Cost of materials consumed	1,756.41	3,014.90
Less : Employee benefit expenses	1,176.04	1,365.03
Less : Finance cost	821.21	654.53
Less : Depreciation and amortisation expenses	1,275.45	1,163.74
Less : Other expenses	1,862.22	2,992.34
Loss before Exceptional items and Tax Expense	(1,662.01)	(722.25)
Add: Exceptional items	77.11	43.45
Loss before Tax Expense	(1,739.12)	(765.70)
Less: Tax Expense (Current & Deferred)	-	-
Loss for the year (1)	(1,739.12)	(765.70)
Total other comprehensive income/ (loss) for the year, net of tax (2)	1.00	(10.11)
Total comprehensive loss for the year, net of tax (1+2)	(1,738.12)	(775.81)
Balance of loss for earlier years	(3,425.12)	(2,649.31)
Balance carried forward	(5,163.24)	(3,425.12)

During the financial year 2020-21, the Company reported total income of ₹5,229.32 million, decrease of 38.25% from the financial year 2019-20 mainly on account of lesser sales from food and beverage due to impact of COVID-19. The total expenditure excluding exceptional items was ₹6,891.33 million, decrease of 25.02% from the financial year 2019-20. The Company's gross margin improved by 42 basis point during the financial year 2020-21 at 64.68% as compared to 64.26% in FY 2019-20. The Company repaid the entire borrowings during the financial year 2020-21. Please refer to the section on Financial and Operating Performance Review in the Management Discussion and Analysis for a detailed analysis of financial data.

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, the Company at its Extra-ordinary General Meeting held on October 20, 2020 re-classified its Authorized Share Capital from ₹5,050,000,000/- divided into 390,000,000 equity shares of ₹10/- each and 11,500,000 preference shares of ₹100/- each to ₹5,050,000,000/- (Rupees Five Hundred and Five Crore Only) divided into 505,000,000 equity shares of ₹10/- each and accordingly capital clause of Memorandum of Association was altered.

The Authorized Share Capital of the Company is ₹5,050,000,000/- (Rupees Five Hundred and Five Crore

Only) divided into 505,000,000 (Fifty Crore and Fifty Lakhs) equity shares of ₹10/- each as on March 31, 2021.

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

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

- 13,200,000 equity shares of face value of ₹10/- each at a premium of ₹34/- (Rupees Thirty Four Only) per equity share to QSR Asia Pte. Ltd. through Rights issue of equity shares (Pre-IPO Placement) on May 23, 2020.
- 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 through preferential allotment of equity shares (Pre-IPO Placement) on November 18, 2020.
- 75,000,000 equity shares of face value of ₹10/- each by way of fresh issue and the transfer of 60,000,000 equity shares of face value of ₹10/- each by way of an offer for sale by QSR Asia Pte. Ltd. at an Offer price of ₹60/- per equity share (premium of ₹50 /- per equity share) through Initial Public Offer ('IPO') of the Company, to the respective applicants in various categories on December 10, 2020.
- 1,325,039 equity shares of face value of ₹10/- each pursuant to exercise of stock options granted by the Company in terms of Burger King India Limited Employees Stock Options Scheme, 2015 of the Company on January 14, 2021.

The Issued, Subscribed and Paid-up Share Capital of the Company is ₹3,829,796,440/- divided into 382,979,644 equity shares of ₹10/- each as on March 31, 2021.

(c) Utilization of Proceeds of Rights Issue, Preferential Allotment and IPO

Pursuant to the Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), a statement/ explanation for the deviation(s) or variation(s) in the use of proceeds of Rights Issue, Preferential Allotment and IPO is herein given below:

Particulars of Issue	Shares Issued	Amount Raised	Deviation(s) or Variation(s) in the use of proceeds of issue, if any
Rights Issue	13,200,000 equity shares of face value of ₹10/- each at a premium of ₹34/- per equity share to QSR Asia Pte. Ltd.	₹580,800,000/- (Rupees Fifty-Eight Crore and Eight Lakh Only)	There were no instances of deviation(s) or variation(s) in the utilization of proceeds of rights issue as mentioned in the objects stated in the Offer letter for rights issue.
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.

Particulars of Issue	Shares Issued	Amount Raised	Deviation(s) or Variation(s) in the use of proceeds of issue, if any
IPO	75,000,000 equity shares of face value of ₹10/- each by way of fresh issue; and 60,000,000 equity shares of face value of ₹10/- each by way of an offer for sale by QSR Asia Pte. Ltd. at an Offer price of ₹60 per equity share (premium of ₹50/- per equity share) through IPO of the Company.	₹4,500,000,000/- (Rupees Four Hundred and Fifty Crore Only) through Fresh Issue	<p>There were no instances of deviation(s) or variation(s) in the utilization of proceeds as mentioned in the objects stated in the Prospectus dated December 7, 2020, in respect of the IPO of the Company.</p> <p>However, there has been a delay in utilization of the amount towards Capital Expenditure as compared to the estimated deployment schedule as mentioned in the Prospectus.</p> <p>The amount supposed to be utilised for setting up of new Company-owned Burger King Restaurants in the financial year 2020-21 was ₹140,000,000/- (Rupees Fourteen Crore Only) as against actual utilisation of ₹86,530,000/- (Rupees Eight Crore Sixty-Five Lakh Thirty Thousand Only).</p> <p>Explanation: During the financial year 2020-21, the Company has incurred / committed capital expenditure for setting up of new Burger King Restaurant in excess of ₹140,000,000/-, for utilisation out of the IPO Proceeds. As against the same, payments amounting to ₹86,530,000/- has been made prior to March 31, 2021 and the balance payment would be made during the financial year 2021-22 as they become due and payable.</p>

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

DIRECTORS

Re-appointment

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

1. Mr. Jaspal Singh Sabharwal, Non-Executive Director of the Company, was due to retire by rotation at the seventh Annual General Meeting and being eligible, had offered himself for re-appointment and was re-appointed at the Annual General Meeting held on November 13, 2020.
2. Mr. Amit Manocha, 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.

KEY MANAGERIAL PERSONNEL

During the financial year under review, Ms. Ranjana Saboo, resigned as the Company Secretary and Compliance Officer of the Company with effect from August 31, 2020 and Ms. Madhulika Rawat was appointed as the Company Secretary and Compliance Officer with effect from November 12, 2020.

The Key Managerial Personnel ('KMP') of the Company as per Section 2(51) and 203 of the Act 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

BOARD OF DIRECTORS, MEETINGS AND ITS COMMITTEES:

Composition of Board of Directors

The Composition of the Board of Directors as on March 31, 2021 is hereunder:

Sr. No.	Name of the Director	Designation/Status	DIN
1.	Mr. Shivakumar Pullaya 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. Peter Darrell Perdue	Non-Executive Director	08580197

Number of Board Meetings

During the financial year ended March 31, 2021, the Board of Directors met 9 (nine) times viz., on, May 2, 2020, September 28, 2020, October 19, 2020, November 12, 2020, November 25, 2020, December 7, 2020, December 24, 2020, February 9, 2021 and March 11, 2021. The maximum interval between any two meetings did not exceed 120 days.

Details of the meetings of the Board alongwith the attendance of the Directors therein have been disclosed as 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 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.

Familiarisation 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

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, from time to time and the same are disclosed in the notes forming part of the financial statements provided in this Annual Report.

Further, in terms of the provisions of Section 188(1) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, all contracts/ arrangements/ transactions entered into by the Company with its related parties, during the financial year under review, were

- in "ordinary course of business" of the Company,
- on an "arm's length basis" and
- not "material".

All transactions with related parties are in accordance with the policy on related party transactions formulated by the Company. Accordingly, Form No. AOC-2, prescribed under the provisions of Section 134(3)(h) of the Act and rule 8 of the Companies (Accounts) Rules, 2014, for disclosure of details of related party transactions, which are not at "arm's length basis" and also which are "material and at arm's length basis", is not provided as an annexure of this Report.

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

The Company has a robust strategy to identify, 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 also separately 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 transaction 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	
(ii)	The steps taken by the company for utilising alternate sources of energy	NIL
(iii)	The capital investment on energy conservation equipments	
(B) Technology absorption		
(i)	The efforts made towards technology absorption	
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NIL
(a)	The details of technology imported;	
(b)	The year of import;	
(c)	Whether the technology been fully absorbed;	NIL
(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.	
(C) Foreign Exchange Earnings and Outgo		
(i)	Foreign Exchange Earnings by the Company	-
(ii)	Foreign Exchange Expenditure by the Company (₹ in Million)	218.28

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, four complaints with respect to sexual harassment were received and resolved by the Committee and no complaint was pending to be resolved.

Material changes and commitments affecting the financial position of the Company

Impact of COVID 19 outbreak

The World Health Organisation declared COVID-19 to be a pandemic in March 2020. Consequently, the Government of India declared a nation-wide lockdown with effect from March 24, 2020, which caused significant disruption in economic activity and has impacted the business activities and lives of the people. In view of the COVID- 19 outbreak such as complete lockdown of states, brought economic activity to a standstill affecting the Company's restaurant traffic as well which is no exception for industry as a whole. During the trying times, the priorities are to serve most hygienic and safe food to the customers.

The Company has assessed the impact of this pandemic on its business operations and has considered all relevant

information available up to the date of approval of these financial statements, in determination of the recoverability of all its non-current and current assets and recognised necessary adjustments to carrying values of these assets. Further, given the uncertainties associated with nature, condition and duration of COVID-19, the impact assessment on the company's financial statements will be continuously made and any material changes will be provided for as required.

Since, 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 for the financial year ended March 31, 2021. The Company has shut down certain stores, which led to write off of property, plant and equipment amounting to ₹27.83 million for the financial year ended March 31, 2021.

The Company has written off assets amounting to ₹20.48 million during the financial year ended March 31, 2021 owing to change in "Burger King" logo globally.

Also, the Company elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated July 24, 2020 on IND- AS 116 for all rent concessions which are granted due to COVID-19 pandemic. During the financial year ended March 31, 2021, an amount of ₹425.87 million related to lease concessions have been confirmed till reporting date. Accordingly, amount of ₹249.84 million for the financial year ended March 31, 2021 is adjusted against other expenses and ₹176.03 million for the financial year ended March 31, 2021 is accounted under the head "Other Income".

Details in respect of frauds reported by Auditors under Sub-Section (12) of Section 143 of the Act 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

During the financial year under review, there were no Companies which has/ have become/ ceased to become a Subsidiary/ Joint Ventures/ Associate Companies.

Corporate Social Responsibility Policy

During the financial year under review, the Company did not qualify the threshold limits as specified in Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy), Rules 2014. Hence, the provisions with respect to the Corporate Social Responsibility ("CSR") Policy were not applicable to the Company. Subsequently, the provisions with respect to CSR policy became applicable and accordingly the same has been formulated and 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 Burger King India Limited Employee Stock Option Scheme 2015 ("ESOS 2015"). 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 and June 28, 2019.

As a regulatory requirement in connection with the IPO of the Company, the ESOS 2015 was amended pursuant to the approvals of the Nomination and Remuneration Committee vide its resolution dated October 17, 2019, Board of Directors resolution dated October 17, 2019, and Shareholders' by way of a special resolution dated October 23, 2019, primarily with a view to align it with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations") read with circular bearing reference number CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by SEBI, and to modify a few provisions with a view to ensure efficient implementation and administration including flexibility in determining vesting period and extension of exercise period. The ESOS 2015 was further amended pursuant to the approval of the Nomination

and Remuneration Committee vide its resolution dated November 12, 2020, Board of Directors resolution dated November 12, 2020, and shareholders' by way of a special resolution dated November 13, 2020, to increase the total options available by 3,524,364 options, and to increase the exercise period from 12 months to 24 months for the options vesting on the completion of the IPO of the Company.

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 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 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 Regulations is uploaded on the website at <https://www.burgerking.in/financials>.

HUMAN RESOURCES

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 total number of

permanent employees on the rolls of the Company as on the year end were 4955.

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 I**” 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.

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 2020-21.

In terms of the provisions of sub-section (1) of Section 204 of the Act read with Regulation 24A of the SEBI Listing Regulations, the Secretarial Audit Report given by the Secretarial auditor in Form MR-3 is annexed as “**Annexure II**” of the Director's Report. The Secretarial Audit report does not contain any qualifications, reservation or adverse remarks.

Internal Auditor

The Company has appointed M/s. S.S. Kothari Mehta and Co. Chartered Accountants as the internal auditors of the Company for the financial year 2020-21 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, 2021, 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, 2021 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.

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 III" to the Director's Report and also available on the Company's website at www.burgerking.in

BUSINESS RESPONSIBILITY REPORT (BRR)

Pursuant to Regulation 34 of the SEBI Listing Regulations, BRR forms part as "Annexure IV" 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 Burger King India Limited

(Formerly known as Burger King India Private Limited)

Shivakumar Pullaya Dega

Chairman &
Independent Director
DIN: 00364444

Place: Mumbai
Date: May 26, 2021

Rajeev Varman

Whole-time Director &
CEO
DIN: 03576356

Place: Bengaluru

Annexure I

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5(I) 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	Remuneration of Director for financial year 2020-21 (in ₹)	Ratio of Remuneration of each Director to the median remuneration of employees for financial year 2020-21	% Increase in remuneration
Non-Executive Director				
Mr. Shivakumar Pullaya Dega ⁽³⁾	Independent Director	470,000	2.67	N.A.
Mr. Sandeep Chaudhary ⁽³⁾	Independent Director	360,000	2.05	N.A.
Mrs. Tara Subramaniam ⁽³⁾	Independent Director	470,000	2.67	N.A.
Mr. Amit Manocha ⁽⁴⁾	Non-Executive Director	Nil	-	N.A.
Mr. Jaspal Singh Sabharwal ⁽⁴⁾	Non-Executive Director	Nil	-	N.A.
Mr. Ajay Kaul ⁽⁴⁾	Non-Executive Director	Nil	-	N.A.
Mr. Peter Perdue ⁽⁴⁾	Non-Executive Director	Nil	-	N.A.
Executive Director and Key Managerial Personnel				
Mr. Rajeev Varman ⁽²⁾	Whole-time Director and Chief Executive Officer	40,442,280	230.06	NIL
Mr. Sumit Zaveri	Chief Financial Officer	14,340,556	N.A.	NIL
Ms. Ranjana Saboo ⁽⁵⁾	Company Secretary	1,607,465	N.A.	NIL
Ms. Madhulika Rawat ⁽⁶⁾	Company Secretary	1,472,763	N.A.	N.A.

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 Pullaya Dega, Mrs. Tara Subramaniam, Mr. Sandeep Chaudhary receive only sitting fees which are not considered as remuneration for the purpose of above calculation.
- 4) Mr. Amit Manocha, Mr. Jaspal Singh Sabharwal, Mr. Ajay Kaul and Mr. Peter Perdue are Non-Executive Directors nominated on the Board by the Promoters. They did not receive any remuneration.
- 5) Ms. Ranjana Saboo had resigned w.e.f. August 31, 2020.
- 6) Ms. Madhulika Rawat was appointed w.e.f. November 12, 2020. However, she had joined the Company on October 26, 2020. The remuneration details are given from October 26, 2020 to March 31, 2021.

- (b) The percentage increase in the median remuneration of employees in the financial year
10.13%

- (c) The number of permanent employees on the rolls of Company
Permanent employees on the rolls of the Company as on March 31, 2021 were **4,955**.

- (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

There was no increase in the salaries of employees in the financial year 2020-21 except as per the Minimum Wages Act, 1948.

(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 the Nomination and Remuneration Policy of the Company; and
- (2) other employees of the Company is as per the Human Resource Philosophy of the Company.

For and on behalf of the Board of Directors

For Burger King India Limited

(Formerly known as Burger King India Private Limited)

Shivakumar Pullaya Dega

Chairman & Independent Director

DIN: 00364444

Place: Mumbai

Date: May 26, 2021

Rajeev Varman

Whole-time Director & CEO

DIN: 03576356

Place: Bengaluru

Annexure II

FORM MR-3 **SECRETARIAL AUDIT REPORT** **FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

[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,

Burger King India Limited,
Unit Nos. 1003 to 1007, 10th 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 **Burger King India Limited** (hereinafter called 'the Company'). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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, 2021 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 thereunder (applicable to the Company w.e.f. December 14, 2020);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (applicable to the Company w.e.f. December 14, 2020);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of

Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The 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 (applicable to the Company w.e.f. December 14, 2020);
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (applicable to the Company w.e.f. December 14, 2020);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (applicable to the Company w.e.f. November 05, 2019);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (applicable to the Company w.e.f. December 14, 2020);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (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); and
 - (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 also 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 (applicable to the Company w.e.f. December 14, 2020);

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

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 notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, 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.

- 1) The Shareholders of the Company in the Annual General Meeting held on November 13, 2020 passed the below mentioned resolutions:
 - a) Amendment in BK Employee Stock Option Scheme 2015 ('ESOS 2015');

- b) Extended Benefits of Amendment in BK Employee Stock Option Scheme 2015 to the Employees/ Directors of the Holding Company and Subsidiary Company(ies);

- 2) Board of Directors in the Board meeting held on October 19, 2020 approved the following actions:
 - a) Reclassification of authorised share capital of the Company;
 - b) Increase in offer size of the Company;

- 3) The Board of Directors has passed the following resolutions for allotment of equity shares;

Sr. No.	Date of passing resolution	No of Shares allotted	Type of allotment
1	May 23, 2020	13,200,000	Issue of Shares on rights basis
2	November 18, 2020	15,712,820	Preferential allotment
3	January 14, 2021	1,325,039	Employee Stock Option Purchases

- 4) During the period of our review, The Board of Directors in the Board Meeting held on September 28, 2020, had approved borrowings of ₹60 Crores from Indusind Bank;
- 5) During the period of our review, Company has listed its Equity shares on the BSE Limited and National Stock Exchange Limited on December 14, 2020.

Note: Due to lockdown under COVID-19, Certification on this Form MR-3 is done on the basis of documents made available to us in electronic form (i.e. scanned copies vide e-mail) by the Secretarial Team of the Company and such documents will be verified physically after the lockdown is lifted.

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

Dipti Mehta
Partner

FCS No: 3667
CP No.: 23905
Place: Mumbai
Date: May 26, 2021

UDIN: F003667C000374950

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,

Burger King India Limited,
Unit Nos. 1003 to 1007, 10th 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 to in points vi of our Secretarial Audit Report in Form No. 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: F003667C000374950

Place: Mumbai
Date: May 26, 2021

Annexure III

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 Burger King India 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 with 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 IV

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	BURGER KING INDIA LIMITED
3. Registered Office and Corporate Office	Unit Nos. 1003 to 1007, 10 th Floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai - 400 059
4. Website	www.burgerking.in
5. E-mail Id	investor@burgerking.in
6. Financial Year ('FY') reported	April 1, 2020 to March 31, 2021
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 265 Burger King 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, 2021)	₹3,829,796,440/-
2. Total Turnover	₹4,944.54 million
3. Total Loss after Taxes	(₹1,739.12 million)
4. Total Spending on Corporate Social Responsibility ('CSR') as percentage of Profit after taxes	Nil
5. List of activities in which CSR expenditures have been incurred	Not Applicable

SECTION C - OTHER DETAILS

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

No

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)?

Not Applicable

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) - Bold

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 shall engage with the key external stakeholders and evaluate 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 www.burgerking.in								
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

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The equity shares of the Company were listed on the Stock Exchange w.e.f. December 14, 2020, the formulation of Business Responsibility Report has become applicable to the Company from FY 2020-21 based on the market capitalization of the Company. The Management shall monitor the BR initiatives and BR performance of the Company to be complied in the BR report, annually, which shall form part of the Annual

Report every year and shall be placed before the Board for their approval, every year.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The equity shares of the Company were listed on the Stock Exchanges (BSE Limited and National Stock Exchange of India Limited) w.e.f. December 14, 2020, therefore the requirement of publishing the Business Responsibility Report was not applicable to the Company for previous financial years.

The Company is publishing the Business Responsibility Report for FY 2020-21 and the said report will be part of Annual Report for FY 2020-21 and will be available on Company's website: 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 is primarily applicable to the internal stakeholders of the Company. 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 influence and interaction that the organization has with 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.

During FY 2020-21, 2832 complaints were received from investors/ shareholders and no complaints were pending to be resolved. Majority of complaints were related to Initial Public Offer ('IPO') queries from investors / shareholders. Further, 7 complaints were received from employees and no complaints were pending to be resolved.

The Company maintains a track of shareholders and certain employee complaints as is statutorily required covering number of complaints and resolution of the same. 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 manner of doing business. The key philosophies that the Company follows on the lines of sustainability are as follows:

- a) 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.
- b) The Company sources 100% antibiotic-free chicken from sustainable sources which are used in the Company's products.
- c) 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. The Company has completely eliminated single use plastic from all its stores.
- d) All the food that the Company serves to its customers are free from Synthetic Colours and Artificial Flavours.

- 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 source. 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 vendor's 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.

- 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 policy 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, are sourced locally. 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 on 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 ~216 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. The Company has completely eliminated single use plastic from 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:

1. Total number of employees - 4,955
2. Number of employees hired on temporary/ contractual/ casual basis - 20
3. Number of permanent women employees - 1,613
4. Number of permanent employees with disabilities – Nil
5. Do you have an employee association that is recognized by management - No
6. What percentage of your permanent employees is members of this recognized employee association? – Not Applicable
7. 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 -

Sr. 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	Nil	Nil	Nil
2	Sexual harassment	Nil	4	Nil
3	Discriminatory employment	Nil	Nil	Nil

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

- a. Permanent employees – NIL
- b. Permanent women employees – NIL
- c. Casual/ temporary/ contractual employees – NIL
- d. Employees with disabilities - NA

During FY 2020-21, the Company deployed stringent safety protocols to ensure safety of its people during COVID-19 pandemic. The Company continues to review and strengthen its safety systems to ensure continual improvements.

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

1. Has the Company mapped its internal and external stakeholders?

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

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

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?

Except of the 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.

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

No, except for the ones that are statutorily required under relevant regulations.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

1. 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.

2. 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 2020-21. We have a robust mechanism to receive and resolve employee grievances / concerns.

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

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

2. 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 all 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. The Company has completely eliminated the use of single use plastic from all its stores.

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

3. Does the company identify and assess potential environmental risks? Y/N

No

4. 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

5. 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

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

Not Applicable

7. 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

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

(a) National Restaurant Association of India

(b) Restaurant Association of India

2. 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

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

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 an endeavor to make an impact for the same.

2. 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 NGOs of Avasara and Rooms to Read.

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 INR and the details of the projects.**

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 and the Company is also actively involved in 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 2020-21	2
2	Number of pending Consumer Complaints in courts as on March 31, 2021	46
3	Number of Consumer Complaints in courts received during FY 2020-21	4

Apart from above as at March 31, 2021, there were no customer complaints received by the Company at various platforms has been unresolved.

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 recently 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 provided 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

Corporate governance is concerned with holding the balance between economic and social goals and between individual and communal goals. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individuals, corporations and society.

-Adrian Cadbury, Former Chairman of Cadbury and Cadbury Schweppes

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 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 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.



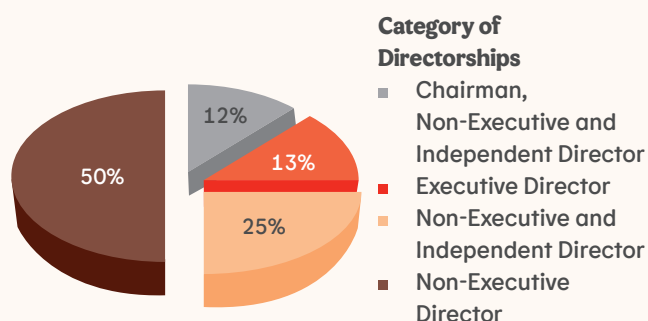
BOARD OF DIRECTORS

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 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.



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 2020-21, the Board met 9 (nine) times on May 2, 2020, September 28, 2020, October 19, 2020, November 12, 2020, November 25, 2020, December 7, 2020, December 24, 2020, February 9, 2021 and March 11, 2021. 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 2020-21 and the last Annual General Meeting held on November 13, 2020 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 31.03.2021)	No. of Board Committees in which director is a Member / Chairperson (as on 31.03.2021)		Shareholding of Non-Executive Directors (as on 31.03.2021)
	Held	Attended			Member	Chairperson	
Mr. Shivakumar Pullaya Dega (Chairman and Independent Director)	9	9	Yes	1	2	1	Nil
Mr. Rajeev Varman (Whole-time Director and Chief Executive Officer)	9	9	Yes	0	0	0	NA
Mrs. Tara Subramaniam (Independent Director)	9	9	No	1	2	1	Nil
Mr. Sandeep Chaudhary (Independent Director)	9	8	No	3	0	0	6,950
Mr. Amit Manocha (Non-Executive Director)	9	9	Yes	1	1	0	Nil
Mr. Jaspal Singh Sabharwal (Non-Executive Director)	9	9	Yes	1	1	0	Nil
Mr. Ajay Kaul (Non-Executive Director)	9	8	Yes	1	0	0	Nil
Mr. Peter Darrell Perdue (Non-Executive Director)	9	9	Yes	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.

Separate Meeting of Independent Directors

A separate meeting of the Independent Directors was held on February 9, 2021 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 Pullaya Dega	Rajeev Varman	Sandeep Chaudhary	Tara Subramaniam	Amit Manocha	Ajay Kaul	Jaspal Singh Sabharwal	Peter Perdue
Professional competencies								
Behavioural competencies								
Leadership and Management skills								
Technical competencies								



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.



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.



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.



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>.

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; and

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

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 Pullaya 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 2020-21 are given below:

Name of Members	Meeting held	Date of Meeting			
		July 31, 2020	September 28, 2020	November 12, 2020	February 9, 2021
Mrs. Tara Subramaniam	4				
Mr. Shivakumar Pullaya Dega	4				
Mr. Amit Manocha	4				

: 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 circulated to all the members of the Board and are also placed in the next scheduled meeting of the Board, for discussion and review thereof.

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) Regulations, 2014, 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:
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - 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 Pullaya 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 2020-21 are given below:

Name of Members	No. of meetings Held	Date of Meeting		
		November 12, 2020	December 24, 2020	February 9, 2021
Mr. Sandeep Chaudhary	3			
Mr. Shivakumar Pullaya Dega	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 Committee.

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
Total Fixed Salary	30,000,000
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, notice period, severance fees	The current tenure of office of Whole-time 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 to Mr. Rajeev Varman in the financial year 2020-21 is as follows:

Particulars	Amount (in ₹)
Gross salary	25,442,280
Variable Bonus	15,000,000
Total	40,442,280

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 our 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 2020-21 to the Non-Executive Independent Directors for attending the Board and Committee Meetings for the financial year 2020-21, are as follows:

Name of the Director	Sitting Fees (₹)
Mr. Shivakumar Pullaya Dega	470,000
Mr. Sandeep Chaudhary	360,000
Mrs. Tara Subramaniam	470,000

No remuneration by way of commission to the Non-Executive Directors was proposed for the financial year 2020-21.

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.

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 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 the 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 authorize affixation of common seal of the Company;
- To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) 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).

Composition and Attendance of SRC

The composition of SRC and attendance of Committee members during the financial year 2020-21 are given below:

Name of Members	Position	Category	No. of Meetings	
			Held	Attended
Mr. Shivakumar Pullaya 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 2020-21 on February 9, 2021.

The Chairman of the Committee, Mr. Shivakumar Pullaya Dega, had attended the last Annual General Meeting of the Company, which was held on November 13, 2020.

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	2,832
Disposed off during the financial year	2,832
Pending at the end of the financial year	Nil

RISK MANAGEMENT COMMITTEE

The Risk Management Committee ('RMC') was originally constituted on March 11, 2021.

However, subsequent to the financial year ended March 31, 2021, pursuant to the amendment in the SEBI Listing Regulations vide its notification dated May 5, 2021 i.e. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021:

- the RMC was re-constituted on May 26, 2021 with an addition of one Independent Director; and
- the revised terms of reference of RMC were approved on May 26, 2021.

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.

- 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.

Post reconstitution, the composition of the RMC is as follows:

Name of Members	Position	Category
Mr. Rajeev Varman	Chairman	Whole-time Director and Chief Executive Officer
Mrs. Tara Subramaniam ¹	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

Note:

(1) Appointed as a Member of RMC w.e.f. May 26, 2021

During the year under review, no meeting of Risk Management Committee was held.

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:

- (a) to borrow monies;
- (b) to invest the funds of the Company; and
- (c) 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 Member	Position	Category
Mrs. Tara Subramaniam	Chairperson	Independent Director
Mr. Rajeev Varman	Member	Whole-time Director & CEO
Mr. Amit Manocha	Member	Non-Executive Director

During the financial year under review, no meeting of BILF Committee was held.

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

IPO COMMITTEE

The IPO Committee of the Board of Directors was constituted on September 12, 2019, *inter alia* to approve and undertake various activities in relation to the Initial Public Offer.

Terms of Reference

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

- To make applications to the Government of India, Securities and Exchange Board of India ("SEBI"),

Reserve Bank of India ("RBI"), or to any other statutory or governmental authorities in connection with the Offer as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required;

- To finalise, approve and file the draft red herring prospectus with the SEBI, the red herring prospectus and prospectus with the SEBI, Registrar of Companies, Maharashtra at Mumbai (the "RoC"), and other regulatory authorities and the preliminary and final international wrap (including amending, varying, supplementing or modifying the same, or providing any notices, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient), the bid cum application forms, abridged prospectus, confirmation of allocation notes and any other document in relation to the Offer as finalised by the Company, and take all such actions in consultation with the book running lead managers (the "BRLMs") as may be necessary for the submission and filing of the documents mentioned above, including incorporating such alterations/corrections/modifications as may be required by the SEBI, the RoC or any other relevant governmental and statutory authorities or otherwise under applicable laws;
- To decide in consultation with the BRLMs on the timing, pricing and all the terms and conditions of the Offer, including the price band, Offer price, Offer size and to accept any amendments, modifications, variations or alterations thereto;
- To appoint and enter into arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, public offer account bankers to the Offer, sponsor bank, registrar, legal advisors, advertising agency and any other agencies or persons or intermediaries to the Offer, including any successors or replacements thereof, and to negotiate and finalise the terms of their appointment;
- To take on record the approval of the selling shareholder for offering their Equity Shares including the quantum in terms of number of Equity Shares/amount offered by the selling shareholder in the Offer for Sale;
- To authorise the maintenance of a register of holders of the Equity Shares;
- To negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the Offer agreement, share escrow agreement,

syndicate agreement, underwriting agreement, cash escrow agreement, agreements with the registrar and the advertising agency and all other documents, deeds, agreements and instruments and any notices, supplements and corrigenda thereto, as may be required or desirable in relation to the Offer, with the power to authorise one or more officers of the Company to negotiate, execute and deliver any or all of the these documents;

- To open with the bankers to the Offer such accounts as may be required by the regulations issued by SEBI;
- To seek, if required, the consent of the lenders to the Company, parties with whom the Company has entered into various commercial and other agreements, and any other consents that may be required in relation to the Offer;
- To open and operate bank accounts in terms of the escrow agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- To approve restated financial statements of the Company and any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the Applicable Laws or the uniform listing agreement to be entered into by the Company with the relevant stock exchanges, and to approve policies to be formulated under the Companies Act, 2013, as amended and the regulations prescribed by SEBI including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, (given the proposed listing of the Company);
- To authorise and approve, the incurring of expenditure and payment of fees, commission, remuneration and expenses in connection with the Offer;
- To determine and finalise the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Offer (including anchor investors offer price), total number of Equity Shares to be reserved for

allocation to eligible investors, approve the basis of allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLMs and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;

- To issue allotment letters/confirmation of allotment notes with power to authorise one or more officers of the Company to sign all or any of the aforesaid documents;
- To authorise and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;
- To do all such acts, deeds, matters and things and execute all such other documents, etc., deem necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of share certificates in accordance with the relevant rules;
- To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) limited and such other agencies, authorities or bodies as may be required in this connection;
- To withdraw the draft red herring prospectus, red herring prospectus and the Offer at any stage, if deemed necessary;

- To negotiate, finalise, sign, execute, deliver and complete any and all notices, offer documents (including Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus) agreements, letters, applications, other documents, papers or instruments (including any amendments, changes, variations, alterations or modifications thereto) on behalf of the selling shareholder (as maybe applicable), as the case may be, in relation to the Offer.
- To make applications for listing of the Equity Shares in one or more recognised stock exchange(s) in India and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s); and
- To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may, deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company.













Composition of IPO Committee

The composition of IPO Committee is given below:

Name of Member	Position	Category
Mr. Amit Manocha	Chairman	Non-Executive Director
Mr. Rajeev Varman	Member	Whole-time Director & CEO
Mr. Jaspal Singh Sabharwal	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 2020-21 are given below:

Name of Members	No. of meetings Held	Date of Meeting			
		November 26, 2020	December 1, 2020	December 9, 2020	December 10, 2020
Mr. Amit Manocha	4				
Mr. Rajeev Varman	4				
Mr. Jaspal Singh Sabharwal	4				

 : Present  : Leave of Absence

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

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
September 21, 2018	04:00 p.m.	Yes	1. Reclassification of the Authorised Share Capital and Alteration of the Memorandum of Association.	Unit Nos. 1003 to 1007, 10 th Floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai – 400 059.
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 th Floor, Mittal Commercial, 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” . 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 th Floor, Mittal Commercial, 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:

Date	Time	Whether Special Resolution Passed or not	Special Resolutions passed	Location
October 20, 2020	2:00 p.m.	Yes	1. Increase in Offer Size of the Initial Public Offer 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 th Floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai – 400 059.

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 24, 2020

Date of declaration of result: January 29, 2021

Voting period: December 30, 2020 to January 28, 2021

Date of approval: January 28, 2021

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	Ratification of BK Employee Stock Option Scheme 2015.	Special	248038936	219609085	88.54	28429851	11.46
2	Ratification to extend benefits of BK Employee Stock Option Scheme 2015 to the employees/ directors of the Holding Company and Subsidiary Company(ies).	Special	248041006	219609440	88.54	28431566	11.46

Date of postal ballot notice: February 9, 2021

Date of declaration of result: March 26, 2021

Voting period: February 24, 2021 to March 25, 2021

Date of approval: March 25, 2021

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 approve the remuneration of Mr. Rajeev Varman (DIN: 03576356), Whole-time Director and CEO of the Company.	Special	244196004	223863385	91.67	20332619	8.33

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 and General Circular No. 39/2020 dated December 31, 2020 ('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 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, 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 her report to the Chairman, and consolidated results of the voting were announced by the Chairman 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

The Resolutions, as set out in the Postal Ballot Notice dated December 24, 2020 and February 9, 2021 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 2020-21, the Company has not entered into any materially significant related party transaction, which could have a potential conflict of interest between the Company and its Promoters or Directors or Management or their relatives other than the transactions carried out in the normal course of business. The related party transactions are disclosed in Notes to Accounts. 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, 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.

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**

The Company does not have any subsidiary and hence policy for determining the material subsidiary is not applicable.

• **Disclosure of commodity price risks and commodity hedging activities**

The Company does not engage in commodity hedging activities.

- **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	Deviation(s) or Variation(s) in the use of proceeds of issue, if any
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.

During the financial year, the Company has not raised any funds through Qualified Institutions Placement.

- **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 that are positively accepted by the Board of Directors.

- **Fees paid to Statutory Auditors**

Please refer to the Notes to accounts, for the total fees paid by the Company to the Statutory Auditors for the financial year 2020-21.

- **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, four 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, 2021 is in**

compliance with the requirements of Corporate Governance under the SEBI Listing Regulations, as applicable.

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.
- 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 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 th Floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai-400 059
Date, Time and Venue of Annual General Meeting	: Wednesday, August 25, 2021 at 11:00 a.m. (IST) through Video Conferencing/Other Audio Visual Means facility [Deemed Venue for Meeting : Registered Office: Unit Nos. 1003 to 1007, 10 th Floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai-400 059]
Financial year	: April 1 to March 31
Cut-off Date	: Wednesday, August 18, 2021 [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 th 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 BURGERKING
ISIN	: INE07T201019
Listing Fees	: Annual listing fees for the year 2021-22 (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 2021-22

For the quarter ended June 30, 2021	: On or before August 14, 2021
For the quarter and half year ended September 30, 2021	: On or before November 14, 2021
For the quarter ended December 31, 2021	: On or before February 14, 2022
For the quarter and year ended March 31, 2022	: On or before May 30, 2022

Market Price Data and performance in comparison to broad based indices

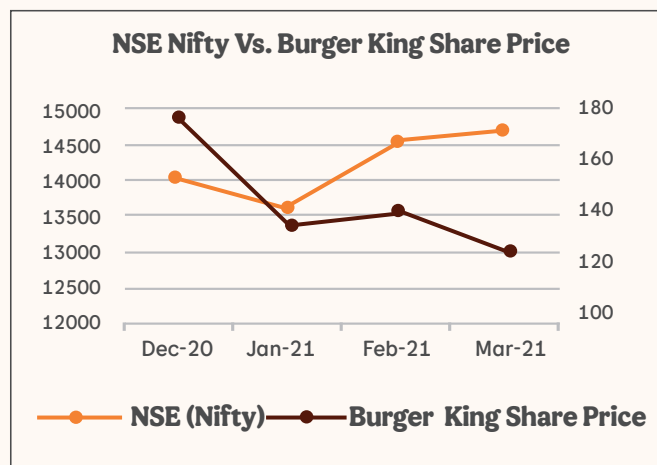
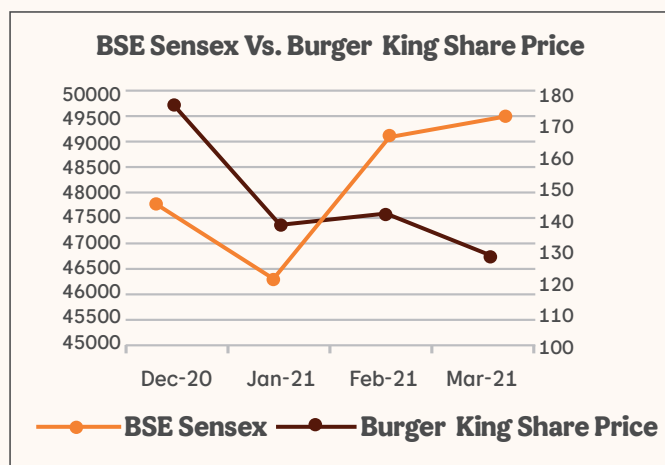
Month-Year	Share price on BSE (Burger King)			BSE Sensex
	High	Low	Close	
December 2020	219.15	108.40	175.45	47,751.33
January 2021	176.95	128.00	137.55	46,285.77
February 2021	157.50	135.25	141.55	49,099.99
March 2021	153.45	127.00	129.10	49,509.15

Month-Year	Share price on NSE (Burger King)			NSE (Nifty)
	High	Low	Close	
December 2020	213.80	108.40	175.50	13,981.75
January 2021	176.90	128.50	137.60	13,634.60
February 2021	157.50	135.25	141.50	14,529.15
March 2021	153.60	126.70	128.55	14,690.70

Note:

(a) Equity Shares of the Company were listed on Stock Exchanges w.e.f. December 14, 2020.

(b) 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

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.

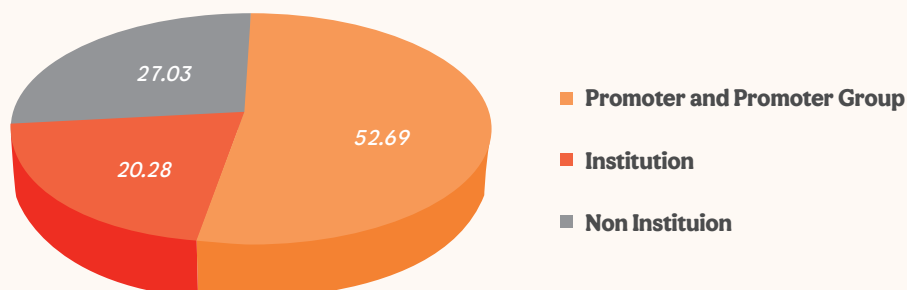
Transfers in electronic form are much simpler and quicker as the shareholders have to approach their respective depository participants and the transfers are processed by NSDL/ CDSL, as the case may be, with no requirement of any separate communication to be made to the Company.

Shareholding Pattern as on March 31, 2021

Category Code	Category of shareholder	No. of Shareholders	Total no. of Shares	As a percentage of (A+B+C) (%)
(A)	Shareholding of Promoter and Promoter Group			
(1)	Indian	0	0	0
(2)	Foreign	2	201,811,111	52.69
	Total Shareholding of Promoter and Promoter Group	2	201,811,111	52.69
(B)	Public Shareholding			
(1)	Institutions	40	77,643,549	20.28
(2)	Non Institutions	288,398	103,524,984	27.03
	Total Public Shareholding	288,438	181,168,533	47.31
	TOTAL(A)+(B)	288,440*	382,979,644	100.00

*No. of shareholders mentioned here are consolidated on PAN basis as per SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated December 19, 2017.

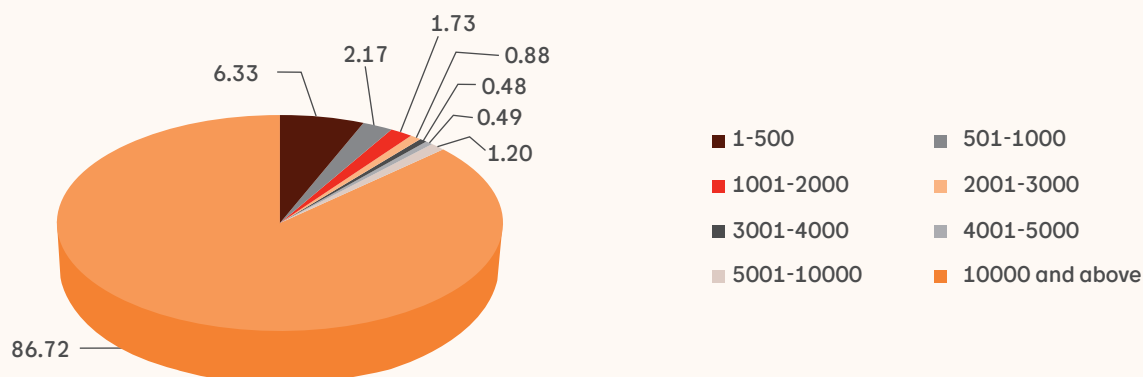
Category-Wise Shareholding (%)



Distribution of Shareholding as on March 31, 2021

No. of Equity Shares held	No. of Shareholders*	No. of Shares	% of total shares
1 – 500	273,967	24,254,002	6.33
501 – 1000	10,586	8,291,757	2.17
1001 – 2000	4,432	6,613,315	1.73
2001 – 3000	1,317	3,379,449	0.88
3001 – 4000	516	1,846,011	0.48
4001 – 5000	398	1,882,041	0.49
5001 – 10000	621	4,578,929	1.20
10001 and above	520	332,134,140	86.72

* Without consolidating the folios on the basis of PAN



Dematerialisation of shares

As at March 31, 2021, 382,979,642 equity shares out of 382,979,644 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 265 Burger King Restaurants (including 9 sub-franchisees), as on March 31, 2021. 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, 10th 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, 2021 is as follows:

1. ICRA rating of BBB+ (Negative outlook) for its long term loan of ₹210 Crore and bank overdraft of ₹20 Crore; and
2. ICRA rating of A2 for short term bank guarantee of ₹10 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. 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 2020-21".

Mr. 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,
Burger King India Limited
Unit Nos. 1003 to 1007, 10th 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 **Burger King India Limited** having CIN L55204MH2013FLC249986 and having registered office at Unit Nos. 1003 to 1007, 10th 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) 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 March 31, 2021 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.	Shivakumar Pullaya Dega	00364444	14/10/2019
2.	Rajeev Varman	03576356	27/02/2014
3.	Tara Subramaniam	07654007	14/10/2019
4.	Sandeep Chaudhary	06968827	14/10/2019
5.	Amit Manocha	01864156	07/07/2016
6.	Jaspal Singh Sabharwal	00899094	18/11/2013
7.	Ajay Kaul	00062135	29/10/2018
8.	Peter Darrell Perdue	08580197	14/10/2019

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.

Note: Due to lockdown under COVID-19, Certification on this Certificate of Non-Disqualification is done on the basis of documents made available to us in electronic form (i.e. scanned copies vide e-mail) by the Secretarial Team of the Company and such documents will be verified physically after the lockdown is lifted.

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

Dipti Mehta

Partner

FCS No: 3667

CP No: 23905

UDIN: F003667C000375082

Place: Mumbai

Date: May 26, 2021

Annexure B

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
BURGER KING INDIA LIMITED

We have examined the compliance of conditions of Corporate Governance by **Burger King India Limited** (hereinafter referred as “Company”) for the Financial year ended March 31, 2021 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.

Note: Due to lockdown under COVID-19, Certification on this Secretarial Compliance Report is done on the basis of documents made available to us in electronic form (i.e. scanned copies vide e-mail) by the Secretarial Team of the Company and such documents will be verified physically after the lockdown is lifted.

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

Place: Mumbai
Date: May 26, 2021

Dipti Mehta
Partner
FCS No: 3667
CP No: 23905
UDIN: F003667C000374939

Annexure C

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

Rajeev Varman
Whole-time Director & CEO

Place: Bengaluru
Date: May 26, 2021

Sumit Zaveri
Chief Financial Officer

Place: Mumbai

Independent Auditor's Report

To,
The Members of
Burger King India Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Burger King India Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS 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 Ind AS 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, 2021, its loss including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>(a) Significant estimates and judgment related to Leases (as described in Note 42 of the Ind AS financial statements)</p> <p>Pursuant to requirement of Ind AS 116, the Company 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 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>Our audit procedures included amongst others, the following:</p> <ul style="list-style-type: none"> 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. 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.

Key audit matters	How our audit addressed the key audit matter
<p>As at March 31, 2021, the Company has ₹ 5,131.28 Million (March 31, 2020 ₹ 5,379.50 Million) of Right of Use (ROU) assets.</p> <p>During the current financial year, there was new practical expedient with respect to rent concessions occurring as a direct consequence of the Covid-19 pandemic, 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"> • Evaluated the appropriateness of discount rate applied on the leases. • We Selected samples and recomputed lease liability and right of use asset balances as at the year-end. • 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. • 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. • Assessed the disclosures in the Ind AS financial statements pertaining to Leases including key assumptions in line with requirements of Ind AS 116.
Revenue Recognition (as described in Note 24 of the Ind AS financial statements)	
<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 has 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"> • Obtained an understanding of revenue recognition process, evaluated the design, implementation and 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 records to cash / credit card / online receipts, preparation, posting and approval of journal entries on the test basis. • We selected samples and tested controls with respect to revenue recognition including segregation of duties and deposit of cash collected into banks including those related to the reconciliation of sales records to cash / credit card / online receipts, preparation, posting and approval of journal entries. • 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. • 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. • Assessed the disclosures relating to revenue recognition in the Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>Non-Recognition of Deferred Tax Assets (as described in Note 31 of the Ind AS financial statements)</p> <p>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 carried forward unabsorbed depreciation and business losses can be utilised.</p> <p>The Company's ability to recognise previously un-recognised deferred tax assets is assessed by the management at the end of each reporting period, taking into account forecasts of future taxable profits, future reversals of existing taxable temporary differences and ongoing tax planning strategies.</p> <p>The Company has unrecognised deferred tax asset amounting to ₹ 925.78 million on carried forward unabsorbed depreciation and business losses for the year ended March 31, 2021.</p> <p>Deferred tax assets is a key audit matter as its recognition requires reasonable certainty of its utilization, involves estimate of the financial projections, utilisation of future profits against available unabsorbed depreciation and business loss</p>	<p>Our audit procedures included amongst others, the following:</p> <ul style="list-style-type: none"> • Evaluated the Company's accounting policies with respect to recognition of deferred taxes in accordance with Ind AS 12 "Income Taxes". • Evaluated the Company's assumptions and commitment to continue to invest in stores capitalization by evaluating the availability of capital that collectively used to decide on reasonable certainty of the unrecognised deferred tax assets. • Evaluated the consistency of financial projections used by management in assessing non recognition of deferred tax assets with the financial budgets approved by senior management and board of directors of the Company based on current market and economic conditions arising from the impact of COVID 19 pandemic. • Assessed the disclosures in the Ind AS financial statements.
<p>Impairment of Non - Financial assets (as described in Note 2(j) of the Ind AS 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, 2021.</p> <p>Discounted cash flow model has 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"> • 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 • Evaluated appropriateness of the model used in determining the value in use of the cash generating units • Assessed the data used to calculate the recoverable amount with the financial budgets approved by management of the Company • Analysed the performance of the cash generating units and evaluated the reasonableness of the assumptions used in computation of value in use as at March 31, 2021, including understanding of management's estimate of business impact based on current market and economic conditions arising from the COVID 19 pandemic • Tested the arithmetical accuracy of the computation of recoverable amounts of cash generating units. • Obtained understanding of the key assumptions considered for assessment of future cash flows and the discounting factor considered.

Key audit matters	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> We involved valuation specialist to assist in evaluating the methodology used and significant assumptions used to determine the recoverable value. Assessed the disclosures in the Ind AS financial statement in accordance with Ind AS 36.

Other Information

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

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS 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 Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2021 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, 2016 ("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 Income, 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 Ind AS 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 Ind AS 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, 2021 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.

For SRBC & COLLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**

Partner

Membership Number: 49365

UDIN: 21049365AAAAABJ7891

Place of Signature: Mumbai

Date: May 26, 2021

Annexure I to the Independent Auditor's Report of even date on the Ind as Financial Statements of Burger King India Limited

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets 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.
- (c) According to the information and explanations given by the management and audit procedures performed by us, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us and audit procedures performed by us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the company.
- (vi) To the best of our knowledge and as explained, 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. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us and audit procedures performed by us and audit procedures, no undisputed amount payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, Sales-tax, service tax, customs duty, excise duty, value added tax and Goods and Services Tax, customs duty and cess which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) In our opinion and according to information and explanations given by the management and audit procedures performed by us, monies raised by the company by way of initial public offer were applied for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilization have been gainfully invested in liquid investments payable on demand. The maximum amount of idle/surplus funds invested during the year was ₹ 1,854 million, of which ₹ 1,560 million was outstanding at the end of the year.

- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management and audit procedures performed by us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management and audit procedures performed by us, 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) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment / private placement of shares. There were no debentures issued during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For SRBC & COLLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**

Partner

Membership Number: 49365

UDIN: 21049365AAAABJ7891

Place of Signature: Mumbai

Date: May 26, 2021

Annexure 2 to the Independent Auditor's Report of even date on the Ind As Financial Statements of 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 of Burger King India Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS 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 Ind AS 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 Ind AS 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 these Ind AS financial statements

and their operating effectiveness. Our audit of internal financial controls included obtaining an understanding of internal financial controls with reference to these Ind AS 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 Ind AS 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 internal financial controls with reference to these Ind AS financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE IND AS FINANCIAL STATEMENTS

A company's internal financial control with reference to these Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to these Ind AS 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 Ind AS 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 Ind AS financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to these Ind AS 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 these Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to these Ind AS 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 Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at March 31, 2021, 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 **SRBC & COLLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Ravi Bansal**

Partner

Membership Number: 49365

UDIN: 21049365AAAABJ7891

Place of Signature: Mumbai

Date: May 26, 2021

Balance Sheet

as at March 31, 2021

Particulars	Note	As at March 31, 2021	(₹ in Million) As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	4,458.90	4,742.33
Right-of-use assets	4	5,131.28	5,379.50
Capital work-in-progress		300.65	475.63
Intangible assets	5	265.25	245.01
Financial assets			
(a) Loans	6	290.03	290.95
(b) Others financial assets	7	0.25	0.87
Income tax assets (net)		14.96	10.43
Other non-current assets	8	23.54	33.13
		10,484.86	11,177.85
Current assets			
Inventories	9	100.34	94.34
Financial assets			
(a) Investments	10	1,242.86	185.76
(b) Trade and other receivables	11	59.83	32.20
(c) Cash and cash equivalents	12	248.66	40.54
(d) Bank balances other than cash and cash equivalents	13	1,912.28	239.90
(e) Other financial assets	14	70.77	12.31
Other current assets	15	162.50	194.17
		3,797.24	799.22
Total Assets		14,282.10	11,977.07
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	16	3,829.80	2,777.42
Other equity	17	2,904.91	(23.16)
Total Equity		6,734.71	2,754.26
Liabilities			
Non-current liabilities			
Financial liabilities			
(a) Borrowings	18	-	1,787.87
(b) Lease Liabilities	42	5,594.09	5,665.48
Provisions	19	209.29	187.28
Other non-current liabilities	20	8.37	8.16
		5,811.75	7,648.79
Current liabilities			
Financial liabilities			
(a) Borrowings	18	-	197.29
(b) Trade payables			
(i) Micro and small enterprises	21	6.20	5.35
(ii) Others	21	1,133.76	810.67
(c) Lease liabilities	42	378.49	311.99
(d) Other financial liabilities	22	99.10	153.51
Provisions	19	26.89	32.88
Other current liabilities	23	91.20	62.33
		1,735.64	1,574.02
Total Equity and Liabilities		14,282.10	11,977.07
Summary of Significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

As per our report of even date attached

For SRBC & CO LLP

Chartered Accountants

Firm Registration Number: 324982E/E300003

per Ravi Bansal

Partner

Membership No: 49365

For and on behalf of the Board of Directors of

Burger King India Limited

Rajeev Varman

Director & Chief Executive Officer

DIN: 03576356

Sumit Zaveri

Chief Financial Officer

Shivakumar Pullaya Dega

Director

DIN: 00364444

Madhulika Rawat

Company Secretary

Membership No: F8765

Tara Subramaniam

Director

DIN: 07654007

Place: Mumbai

Date: May 26, 2021

Place: Mumbai

Date: May 26, 2021

Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in Million)

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from operations	24	4,944.54	8,412.38
Other income	25	284.78	55.91
Total Income		5,229.32	8,468.29
Expenses			
Cost of materials consumed	26	1,756.41	3,014.90
Employee benefits expenses	27	1,176.04	1,365.03
Finance costs	28	821.21	654.53
Depreciation and amortisation expenses	29	1,275.45	1,163.74
Other expenses	30	1,862.22	2,992.34
Total Expenses		6,891.33	9,190.54
Loss before exceptional items and tax		(1,662.01)	(722.25)
Exceptional items	44	77.11	43.45
Loss before tax		(1,739.12)	(765.70)
Tax expenses			
Current tax	31	-	-
Deferred tax	31	-	-
Loss for the Year		(1,739.12)	(765.70)
Other Comprehensive Income / (loss)			
Items that will not be reclassified subsequently to profit or loss:			
Re-measurement (expense)/gains on defined benefit plans	33	1.00	(10.11)
Income tax on above	31	-	-
Total other comprehensive Income / (loss) for the year, net of tax		1.00	(10.11)
Total comprehensive loss for the year, net of tax		(1,738.12)	(775.81)
Earnings per equity share			
Face value of ₹ 10 each			
Basic and Diluted (in ₹)	32	(5.47)	(2.87)
Summary of Significant accounting policies	2		
The accompanying notes are an integral part of the 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

For and on behalf of the Board of Directors of

Burger King India Limited

Rajeev Varman

Director & Chief Executive Officer

DIN: 03576356

Sumit Zaveri

Chief Financial Officer

Shivakumar Pullaya Dega

Director

DIN: 00364444

Madhulika Rawat

Company Secretary

Membership No: F8765

Tara Subramaniam

Director

DIN: 07654007

Place: Mumbai

Date: May 26, 2021

Place: Mumbai

Date: May 26, 2021

Statement of Cash Flow

for the year ended March 31, 2021

Particulars	(₹ in Million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from operating activities		
Loss Before Tax	(1,738.12)	(775.81)
Adjustments for:		
Depreciation and amortization expenses	665.85	623.05
Depreciation on Right of use assets	609.60	540.69
Assets written off (Refer Note 30(ii))	48.87	6.89
Interest Income on fixed deposits	(39.79)	(1.74)
Provisions written back	(1.74)	(1.09)
Gain on termination of lease	(4.15)	(9.43)
Gain on remeasurement of lease	(29.83)	(14.15)
Lease concessions	(425.87)	-
Finance cost	821.21	654.53
Employee stock compensation expense	82.30	27.05
Notional interest on interest free security deposit	(18.36)	(17.66)
Profit on sale of Current Investments (including MTM impact)	(13.24)	(10.71)
Operating profit before working capital changes	(43.27)	1,021.62
Movements in working capital		
Decrease / (increase) in financial assets	19.28	(60.20)
Decrease / (increase) in other non-current assets	2.73	(11.82)
Increase in Other Current Assets	(11.84)	(62.86)
Increase in inventories	(5.99)	(25.78)
Decrease/ (increase) in trade receivables	(27.63)	26.78
Increase in trade payables	323.95	206.51
Increase in provisions	5.42	26.04
Increase in Other Liabilities	29.09	9.18
Cash generated in operations	291.74	1,129.47
Direct taxes paid (net of refunds)	(4.53)	(2.27)
Net cash flow generated from operating activities (A)	287.21	1,127.20
Cash flows from investing activities		
Purchase of Property, Plant and Equipment, including Right-of-use assets, CWIP and capital advances*	(350.21)	(2,275.25)
Purchase of Current Investments	(2,628.86)	(725.63)
Proceeds from sale of Current Investments (net)	1,586.63	934.73
Investment in bank deposits (having original maturity of more than three months and remianing maturity of less than twelve months) (net) and other bank balances	(1,672.39)	(238.28)
Interest received on Fixed deposit	24.84	0.45
Decrease/ (increase) in non- current bank deposits	0.62	(0.25)
Net cash flow used in investing activities (B)	(3,039.37)	(2,304.23)

Statement of Cash Flow

for the year ended March 31, 2021

(₹ in Million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flows from financing activities		
Proceeds from issue of equity shares (net of issue expenses)	5,622.38	-
Proceeds from the exercise of employee stock option	5.59	-
Repayment of borrowings	(1,985.16)	-
Proceeds from borrowings	-	2,007.29
Payment of interest/processing fees on term loan	(134.26)	(52.93)
Payment of lease liabilities (including interest on lease liabilities)	(548.27)	(895.34)
Net Cash flows from financing activities (C)	2,960.28	1,059.02
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	208.12	(118.01)
Cash and cash equivalents at the beginning of the year	40.54	158.55
Cash and cash equivalents at the end of the year	248.66	40.54
Net increase/ (decrease) in cash and cash equivalents	208.12	(118.01)
Components of cash and cash equivalents		
Cash on hand	27.68	15.96
With banks in current account	220.98	24.58
Cash and cash equivalents as per note 12	248.66	40.54
Total Cash and cash equivalents for the purposes of cash flow statement	248.66	40.54

Figures in brackets indicate outflows

*Refer Note 42 -Leases regarding non-cash adjustment relating to leases.

Summary of Significant accounting policies (Refer Note 2)

The accompanying notes are an integral part of the 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 26, 2021

For and on behalf of the Board of Directors of

Burger King India Limited

Rajeev Varman

Director & Chief Executive Officer

DIN: 03576356

Sumit Zaveri

Chief Financial Officer

Place: Mumbai

Date: May 26, 2021

Shivakumar Pullaya Dega

Director

DIN: 00364444

Madhulika Rawat

Company Secretary

Membership No: F8765

Tara Subramaniam

Director

DIN: 07654007

Statement of Changes in Equity

for the year ended March 31, 2021

(A) Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid

Particulars	No. of shares	₹ in Million
At April 01, 2019	265,000,000	2,650.00
Changes during the year	12,741,785	127.42
At March 31, 2020	277,741,785	2,777.42
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

(B) Reserves and Surplus

Particulars	Securities premium	Share based payment reserve	Share application money pending allotment	Retained earnings	Total other equity
(₹ in Million)					
For year ended March 31, 2020					
As at April 01, 2019	2,454.50	41.28	-	(2,649.31)	(153.53)
Loss for the year	-	-	-	(765.70)	(765.70)
Other comprehensive loss	-	-	-	(10.11)	(10.11)
Total comprehensive income/(loss)	-	-	-	(775.81)	(775.81)
Share based compensation to employees	-	33.60	-	-	33.60
Transfer to securities premium on issue of shares	17.69	(34.00)	-	-	(16.31)
Transfer to securities premium on CCPS conversion	888.89	-	-	-	888.89
At March 31, 2020	3,361.08	40.88	-	(3,425.12)	(23.16)
For year ended March 31, 2021					
As at April 01, 2020	3,361.08	40.88	-	(3,425.12)	(23.16)
Loss for the year	-	-	-	(1,739.12)	(1,739.12)
Other comprehensive loss	-	-	-	1.00	1.00
Total comprehensive income/(loss)	-	-	-	(1,738.12)	(1,738.12)
Money received	-	-	0.20	-	0.20
Share based compensation to employees	35.86	90.60	-	-	90.60
Transfer to securities premium on issue of shares	4,953.01	(35.86)	-	-	4,953.01
Transfer from share issue expenses	(377.62)	-	-	-	(377.62)
As at March 31, 2021	7,972.33	95.62	0.20	(5,163.24)	2,904.91

Summary of significant accounting policies (Refer Note 2)

The accompanying notes are an integral part of the 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

For and on behalf of the Board of Directors of

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Company Secretary

Membership No: F8765

Tara Subramaniam

Director

DIN: 07654007

Place: Mumbai

Date: May 26, 2021

Place: Mumbai

Date: May 26, 2021

Notes forming part of Financial statements for the year ended March 31, 2021

NOTE 1

CORPORATE INFORMATION

Burger King India Limited (formerly known as Burger King India Private 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, 10th floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai - 400059. As on March 31, 2021, the Company had 256 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 26, 2021.

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 "₹" and all values are stated as ₹ 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.

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 ("₹"), 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 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.

Notes forming part of Financial statements for the year ended March 31, 2021

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 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.

Notes forming part of Financial statements for the year ended March 31, 2021

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. 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.

Notes forming part of Financial statements for the year ended March 31, 2021

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-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

Notes forming part of Financial statements for the year ended March 31, 2021

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	10 years
Restaurant equipments	
- Kitchen equipments	10 years
- Other equipments	5 years
Office equipments	5 years
Computers	3 years
Servers and networks (Included in Computers in Note 3)	6 years
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 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.

Notes forming part of Financial statements for the year ended March 31, 2021

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 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.

i. Inventories

Inventories (comprising of food, beverages, condiments, paper & packing materials) are valued at lower of cost (determined on first in first out

Notes forming part of Financial statements for the year ended March 31, 2021

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 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 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 cost of providing benefits under this plan is determined on the basis of an actuarial valuation done by an independent actuary on the projected

Notes forming part of Financial statements for the year ended March 31, 2021

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 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.

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.

Notes forming part of Financial statements for the year ended March 31, 2021

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.

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.

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,

Notes forming part of Financial statements for the year ended March 31, 2021

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 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.

Notes forming part of Financial statements for the year ended March 31, 2021

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. 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.

q. 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.

r. 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.

Notes forming part of Financial statements for the year ended March 31, 2021

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 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.

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

Notes forming part of Financial statements for the year ended March 31, 2021

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) **Estimation of uncertainties relating to the global health pandemic from COVID-19**

Refer Note 45 to the financial statements.

h) **Standards issued and effective**

The new and amended standards that are notified and are effective, up to the date of issuance of the Company's financial statements are disclosed below.

(i) **Amendments to Ind AS 103 Business Combinations**

The amendments to the definition of a business in Ind AS 103 help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1 April 2020 and to asset acquisitions that occur on or after the beginning of that period.

(ii) **Amendments to Ind AS 1 and Ind AS 8: Definition of Material**

The amendments to Ind AS 1 Presentation of Financial Statements and Ind AS 8 Accounting

Policies, Changes in Accounting Estimates and Errors align the definition of 'material' across the standards and clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements.

A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material do not have a significant impact on the Company's financial statements.

(iii) **Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform**

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. These amendments are applicable for annual periods beginning on or after the 1 April 2020.

Notes forming part of Financial statements for the year ended March 31, 2021

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

Particulars	(₹ in Million)					
	Leasehold Improvements [Refer note (i)]	Restaurants Equipments [Refer note (i)]	Furniture & Fixtures	Computers	Office Equipments	Vehicles
Cost						
At April 1, 2019	2,275.50	1,789.22	317.45	26.70	7.32	3.26
Additions	897.59	854.63	115.71	5.61	1.28	-
Disposals	60.17	2.52	3.34	1.35	-	-
At March 31, 2020	3,112.92	2,641.33	429.82	30.96	8.60	3.26
Additions	197.90	144.94	69.21	1.26	0.58	-
Disposals	109.48	10.62	39.11	0.01	0.47	-
At March 31, 2021	3,201.34	2,775.65	459.92	32.21	8.71	3.26
Accumulated depreciation						
At April 1, 2019	474.29	382.88	64.13	16.95	3.87	1.95
Depreciation	298.98	250.22	48.23	5.99	1.23	0.39
Disposals	57.74	2.33	3.20	1.28	-	-
At March 31, 2020	715.53	630.77	109.16	21.66	5.10	2.34
Depreciation	290.40	297.14	53.17	5.02	1.09	0.39
Disposals	85.16	6.82	17.21	0.01	0.38	-
At March 31, 2021	920.77	921.09	145.12	26.67	5.81	2.73
Net Book Value						
At March 31, 2021	2,280.57	1,854.56	314.80	5.54	2.90	0.53
At March 31, 2020	2,397.39	2,010.56	320.66	9.30	3.50	0.92

Note

(i) For capitalization of pre-operative expenditure relating to leasehold improvements and restaurant equipments, refer note 38

Notes forming part of Financial statements for the year ended March 31, 2021

NOTE 4 : RIGHT-OF-USE ASSETS

(₹ in Million)

Particulars	Right-of-use Leasehold Restaurants	Right-of-use Restaurant Equipments	Total
Gross carrying amount			
At April 1, 2019	5,260.31	163.56	5,423.87
Additions*	1,603.06	69.67	1,672.73
Disposals	59.33	0.45	59.78
At March 31, 2020	6,804.04	232.78	7,036.82
Additions*	395.60	18.75	414.35
Disposals	87.33	-	87.33
At March 31, 2021	7,112.31	251.53	7,363.84
*net off remeasurements			
Accumulated depreciation			
At April 1, 2019	1,105.10	26.52	1,131.62
Add : Depreciation for the year	524.19	16.50	540.69
Less : Disposals	14.85	0.14	14.99
At March 31, 2020	1,614.44	42.88	1,657.32
Depreciation for the year	589.54	20.06	609.60
Disposals	34.36	-	34.36
At March 31, 2021	2,169.62	62.94	2,232.56
Net Book Value			
At March 31, 2021	4,942.69	188.59	5,131.28
At March 31, 2020	5,189.60	189.90	5,379.50

NOTE 5 : INTANGIBLE ASSETS

(₹ in Million)

Particulars	Computer - Software	Franchise Rights	Total
Cost			
At April 1, 2019	37.86	150.94	188.80
Add: Additions	5.26	99.84	105.10
Less: Disposals	-	-	-
At March 31, 2020	43.12	250.78	293.90
Additions	15.99	22.58	38.57
Disposals	-	-	-
At March 31, 2021	59.11	273.36	332.47
Amortization			
At April 1, 2019	19.50	11.38	30.88
Amortization	6.75	11.26	18.01
Disposals	-	-	-
At March 31, 2020	26.25	22.64	48.89
Amortization	8.24	10.09	18.33
Disposals	-	-	-
At March 31, 2021	34.49	32.73	67.22
Net Book Value			
At March 31, 2021	24.62	240.63	265.25
At March 31, 2020	16.87	228.14	245.01

Notes forming part of Financial statements for the year ended March 31, 2021

NOTE 6 : NON-CURRENT FINANCIAL ASSETS - LOANS (UNSECURED, CONSIDERED GOOD)

(carried at amortised cost)

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Security Deposits - Premises and Other Deposits		
Considered good	286.67	280.06
Credit impaired	3.86	0.10
Less : Allowance for doubtful deposits- credit impaired	(3.86)	(0.10)
Loan to employees	3.36	10.89
	290.03	290.95

- No Loans are due from directors or promoters of the Company either severally or jointly with any person.

NOTE 7 : NON-CURRENT FINANCIAL ASSETS - OTHERS (UNSECURED, CONSIDERED GOOD)

(carried at amortised cost)

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Bank Deposits with remaining maturity of more than 12 months*	0.25	0.87
	0.25	0.87

*Above deposits are given against bank guarantees issued to government authorities.

NOTE 8 : OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Capital advances	14.01	20.87
Prepaid expenses	9.53	12.26
	23.54	33.13

NOTE 9 : INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Food, beverages & condiments	79.14	87.43
Paper & packaging material	21.20	6.91
	100.34	94.34

Note:

Amount of write down of inventories in the statement of profit and loss as an exceptional expense in current year is ₹ 1.20 million (March 31, 2020: ₹ 16.03 million)

NOTE 10 : CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	(₹ in Million)			
	March 31, 2021		March 31, 2020	
	Units	₹ in Million	Units	₹ in Million
Investments in Quoted Mutual Funds: (fully paid up)				
Investments at fair value through Profit & Loss				
Ultra - Money Market Fund- Growth Plan (Cost- Mar 31 2021: ₹ 70 million, Mar 31 2020: ₹ NIL)	29,709	70.55	-	-
ICICI Prudential - Ultra Short Term Fund - Growth (Cost- Mar 31 2021: ₹ 60.09 million, March 31, 2020: ₹ NIL)	99,143	60.09	-	-

Notes forming part of Financial statements for the year ended March 31, 2021

(₹ in Million)

Particulars	March 31, 2021		March 31, 2020	
	Units	₹ in Million	Units	₹ in Million
Aditya Birla Sun Life Savings Fund - Growth Regular Plan (Cost: March 31, 2021: ₹ 208.45 million; March 31, 2020: ₹ 32.45 million)	507,506	214.53	87,455	34.77
HDFC Ultra Short term Fund - Regular Growth (Cost: Mar 31 2021: ₹ 30.42 million; March 31, 2020: ₹ NIL)	2,592,052	30.71	-	-
Nippon India Liquid fund (Cost: Mar 31, 2021: ₹ NIL; March 31, 2020: ₹ 67.50 million)	-	-	14,953	67.53
UTI Liquid Fund -Cash Plan (Cost: Mar 31, 2021: ₹ 155.05 million; March 31, 2020: ₹ 83.42 million)	46,400	155.58	25,779	83.46
SBI Magnum Ultra Short duration fund (Cost: March 31, 2021: ₹ 15.75 million; March 31, 2020: ₹ NIL)	3,402	15.91	-	-
DSP Savings Fund Regular Plan - Growth (Cost: March 31, 2021: ₹ 60 million, March 31, 2020: ₹ NIL)	1,459,767	60.24	-	-
Investments in Other Deposits at amortised cost				
LIC Housing Finance Limited		485.25		-
HDFC Limited		150.00		-
		1,242.86		185.76

NOTE 11 : TRADE AND OTHER RECEIVABLES (UNSECURED)

(carried at amortised cost)

(₹ in Million)

Particulars	March 31, 2021	March 31, 2020
Related parties (Considered good)	-	0.14
Others (Considered good)	59.83	32.06
Others- credit impaired	2.48	2.48
Less : Allowance for doubtful balances- credit impaired	(2.48)	(2.48)
	59.83	32.20

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

(₹ in Million)

Particulars	March 31, 2021	March 31, 2020
Balances with banks		
In current accounts	220.98	24.58
Cash on hand	27.68	15.96
	248.66	40.54

Notes forming part of Financial statements for the year ended March 31, 2021

NOTE 13 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Bank balances	250.62	-
Bank deposits with original maturity of more than 3 months and remaining maturity less than 12 months*	1,661.66	239.90
	1,912.28	239.90

*Above deposits includes deposits given against bank guarantees issued to government authorities. Out of the total deposits outstanding as on March 31, 2021: ₹ NIL (March 31, 2020: ₹ 47.30 Million) is given as a security against term loan.

NOTE 14 : OTHER FINANCIAL ASSETS - CURRENT (UNSECURED, CONSIDERED GOOD)

(Carried at amortised cost)

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Deposit with body corporate	30.00	-
Income receivables	40.77	12.31
	70.77	12.31

NOTE 15 : OTHER CURRENT ASSETS

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Prepaid expenses	29.65	32.73
Advance to suppliers	78.12	79.89
Advance to employees	0.30	2.15
Share issue expenses (to the extent not written off)*	22.83	78.30
Balances with government authorities		
Considered good	31.60	1.10
Credit impaired	8.67	10.41
Less : Allowance for doubtful balances with government authorities-credit impaired	(8.67)	(10.41)
	162.50	194.17

Note:

*The Company has incurred share issue expenses of ₹ 354.09 million as at March 31, 2021 (March 31, 2020: ₹ 78.30 million) in connection with public offer of equity shares. These expenses have been adjusted against securities premium as on March 31, 2021 as permissible under Section 52 of the Companies Act, 2013 on successful completion of Initial Public Offer (IPO). The estimated amount of share issue expenses still under discussion has been carried forward as "Share issue expenses (to the extent of not written off or adjusted)" which, once finalised, will be adjusted against the balance of Securities Premium.

Notes forming part of Financial statements for the year ended March 31, 2021

NOTE 16 : EQUITY SHARE CAPITAL

Authorised equity share capital	Equity shares	
	No. of shares	₹ in Million
At April 1, 2019	290,000,000	2,900.00
Increase during the year	100,000,000	1,000.00
At March 31, 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

Authorised Preference share capital	Equity shares	
	No. of shares	₹ in Million
At April 1, 2019	11,500,000	1,150.00
Increase during the year	-	-
At March 31, 2020	11,500,000	1,150.00
Decrease during the year	(11,500,000)	(1,150.00)
At March 31, 2021	-	-

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.

Issued Capital

Equity shares of ₹ 10 each issued, subscribed and fully paid

	No. of shares	₹ in Million
At April 1, 2019	265,000,000	2,650.00
Changes during the year	12,741,785	127.42
At March 31, 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

Notes forming part of Financial statements for the year ended March 31, 2021

A. Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	₹ in Million	Number of shares	₹ in Million
QSR Asia Pte Ltd - Holding Company	201,811,110	2,018.11	276,111,110	2,761.11
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	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% Holding	Number of shares	% Holding
QSR Asia Pte Ltd - Holding Company	201,811,110	52.69%	276,111,110	99.41%
	201,811,110	52.69%	276,111,110	99.41%

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.

NOTE 17 : OTHER EQUITY

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
a. Securities premium		
Balance at the beginning of financial year	3,361.08	2,454.50
Add: Transfer from share based payment reserve	35.86	17.69
Add: Transfer on account of CCPS conversion	-	888.89
Add: Transfer on issue of shares	4,953.01	-
Less: Share issue expenses (including ₹ 23.53 million for Pre-IPO placement)	(377.62)	-
Balance at the end of financial year	7,972.33	3,361.08
b. Share based payment reserve		
Balance at the beginning of financial year	40.88	41.28
Add: Charge for the year	90.60	33.60
Less: Reduction on account of exercise of options	(35.86)	(34.00)
Balance at the end of financial year	95.62	40.88
c. Retained earnings		
Balance at the beginning of financial year	(3,425.12)	(2,649.31)
Add: Total comprehensive loss during the year	(1,738.12)	(775.81)
Balance at the end of financial year	(5,163.24)	(3,425.12)
d. Share application money pending allotment		
Balance at the beginning of financial year	-	-
Money received	0.20	-
Balance at the end of financial year	0.20	-
Total other equity (a+b+c+d)	2,904.91	(23.16)

Notes forming part of Financial statements for the year ended March 31, 2021

Nature of reserve:

1. 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.
2. Share based payment reserve: Share based payment reserve represents the grant date fair value of options issued to employees under employee stock plan.
3. Share application pending allotment: Share application pending allotment represents the amount received on the application on which allotment is not yet made.

NOTE 18 : BORROWINGS

			(₹ in Million)
Particulars	March 31, 2021	March 31, 2020	
Non current borrowings			
(Carried at Amortised cost)			
Term loan:			
Rupee loan from Bank (Secured) (Refer note (i) below)	-	1,787.87	
	-	1,787.87	
Current borrowings			
(Carried at Amortised cost)			
Bank overdraft (Secured) (Refer Note (ii) below)	-	197.29	
	-	197.29	

(i)

Particulars	Interest	Maturity	Security
Term Loan - ₹ 1,500 million	I-MCLR-1Y+ "Spread"	3 Quarterly instalments of ₹ 75 million each from February 13, 2022 to August 13, 2022	(i) First pari passu charge on of all assets including moveable and immovable fixed assets, current assets including bank accounts, receivables, inventory, present and future of the Company
		4 Quarterly instalments of ₹ 93.5 million each from November 13, 2022 to August 13, 2023	(ii) First pari passu charge on hypothecation on intangibles goodwill and uncalled capital of the Company
		8 Quarterly instalments of ₹ 112.5 million each from November 13, 2023 to August 13, 2025	(iii) First pari passu charge on the Current Account/ Escrow Account and DSRA Account and all monies credited/ deposited therein(in whatever form the same may be), and all investments in respect thereof (in whatever form the same may be)
Term Loan - ₹ 310 million	I-MCLR-1Y+ "Spread"	3 Quarterly instalments of ₹ 25.82 million each from September 30, 2021 to March 31, 2022	(i) First pari passu charge on of all assets including moveable and immovable fixed assets, current assets including bank accounts, receivables, inventory, present and future of the Company
		4 Quarterly instalments of ₹ 7.75 million each for Financial year 2022-23	(ii) First pari passu charge on hypothecation on intangibles goodwill and uncalled capital of the Company

Notes forming part of Financial statements for the year ended March 31, 2021

Particulars	Interest	Maturity	Security
		8 Quarterly instalments of ₹ 3.88 million each from Financial year 2023-24 to Financial year 2024-25	(iii) First pari passu charge on the Current Account/ Escrow Account and DSRA Account and all monies credited/ deposited therein (in whatever form the same may be), and all investments in respect thereof (in whatever form the same may be)
		4 Quarterly instalments of ₹ 42.63 million each for Financial year 2025-26	

Effective rate of interest as on March 31, 2021: Term Loan ₹ NIL (March 31, 2020: for ₹ 1,500 million and ₹ 310 million 9.73% and 10.12% respectively)

Effective rate of interest as on March 31, 2021: Bank Overdraft ₹ NIL {March 31, 2020: (l-MCLR-6M+ "Spread" of 1.45% p.a.) is 9.55%}

(ii)

The Company had availed bank overdraft facility which is secured by

- (1) By way of hypothecation /mortgage of all assets including moveable and immovable fixed assets, current assets including bank accounts, receivables, inventory, present and future of the Company
- (2) By way of hypothecation on intangible assets, goodwill and uncalled capital of the Company
- (3) The Current and Escrow account (in whatever form the same may be), and all investments in respect thereof (in whatever form the same may be);

(₹ in Million)

Particulars	March 31, 2021	March 31, 2020
Changes in liabilities arising from financing activities		
Beginning of the year	1,985.16	1,000.00
Cash inflows (net)	(1,985.16)	2,007.29
Unamortised processing fees	-	(22.13)
CCPS converted into equity shares (Refer Note iii)	-	(1,000.00)
End of the year	-	1,985.16

Notes forming part of Financial statements for the year ended March 31, 2021

NOTE 19 : PROVISIONS

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Non-current provisions		
Gratuity (Refer note 33)	45.04	33.62
Site restoration liability (Refer note below)	164.25	153.66
	209.29	187.28

Note:

The Company records a provision for site restoration

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Beginning of the year	153.66	35.13
Additions during the year*	18.09	121.25
Deletions during the year	(7.50)	(2.72)
End of the year	164.25	153.66

* Includes amount of ₹ NIL due to change in estimate for March 31, 2021 (March 31, 2020: ₹ 6.27 million)

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Current provisions		
Gratuity (Refer note 33)	2.35	1.36
Leave benefits	24.54	31.52
	26.89	32.88

NOTE 20 : OTHER NON-CURRENT LIABILITIES

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Income received in advance (Contract Liabilities)	8.37	8.16
	8.37	8.16

NOTE 21 : TRADE PAYABLES

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Micro and small enterprises*	6.20	5.35
Others	1,133.76	810.67
	1,139.96	816.02

The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year:

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
(a) Principal amount due to micro and small enterprises	6.81	5.35
(b) Interest due on above	-	-
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year"	-	-
(d) 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.	-	-

Notes forming part of Financial statements for the year ended March 31, 2021

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
(e) The amount of interest accrued and remaining unpaid at the end of year	-	-
(f) The amount of further interest remaining due and payable even in the succeeding years, 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

(Carried at amortised cost)

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Payable to capital vendors*	84.16	107.53
Retention Money Payable	14.94	45.98
	99.10	153.51

*Includes payable of ₹ 0.61 million (March 31, 2020: ₹ NIL) to Micro and small enterprises (Refer Note 21)

NOTE 23 : OTHER CURRENT LIABILITIES

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Income received in advance (Contract Liabilities)	1.54	1.36
Statutory dues	89.66	60.97
	91.20	62.33

NOTE 24 : REVENUE FROM OPERATIONS

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Set out below is the disaggregation of the Company's revenue from contracts with customers:		
Revenue recognised at the point of time		
Income from Sale of food and beverages	4,920.30	8,353.23
Revenue recognised over the period of time		
Income from sub franchisee operations	5.90	29.51
Total revenue from contracts with customers	4,926.20	8,382.74
Other Operating income		
Scrap Sales	18.34	29.64
Total revenue from operations	4,944.54	8,412.38
Contract liabilities		
The Company has recognised the following revenue-related contract liabilities:		
Contract liabilities (Refer note 20 & 23)	9.91	9.52
Contract liabilities includes payments received in advance of performance under the contract.		
Revenue recognised in the year from:		
Amounts included in contract liability at the beginning of the year	1.36	1.32

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.

Notes forming part of Financial statements for the year ended March 31, 2021

NOTE 25 : OTHER INCOME

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Interest income on Fixed deposits	39.79	1.74
MTM Gain on financial instruments at fair value through profit and loss	7.95	2.24
Profit on sale of investments	5.29	8.47
Rental income	-	0.51
Interest income on security deposits	18.36	17.66
Provisions written back	1.74	1.09
Gain on termination of lease	4.15	9.43
Gain on remeasurement of lease	29.83	14.15
Lease concessions (Refer Note below)	176.03	-
Miscellaneous income	1.64	0.62
	284.78	55.91

Note:

The Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24th July 2020 on IND- AS 116 for all rent concessions which are granted due to COVID-19 pandemic. As per requirements of MCA notification, out of total rent concessions confirmed till March 31, 2021 of ₹ 425.87 million (including ₹ 2.86 million unconditional rent concessions pertaining to subsequent periods), ₹ 249.84 million has been accounted under rent expenses (to the extent available) and balance of ₹ 176.03 million is reported under Other Income for the period ended March 31, 2021.

NOTE 26 : COST OF MATERIALS CONSUMED

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Food, beverages, condiments , paper and packaging materials		
Inventory at the beginning of the year	94.34	68.56
Add: Purchases	1,762.41	3,040.68
Less: inventory at the end of the year	(100.34)	(94.34)
	1,756.41	3,014.90
Details of materials consumed		
Food, beverages and condiments	1,611.46	2,793.00
Paper & packing material	144.95	221.90
	1,756.41	3,014.90

NOTE 27 : EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Salaries, wages and bonus	954.91	1,154.51
Contribution to provident and other funds (net of government grant under PMRPY* of ₹ 5.32 Million March 31, 2020: ₹ 17.43 Million)	75.47	96.78
Employee stock compensation expense (refer note 35)	82.30	27.05
Gratuity expense (refer note 33)	15.37	8.82
Staff welfare expense	47.99	77.87
	1,176.04	1,365.03

*PMRPY stands for Pradhan Mantri Rojgar Protsahan Yojana

Notes forming part of Financial statements for the year ended March 31, 2021

NOTE 28 : FINANCE COSTS

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Interest expense		
- on term loan	133.76	53.43
- on lease liability	649.40	585.33
- others	38.05	15.77
	821.21	654.53

NOTE 29 : DEPRECIATION AND AMORTISATION EXPENSE

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Depreciation of property, plant and equipment	647.53	605.04
Amortization of intangible assets	18.32	18.01
Depreciation of Right of use assets	609.60	540.69
	1,275.45	1,163.74

NOTE 30 : OTHER EXPENSES

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Rent (Refer Note 25)	-	380.69
Power and Fuel	518.09	703.70
Rates & Taxes	36.09	33.21
Operating Supplies	65.21	123.21
Advertising and Marketing Expenses	259.93	487.28
Consultancy & Professional Fees (Refer note (i) below)	53.97	70.17
Telephone and communication expenses	17.89	18.40
Travelling expenses	10.05	54.78
Director's sitting fees	1.69	0.89
Insurance	4.99	5.56
Repairs and Maintenance - Leasehold Improvements	41.51	69.30
Repairs and Maintenance - Restaurant Equipments	22.38	18.06
Repairs and Maintenance - Others	136.00	145.51
Royalties Fees	190.81	343.36
Allowance for doubtful deposits	3.76	0.10
Write off of Property, plant and equipment (net) (refer note (ii) below)	0.56	6.89
Commission & Delivery expenses	451.08	458.71
Miscellaneous Expenses	48.21	72.52
	1,862.22	2,992.34

Notes forming part of Financial statements for the year ended March 31, 2021

i) Note :

Payments to the auditor:

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
As auditor		
Statutory Audit fee	2.80	2.80
Other Audit fee	1.80	4.00
Tax audit fee	0.40	0.40
Limited review fee	0.60	-
In other capacity:		
Other services	6.75	10.20
Reimbursement of expenses	-	0.34
	12.35	17.74

ii) Note :

During the year ended March 31, 2021, the Company has written off ₹ NIL (March 31, 2020: ₹ 6.04 million) representing written down value of lease hold improvements installed at stores upon closure.

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, 2021	For the year ended March 31, 2020
Current income tax:		
Current income tax charge	-	-
Adjustments in respect of current income tax of previous year	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
Relating to effect of previously unrecognised tax credits, now recorded	-	-
Income tax expense reported in the statement of profit or loss	-	-

(B) Amounts recognised in other comprehensive income

Particulars	(₹ in Million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Income tax expense charged to OCI	-	-
	-	-

Notes forming part of Financial statements for the year ended March 31, 2021

(C) Reconciliation of tax expense and the accounting profit/(loss) multiplied by effective tax rate:

(₹ in Million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Accounting loss before income tax	(1,739.12)	(765.70)
At India's statutory income tax rate for March 31, 2021: 25.17% (March 31, 2020: 25.17%)	(437.70)	(192.71)
Adjustments in respect of current income tax of previous years		
Tax effect of brought forward losses/unabsorbed depreciation of year on which no deferred tax is recognised	437.70	192.71
Temporary differences in current year on which no deferred tax is recognised	-	-
Non-deductible expenses for tax purpose	-	-
Effective tax rate	-	-
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, 2021	March 31, 2020
Deferred Tax Assets	89.64	77.92
Deferred Tax Liabilities	(89.64)	(77.92)
Net Deferred Tax Assets /(Liabilities)	-	-

Movement in Deferred Tax:

(₹ in Million)

Particulars	Balance Sheet March 31, 2021	Balance Sheet March 31, 2020	Profit and Loss For the year ended March 31, 2021	Profit and Loss For the year ended March 31, 2020
Deferred tax relates to the following:				
Deferred tax liability recognised for timing difference due to:				
a. Property, plant and equipment & intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	15.85	-	15.85	(31.77)
b. Others- Ind AS adjustments (Security deposit, unamortised processing fees etc)	73.79	77.92	(4.13)	7.39
	89.64	77.92	11.72	(24.38)
Deferred tax assets recognised due to:				
a. Property, plant and equipment & intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	10.15	(10.15)	10.15
b. Expenses allowable in Income Tax on payment basis	18.10	16.74	1.36	4.12

Notes forming part of Financial statements for the year ended March 31, 2021

(₹ in Million)

Particulars	Balance Sheet	Balance Sheet	Profit and Loss	Profit and Loss
	March 31, 2021	March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
c. Others- Ind AS adjustments (Lease arrangements, deferred income amortisation etc)	71.54	51.03	20.51	(14.65)
d. Unabsorbed depreciation and carried forward losses*	-	-	-	(24.00)
Deferred Tax expense/(income)	89.64	77.92	11.72	(24.38)
Net Deferred Tax Assets/(Liabilities)	-	-	-	-

*The Company has unused carried forward tax losses and unabsorbed tax depreciation amounting to ₹3,678.09 million as on March 31, 2021. 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 ₹925.78 million on these unused carried forward tax losses and unabsorbed depreciation. Hence, deferred tax asset is recognised to the extent of deferred tax liabilities.

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.

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, 2021	For the year ended March 31, 2020
Loss attributable to equity holders:		
Continuing operations	(1,739.12)	(765.70)
Loss attributable to equity holders for basic earnings	(1,739.12)	(765.70)
Loss attributable to equity holders adjusted for the effect of dilution		
Weighted average number of Equity shares for basic EPS	318,123,007	267,216,440
Effect of dilution:		
Share options under ESOP	2,540,570	12,261,446
Weighted average number of Equity shares adjusted for the effect of dilution	320,663,577	279,477,886
Basic EPS (in ₹)	(5.47)	(2.87)
Diluted EPS (in ₹)	(5.47)	(2.87)

Potential equity shares are anti dilutive and hence the effect of anti dilutive potential equity shares is ignored in calculating diluted earning per share.

Notes forming part of Financial statements for the year ended March 31, 2021

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, 2021	For the year ended March 31, 2020
Contribution to provident and other funds	75.47	96.78
	75.47	96.78

(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	
	March 31, 2021	March 31, 2020
I Change in present value of defined benefit obligation during the year		
1. Present Value of defined benefit obligation at the beginning of the year	34.98	16.98
2. Interest cost	1.91	1.15
3. Current service cost	13.46	7.67
4. Benefit Paid Directly by the Employer	(1.96)	(0.93)
5. Actuarial changes arising from changes in financial assumptions	(0.66)	4.50
6. Actuarial changes arising from changes in experience adjustments	(0.34)	5.61
7. Present Value of defined benefit obligation at the end of the year	47.39	34.98
II Net liability recognised in the balance sheet		
1. Present Value of defined benefit obligation at the end of the year	47.39	34.98
2. Fair value of plan assets at the end of the year	-	-
3. Net liability recognised in balance sheet	47.39	34.98

Particulars	(₹ in Million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
III Expenses recognised in the statement of profit and loss for the year		
1. Current service cost	13.46	7.67
2. Interest cost on benefit obligation	1.91	1.15
3. Total expenses included in employee benefits expense	15.37	8.82
IV Recognised in other comprehensive income for the year		
1. Actuarial changes arising from changes in financial assumptions	(0.66)	4.50
2. Actuarial changes arising from changes in experience adjustments	(0.34)	5.61
3. Recognised in other comprehensive income	(1.00)	10.11

Notes forming part of Financial statements for the year ended March 31, 2021

(₹ in Million)

Particulars	March 31, 2021	March 31, 2020
V Maturity profile of defined benefit obligation		
1 st following year	2.35	1.36
2 nd following year	3.10	1.90
3 rd following year	3.85	2.38
4 th following year	4.48	2.84
5 th following year	4.34	3.19
Sums of years 6 to 10	14.33	11.70
VI Quantitative sensitivity analysis for significant assumption is as below:		
1. Increase/(decrease) on present value of defined benefits obligation at the end of the year		
(i) One percentage point increase in discount rate	(4.54)	(3.53)
(ii) One percentage point decrease in discount rate	5.52	4.30
(i) One percentage point increase in rate of salary Increase	5.39	4.19
(ii) One percentage point decrease in rate of salary Increase	(4.53)	(3.51)
(i) One percentage point increase in employee turnover rate	(1.27)	(1.12)
(ii) One percentage point decrease in employee turnover rate	1.41	1.24

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.

VII Actuarial assumptions

Particulars	March 31, 2021	March 31, 2020
1. Discount rate	5.58%	5.45%
2. Salary escalation	7.00%	7.00%
3. Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
4. Mortality post retirement rate	N.A	N.A
5. Rate of Employee Turnover	Operations :- Service < 5 yrs - 35% Service ≤ 10 yrs - 15% Service ≥ 11 yrs - 5% RSC:- Service < 5 yrs - 15% Service ≥ 5 yrs - 5%	Operations :- Service < 5 yrs - 35% Service ≤ 10 yrs - 15% Service ≥ 11 yrs - 5% RSC:- 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, 2021. 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 average duration of the defined benefit plan obligation at March 31, 2021 is 12 years (March 31, 2020: 13 years).

Notes forming part of Financial statements for the year ended March 31, 2021

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)

Other related parties with whom transactions have taken place during the year

Fellow Subsidiary	Harry's India Private Limited
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Key management personnel

Directors

Mr. Rajeev Varman (Chief Executive Officer)
Mr. Shivakumar Pullaya Dega (Independent Director) (w.e.f Oct 14, 2019)
Mrs. Tara Subramaniam (Independent Director) (w.e.f Oct 14, 2019)
Mr. Sandeep Chaudhary (Independent Director) (w.e.f. Oct 14, 2019)

Chief Financial Officer

Mr. Tanmay Kumar (Uptill Aug 9, 2019)
Mr. Sumit Zaveri (w.e.f Sep 23, 2019)

Company Secretary

Ms. Madhulika Rawat (w.e.f Oct 26, 2020)
Ms. Ranjana Saboo (Uptill Aug 31, 2020)

Transactions with related parties

		(₹ in Million)	
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	
(a) Issue of equity shares			
QSR Asia Pte Ltd	580.80	-	
(b) Rent Received			
Harry's India Private Limited	-	0.51	
(c) Remuneration to Key management personnel *			
Mr. Rajeev Varman	69.75	40.66	
Mr. Tanmay Kumar	-	5.74	
Ms. Ranjana Saboo	1.69	4.09	
Mr. Sumit Zaveri	17.18	8.15	
Ms Madhulika Rawat	1.50	-	
Above remuneration includes:			
Compensation of key management personnel of the Company			
Short-term employee benefits	(0.29)	0.12	
Post-employment gratuity	0.22	0.22	
Share-based payment transactions	39.19	12.06	
*The amounts disclosed in the table are the amounts recognised as an expense during the reporting year related to key management personnel.			
(d) Directors' sitting fees			
Mrs. Tara Subramaniam	0.47	0.35	
Mr. Shivakumar Pullaya Dega	0.47	0.30	
Mr Sandeep Chaudhary	0.36	0.24	

Notes forming part of Financial statements for the year ended March 31, 2021

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
(e) Outstanding balances with related parties:		
(i) Other Receivables		
Harry's India Private Limited	-	0.14
(ii) Trade Payables		
QSR Asia Pte. Ltd.	60.93	-

NOTE 35 : SHARE-BASED PAYMENTS

1. The expense recognised for employee services received during the year is shown in the following table :

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Expense arising from equity-settled share-based payment transactions	82.30	27.05
Total expense arising from share-based payment transactions	82.30	27.05

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 IPO of the Company.

The Company provides share-based payment schemes to its senior executives. During the year ended March 31, 2016, an employee stock option plan (ESOP) was introduced. The relevant details of the scheme and the grant are as below.

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 October 23, 2019) for issue of stock options to the key employees of the Company. According to the Scheme 2015, the employee selected will be entitled to convert options based on option value, subject to satisfaction of the prescribed vesting conditions, viz., continuing employment of 5 years from the date of commencement of employment. The contractual life (comprising the vesting period and the exercise period) of options granted is 5 years. The other relevant terms of the grant are as below:

Vesting period	5 years from the date of grant of the Option or initial public offering or liquidity event whichever is earlier. Liquidity event means the occurrence of a transaction of sale or purchase of shares or the execution of definitive document by which there is a change in control
Exercise period	After the Vesting Date
Expected life	5 years
Exercise price	Cashless
Conversion price	₹ 20.85 (w.e.f. 1 July 2019) Erstwhile, Total capital invested in the Company (i.e. face value + share premium infused in the Company up to the Vesting Date) divided by Total number of Shares issued and outstanding on the Vesting Date

Particulars	(₹ in Million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Movements during the year		
Outstanding at April 1	-	63.50
Granted during the year	-	-
Exercised during the year	-	(34.00)
Lapsed during the year	-	(3.00)
Change pursuant to ESOP Scheme*	-	(26.50)
Outstanding/ Exercisable at March end	-	-
Option unvested at the end of the year	-	-
Option exercisable at the end of the year	-	-

* With effect from July 1, 2019, the number of options have been fixed based on the fair value of shares on the date of grant i.e. 20.85. The total number of options outstanding as on March 31, 2021 are Nil.

Notes forming part of Financial statements for the year ended March 31, 2021

3. Additional Grant under ESOP 2015 Scheme (as last amended vide shareholders' resolution dated October 23, 2019)

	Tranche I	Tranche II	Tranche III	Tranche IV
No. of options Granted	3,416,608	3,549,108	378,571	18,929
No. of options exercised	96,370	-	-	9,464
No. of options lapsed	94,644	-	-	-
Grant Date	01-07-2019	30-08-2019	26-09-2019	05-02-2020
Weighted average exercise price	52.83	52.83	52.83	52.83
Market Price on the date of grant	52.83	52.83	52.83	52.83
Weighted average Fair Value on grant date of the option	15.34	17.38	15.48	14.35
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.			
Method of settlement	Equity settled	Equity settled	Equity settled	Equity settled
Exercise Period	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.	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, 2021 is 1.32 years (March 31, 2020 is 2.82 years)

The weighted average fair value of the option granted during the year ended March 31, 2020 is ₹ 16.34

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Movements during the year		
Outstanding at April 1	7,344,287.00	-
Granted during the year	-	7,363,216.00
Exercised during the year	(105,834.00)	-
Lapsed during the year	(75,715.00)	(18,929.00)
Outstanding/ Exercisable at year	7,162,738.00	7,344,287.00

Out of the total options outstanding as on March 31, 2021, 3,634,296 options are unvested at year end and 3,528,442 options are vested but not exercised at year end.

Notes forming part of Financial statements for the year ended March 31, 2021

The following tables list the inputs to the models used for valuation of respective grants dates:

Fair Valuation	Tranche I		Tranche II		Tranche III		Tranche IV	
No. of options	1,612,797	1,612,797	1,774,554	1,774,554	189,286	189,285	9,465	9,464
Method Used	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%
Option Life (Years)	1.75	3.5	1.59	3.5	1.51	5.5	1.17	3.5
Expected Volatility	33.32	37.19	33.12	35.99	34.59	36.49	33.12	35.99
Dividend Yield	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.

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, 2021	March 31, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	81.66	150.08

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 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, 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 belong 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.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salary, Bonus and Allowances	31.68	80.01
Stamp Duty & Registration Charges	1.04	7.45
Commission and Brokerage	1.04	4.44
Legal and Professional Fees	0.29	7.40
Power and Fuel	2.95	4.26
Rent	2.89	2.64
Miscellaneous Expenses	4.47	10.25
	44.36	116.45

Notes forming part of Financial statements for the year ended March 31, 2021

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 prices (unadjusted) in active market for identical assets or liabilities that the Co—operative can access at the measurement date,
- Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 — Unobservable inputs for the asset or liability.

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. Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value.

Management has determined that the carrying amounts of cash and bank balances, receivables and payables approximate their fair values due to their short-term nature.

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, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Financial assets carried at amortised cost				
Security deposits	286.67	280.05	286.67	280.05
Loan to employees	3.36	10.89	3.36	10.89
Bank deposits	0.25	0.87	0.25	0.87
Trade and other receivables	59.83	32.20	59.83	32.20
Cash and cash equivalents	248.66	40.54	248.66	40.54
Bank balances other than cash and cash equivalents	1,912.28	239.90	1,912.28	239.90
Other financial assets	70.77	12.31	70.77	12.31
Financial assets at fair value through profit or loss				
Investments	1,242.86	185.76	1,242.86	185.76
Total	3,824.68	802.52	3,824.68	802.52
Financial liabilities carried at amortised cost				
Borrowings	-	1,985.16	-	1,985.16
Trade payables	1,139.96	816.01	1,139.96	816.01
Other financial liabilities	99.10	153.51	99.10	153.51
Total	1,239.06	2,954.68	1,239.06	2,954.68

Notes forming part of Financial statements for the year ended March 31, 2021

The management assessed that cash and cash equivalents, trade receivables, bank deposits, Bank balances other than cash and cash equivalents, other financial assets, 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 quoted mutual fund investment is calculated based on the Net Assets value on reporting date and it is classified as level 1 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 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 company minimise credit risk by dealing with high credit rating parties.

Trade and Other 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.

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.

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 as at March 31, 2021 is the carrying amount as provided in Note no 6, 7, 11 to 15.

Notes forming part of Financial statements for the year ended March 31, 2021

(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 Company ensure that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. The Company is dependent on financial support from its immediate holding company and has access to funds from the immediate holding company to meet its obligations as and when necessary.

The Company's operations are financed through internally generated funds and external borrowings.

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, 2021			March 31, 2020		
	Payable on demand	>1 yrs.	<1 yrs.	Payable on demand	>1 yrs.	<1 yrs.
Term Loan	-	-	-	-	1,810.00	-
Bank Overdraft	-	-	-	197.29	-	-
Trade and other payables	-	-	1,139.96	-	-	816.01
Other financial liabilities	-	-	99.10	-	-	153.51
Lease liabilities	-	9,216.86	1,008.00	-	9,600.46	952.68

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

With all other variables held constant, the Company's loss after tax is impacted through floating rate borrowings.

Interest rate sensitivity

Year	Increase/decrease in basis points	Effect on loss before tax
March 31, 2021	+10	-
March 31, 2021	-10	-
March 31, 2020	+10	(0.38)
March 31, 2020	-10	0.38

NOTE 41: 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, 2021. The Company monitors capital using a gearing

Notes forming part of Financial statements for the year ended March 31, 2021

ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

(₹ in Million)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Total Borrowings	-	1,985.16
Less : Cash and cash equivalents	248.66	40.54
Net Debt	(248.65)	1,944.62
Equity	6,734.71	2,754.26
Net Debt to equity ratio	(0.04)	0.71

NOTE 42: 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.

(₹ in Million)

Particulars	March 31, 2021	March 31, 2020
Right-of-use Leasehold Restaurants		
Cost	7,112.31	6,804.04
Accumulated depreciation	2,169.62	1,614.44
Net carrying amount	4,942.69	5,189.60
Right-of-use Restaurant Equipments		
Cost	251.53	232.78
Accumulated depreciation	62.94	42.88
Net carrying amount	188.59	189.90
Lease liabilities		
As at the beginning of the year	5,977.47	4,740.20
Additions (net off remeasurements)	349.67	1,547.28
Accretion of interest	649.40	585.33
Payments	(1,371.86)	(837.43)
Lease concessions (Refer Note 25)	425.87	-
Deletions	(57.97)	(57.91)
As at the end of the year	5,972.58	5,977.47
Current	378.49	311.99
Non-current	5,594.09	5,665.48
Amounts recognized in the Statement of Profit and Loss		
Other income		
Operating lease income	-	0.51
Gain on termination of lease	4.15	9.43
Gain on remeasurement of lease	29.83	-
Lease concessions (Refer Note 25)	176.03	-
Other Expenses		
Variable lease rent expense (Refer Note 25 & Note 30)	-	380.69
Depreciation and impairment losses		
Depreciation of right of use lease asset	609.60	540.69

Notes forming part of Financial statements for the year ended March 31, 2021

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
Finance cost		
Interest expense on lease liability	649.40	585.33
Amount recognised in statement of cash flow		
Total cash outflow for leases (including interest on lease liabilities)	548.27	895.34

Changes in lease liabilities arising from financing activities

Particulars	(₹ in Million)	
	March 31, 2021	March 31, 2020
As at the beginning of the year	5,977.47	4,740.20
New leases (net off remeasurements)	349.67	1,547.28
Cash outflows	(722.46)	(252.10)
Lease concessions (Refer Note 25)	425.87	-
Deletion	(57.97)	(57.91)
As at the end of the year	5,972.58	5,977.47

The Company had total cash outflows for leases of ₹548.27million for March 31, 2021 (March 31, 2020: ₹ 895.34 million)

The Company also had non-cash additions to Rights-of-use assets of ₹ 414.35 million for March 31, 2021 (March 31, 2020: ₹ 1,672.73 million)

The Company also had non-cash additions to lease liabilities of ₹ 349.67 million for March 31, 2021 (March 31, 2020: ₹ 1,547.28 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.

(d) 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 24th July 2020 on 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, 2021; and
- 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.

Notes forming part of Financial statements for the year ended March 31, 2021

NOTE 43: GOING CONCERN

During the current period, the Company has incurred loss of ₹ 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 is therefore considered as a going concern and accordingly, the financial statements have been prepared based on going concern assumption.

NOTE 44: 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 has provided for food inventory and related commitments amounting to ₹ 28.80 million in year ended March 31, 2021 (March 31, 2020: ₹ 43.45 million)
- 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 has written off assets amounting to ₹ 20.48 million during the year ended March 31, 2021 owing to change in "Burger King" logo globally.

NOTE 45: COVID-19

The World Health Organisation declared COVID-19 to be a pandemic in March 2020. Consequently, Government of India declared a nation-wide lockdown with effect from March 24, 2020, which caused significant disruption in economic activity and has impacted the business activities and lives of the people. In view of the COVID-19 outbreak such as complete lockdown of states, brought economic activity to a standstill affecting our restaurant traffic as well which is no exception for industry as a whole. During the trying times our priorities are to serve most hygienic and safe food to our customers.

The Company has assessed the impact of this pandemic on its business operations and has considered all relevant information available up to the date of approval of these financial statements, in determination of the recoverability of its all its non-current and current assets and recognised necessary adjustments to carrying values of these assets. Further, given the uncertainties associated with nature, condition and duration of COVID -19, the impact assessment on the company's financial statements will be continuously made and any material changes will be provided for as required.

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 has provided for food inventory and related commitments amounting to ₹ 28.80 million in year ended March 31, 2021 (March 31, 2020: ₹ 43.45 million) (Refer Note 44)

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 24th July 2020 on IND- AS 116 for all rent concessions which are granted due to COVID-19 pandemic. (Refer Note 25)

Accordingly, rent expense for the year ended March 31, 2021 is not comparable with comparative year ended March 31, 2020.

NOTE 46: CODE OF SOCIAL SECURITY

The Code on Social Security, 2020 ('Code') relating to employee benefits 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. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

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 26, 2021

For and on behalf of the Board of Directors of
Burger King India Limited

Rajeev Varman
Director & Chief Executive Officer
DIN: 03576356

Sumit Zaveri
Chief Financial Officer

Place: Mumbai
Date: May 26, 2021

Shivakumar Pullaya Dega
Director
DIN: 00364444

Madhulika Rawat
Company Secretary
Membership No: F8765

Tara Subramaniam
Director
DIN: 07654007



BURGER KING INDIA LIMITED
(Formerly known as Burger King India Private Limited)
CIN: L55204MH2013FLC249986

Registered Office: Unit Nos. 1003 to 1007, 10th Floor, Mittal Commercial, Asan Pada Road,
Chimatpada, Marol, Andheri (East), Mumbai - 400 059, Maharashtra, India
Website: www.burgerking.in | **Tel No.:** +91 22 7193 3000 | **E-mail:** investor@burgerking.in

Notice

NOTICE IS HEREBY GIVEN THAT the Eighth (8th) Annual General Meeting ('AGM') of Burger King India Limited ('the Company') will be held on **Wednesday, August 25, 2021 at 11:00 a.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 Financial Statements of the Company for the financial year ended March 31, 2021 together with the Reports of the Board of Directors along with Annexures and Auditor's thereon**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT the Audited Financial Statements of the Company comprising of the Balance Sheet as at March 31, 2021, 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."

- Re-appointment of Mr. Amit Manocha (DIN : 01864156), 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. Amit Manocha (DIN: 01864156), 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."

SPECIAL BUSINESS

- Alteration of certain articles of the Articles of Association of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 5 and 14 of the Companies Act, 2013 ('Act') and the Companies (Incorporation) Rules, 2014 & all other applicable provisions under the Act, (including any statutory amendment(s), modification(s), clarification(s), substitution(s), enactment(s) or re-enactment(s) thereof for the time being in force) and all other rules, regulations, guidelines, statutory notifications made by any statutory authorities and modifications thereof and recommendation of the Board of Directors (hereinafter referred to as the 'Board', which term shall include any duly constituted committee(s) thereof or such other person(s) authorised by the Board), the approval of the members of the Company be and is hereby accorded to alter the Articles of Association of the Company as under:

- The existing **Article 3** to be revised as:

"3. Any amendment or modification to the Companies Act, 2013 and rules made thereunder shall be applicable to these Articles, to the extent covered in these Articles, and as and when notified in the official gazette from time to time."

- The existing **Article 4** to be deleted.

- Between **Article 4** and **Article 5**, the reference to "Part I" to be deleted.

- In the existing **Article 5**, below the defined term "Register of Members" and above the defined term "Special Resolution" (and all articles of the Articles of Association where the terms 'security' or 'securities' appear other than at Article 133(a)

and Article 154(b)(iv) of the Articles of Association, by reference), to include the following;

“Security” or “Securities” shall have the meaning assigned thereto by Section 2(h) of the Securities Contracts (Regulation) Act, 1956 and shall also include warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for equity shares, and any other marketable securities.

Note: Pursuant to inclusion of the defined term ‘Security’ or ‘Securities’ as above, any reference to the terms ‘security’ or ‘securities’ in the existing Articles of Association, other than in Article 133(a) and Article 154(b)(iv), shall be capitalized and referred to as ‘Security’ or ‘Securities’ and the terms will have the meaning assigned to them in the amended Article 5 of the Articles of Association.”

- (v) The heading of existing **Article 13** to be amended to state:

“13. FURTHER ISSUE OF SHARES/ WARRANTS/ SECURITIES”

- (vi) The existing **Article 13(1)(C)** to be amended to state that:

“(C) to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above subject to compliance with the Act and the rules made thereunder.”

- (vii) The existing **Article 13(2)** to be substituted with:

“(2) Subject to the provisions of the Act and these Articles, the Board shall have the power to issue shares, warrants and / or other Securities (including debentures) entitling the holder thereof to subscribe to equity shares, and/or other Securities of the Company, at such price, at such times and on such terms and conditions and with such rights and privileges as may be specified in the resolution issuing and allotting the warrants / other Securities, in any manner as permitted under the Act, including by way of preferential allotment / private placement basis.”

- (viii) In second para of existing **Article 24**, to delete the following sentence:

“and the common seal it shall be affixed in the presence of the persons required to sign the certificate”

- (ix) In the existing **Article 25**, to delete the word *“sealing”*.

- (x) The heading of existing **Article 73** to be amended to state:

“73. TRANSFER AND TRANSMISSION OF DEBENTURES ETC.”

- (xi) The existing **Article 131** to be amended to state that:
“Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee, as the case may be at their usual address registered with the Company in India by any mode (including electronic means) as prescribed and approved by a majority of Directors or members as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or committee duly convened and held.”

- (xii) The existing **Article 140** to be deleted.

- (xiii) The existing **Article 141** to be deleted.

- (xiv) The existing **Article 171** to be amended to state that:

“At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) and the Act, the provisions of the Listing Regulations and the Act shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations and the Act, from time to time.”

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps and actions for the purpose of making applications, filings and registrations as may be required in relation to the aforesaid amendment to the Articles of Association and further do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the aforesaid resolution and to authorise any of the directors and/or key managerial personnel and/or officers of the Company to take necessary actions on behalf of the Company in this regard.”

4. Approval and ratification of certain articles in the Articles of Association of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 5 and 14 of the Companies Act, 2013 (‘Act’) and all other applicable provisions under the Act, (including any statutory amendment(s), modification(s), clarification(s), substitution(s), enactment(s) or re-enactment(s) thereof



for the time being in force) and all other rules, regulations, guidelines, statutory notifications made by any statutory authorities and modifications thereof, and such approvals, consents, permissions, as may be required, if any, the consent of shareholders of the Company be and is hereby accorded for approval and ratification of Article 105, 112 and 139(d) of the Articles of Association of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps and actions for the purpose of making applications, filings and registrations as may be required in relation to the above resolution and further do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the aforesaid resolution and to authorise any of the directors and/or key managerial personnel and/or officers of the Company to take necessary actions on behalf of the Company in this regard.”

5. Contribution to Bona Fide and Charitable Funds etc.

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 181 of the Companies Act, 2013 (‘Act’) and rules made thereunder & other applicable provisions, the Foreign Exchange Management Act, 1999 (including any statutory amendment(s), modification(s), clarification(s), substitution(s), enactment(s) or re-enactment(s) thereof

for the time being in force) and other rules, regulations, guidelines, statutory notifications made by any statutory authorities and modifications thereof and recommendation of the Board of Directors (hereinafter referred to as the ‘Board’, which term shall include any duly constituted committee(s) thereof or such other person(s) authorised by the Board), the approval of the members be and is hereby accorded to contribute, donate, subscribe or otherwise provide assistance from time to time to any bona fide charitable, social, benevolent and other funds, bodies, universities, institutions, societies, trusts, etc. for charitable and other purposes in any financial year of upto a total amount of ₹ 1,00,00,000/- (Rupees One Crore Only).

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the aforesaid resolution and to authorise any of the directors and/ or key managerial personnel and/or officers of the Company to take necessary actions on behalf of the Company in this regard.”

By Order of the Board of Directors
For Burger King India Limited
(Formerly known as Burger King India Private Limited)

Madhulika Rawat

Company Secretary
(Membership No. F8765)

Place: Mumbai
Date: July 28, 2021

NOTES:

1. VIRTUAL 8TH AGM OF THE COMPANY:

Considering the ongoing COVID-19 pandemic and in order to maintain the social distancing norms as well as to ensure the safety of the people at large, the Ministry of Corporate Affairs (‘MCA’) has vide its General Circular no. 02/2021 dated January 13, 2021 read with General Circular nos. 14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020, respectively (‘MCA Circulars’) permitted to conduct the AGM through VC or OAVM.

Further, the Securities and Exchange Board of India (‘SEBI’) vide its circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 read with circular no. 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, 8th AGM of the members of the Company is being held through VC or OAVM.

Accordingly, members are requested to attend and participate in the AGM through VC/ OAVM.

The venue of the 8th AGM shall be deemed to be the Registered office of the Company i.e. Unit Nos. 1003 to 1007, 10th Floor, Mittal Commercial, Asan Pada Road, Chimatpada, Marol, Andheri (East), Mumbai - 400 059. 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 (‘THE ACT’):

The Statement pursuant to Section 102 of the Act, setting out the material facts in respect of the special businesses under Item Nos. 3-5 is annexed hereto.

Also, relevant details with respect of Directors seeking appointment at the AGM, in terms of regulations 26(4) and 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 also form part of this notice.

3. ELECTRONIC DISPATCH OF ANNUAL REPORT AND NOTICE OF AGM:

- Considering the difficulties caused by the outbreak of COVID-19 pandemic, 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 ('DP'). 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, websites of the Stock Exchanges viz. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of Link Intime India Private Limited ('LIPL') 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 8th AGM is being held through VC 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 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, 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 11:00 a.m. on **Monday, August 23, 2021**.
- 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 and the Explanatory Statement 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 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 August 25, 2021. Members seeking to inspect such documents can send an email to investor@burgerking.in.

- (a) Certificate from the Statutory Auditors relating to the Company's Stock Options

under SEBI (Share Based Employee Benefits) Regulations, 2014;

- (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 AGM 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:

Demat Account No. or Folio No.	<ul style="list-style-type: none"> Shareholders/ Members holding shares in CDSL: 16 Digit Beneficiary ID; Shareholders/ Members holding shares in NSDL: 8 Character DP ID followed by 8 Digit Client ID; and Shareholders/ Members holding shares in physical form: Folio Number registered with the Company
PAN	<ul style="list-style-type: none"> Enter your 10-digit Permanent Account Number (PAN) Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
Mobile No. and Email ID	<ul style="list-style-type: none"> Enter your mobile number Enter your e-mail ID, as recorded with your DP/ Company.

- C. Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Notes:

- (a) Shareholders/ Members are encouraged to join the AGM through Tablets/ Laptops connected through broadband for better experience. Shareholders/ Members are required to

use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

- (b) 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.
- (c) Please refer the instructions w.r.t. software requirements on the website of the Company at www.burgerking.in and also at www.linkintime.co.in.
- (d) In case shareholders/ members have any queries regarding login/ e-Voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-4918 6175.

Speakers Registration for the AGM:

- Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request **atleast 3 days before the AGM** mentioning their name, demat account number/folio number, e-mail ID, mobile number at investor@burgerking.in.
- Shareholders will get confirmation on **first come first serve basis** depending on the availability of time at the AGM.
- Shareholders will receive “**speaking serial number**” once they mark attendance for the meeting.
- Shareholders/ Members are requested to remember speaking serial number and start your conversation only when moderator of the meeting/ management will announce the name and serial number for speaking.
- For a better experience of viewing the AGM proceedings through VC or OAVM, shareholders/ members who are registered as speakers for the event are requested to download and install the ‘Webex Meetings’ application by clicking on the link: <https://www.webex.com/downloads.html/>.

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 email.

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 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 e-Voting 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, August 21, 2021 (9:00 a.m. IST) and end on Tuesday, August 24, 2021 (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, August 18, 2021** may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by LIPL for voting thereafter. Once the vote on resolution is cast by the member, the member shall not be allowed to change it subsequently.

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>A. Users registered for NSDL IDeAS facility:</p> <ul style="list-style-type: none"> Please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com 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. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on the Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <p>B. Users not registered for IDeAS e-Services:</p> <ul style="list-style-type: none"> Option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ 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 the Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<p>A. Existing users who have opted for Easi / Easiest:</p> <ul style="list-style-type: none"> 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 https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK INTIME, CDSL. Click on e-Voting service provider name to cast your vote. <p>B. Users who have not registered for Easi/Easiest:</p> <p>Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>C. By Visiting the website of CDSL:</p> <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile & e-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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 evoting@nsdl.co.in 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 helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43.

II. Login method for individual shareholders holding securities in physical mode is given below:

Individual shareholders holding securities in physical mode & e-Voting service provider is LIPL.

- A. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
- B. Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details:

User ID	<ul style="list-style-type: none"> Shareholders/ Members holding shares in physical form shall provide Event No. + Folio Number registered with the Company.
PAN	<ul style="list-style-type: none"> Enter your 10-digit Permanent Account Number (PAN); Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
DOB/ DOI	<ul style="list-style-type: none"> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
Bank Account Number	<ul style="list-style-type: none"> Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

Shareholders/ members holding shares in physical form but have not recorded DOB/ DOI and Bank Account Number, shall provide their Folio number.

- C. 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).
- D. Click “confirm” (Your password is now generated).

- E. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
- F. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’
- G. After successful login, you will be able to see the notification for e-Voting. Select ‘**View**’ icon.
- H. E-voting page will appear.
- I. 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).
- J. 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.

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 or contact at: 022 - 4918 6000.

III. 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.

IV. Individual Shareholders have forgotten the password:

Individual Shareholders holding securities in Physical mode & e-Voting service provider is LIPL, have forgotten the password:

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members 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 (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members 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.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

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 email 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 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, August 18, 2021**, 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.
- 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.
- Voting rights of the members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. **Wednesday, August 18, 2021**.
- 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 i.e. Wednesday, August 18, 2021, 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 of the Company 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(s) will be displayed on the website of the Company (www.burgerking.in) and LIPL website (www.linkintime.co.in) 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

Registrar 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:

Shares in Physical Form	To the Company / RTA
Shares in Dematerialised Form	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:

For Shares in Physical Form	To the Company / RTA
For Shares in Dematerialised Form	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 - 400083.

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

Fax: 022 - 4918 6060

Email: rnt.helpdesk@linkintime.co.in

Website: 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:

For Shares in Physical Form	To the Company / RTA
For Shares in Dematerialised Form	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 2020-21 of the Company, *inter-alia* comprising Notice of 8th 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, websites of the Stock Exchanges

viz. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of LIIPL 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 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 Burger King India Limited
(Formerly known as Burger King India Private Limited)

Place: Mumbai
Date: July 28, 2021

Madhulika Rawat
 Company Secretary
 (Membership No. F8765)

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to certain special businesses mentioned in the accompanying Notice:

Item No. 3

Alteration of certain articles of the Articles of Association of the Company

The Articles of Association ('AoA') of the Company lay down the rules and regulations for the internal management affairs of the Company. It specifies the duties, rights, and powers of the management of the Company. An AoA is the document by which the Company functions and operates to achieve its objectives as stated in the Memorandum of Association of the Company.

The shareholders may note that Ministry of Corporate Affairs ('MCA') vide its notification dated May 29, 2015 has brought out the amendments in the Companies Act, 2013 ('Act') read with the rules framed thereunder which made the use of common seal optional for the companies. The Company being in the business of Quick Service Restaurants has to execute various agreements, contracts, documents, papers etc. towards its business matters/operations and in order to facilitate the administration and/or operational convenience, it is proposed to amend the existing AoA of the Company by removing the related clauses of common seal in the AoA.

The shareholders may further note that since the Company has successfully completed the Initial Public Offering ('IPO') of its equity shares in December 2020, pursuant to the existing Article 4 of the AoA, Part II of the AoA has automatically terminated and ceased to have any force and effect from the date of the listing of equity shares of the Company. Therefore, it is also proposed to remove references to Part I and Part II in the AoA.

In addition, the management and the Board of Directors of the Company ('Board') have also thought fit that certain other clauses of the existing AoA require clarificatory revisions in view of the existing legal framework as well as regulatory developments, and therefore, should be amended/modified to align them with the current legal requirements. These clauses *inter alia* include:

1. Article 3 and Article 171 – to be modified to broaden the scope to include reference to the Companies Act, 2013 (as amended);
2. Article 5 – to be modified to include definition of the term 'Security' or 'Securities';

3. Article 13(1)(c) – to be modified to include clarificatory revisions to ensure consistency with the requirements under relevant laws applicable to a listed company. The shareholders of the Company may hereby note that the requirements of existing Article 13(1)(c) (including the requirement regarding valuation by the registered valuer) are clearly subject to the provisions of the Act and the rules made thereunder. Section 62(1)(c) of the Act, read with Rule 13(2) of Companies (Share Capital and Debentures) Rules, 2014 ('SCD Rules') *inter alia* provides that the preferential offer of securities made by a listed company should be in accordance with the provisions of the Act as well as the regulations made by the Securities and Exchange Board of India ('SEBI'). More specifically, in terms of the second proviso to Rule 13(1) of SCD Rules, it is clearly provided that the price of shares to be issued on a preferential basis by a listed company is not required to be determined by the valuation report of a registered valuer. In such an instance, the pricing formula prescribed by SEBI under Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 is applicable for determination of the floor price for the preferential allotment.
4. Article 13(2) – to be substituted to align with the Act and to include powers of the Board to issue shares, warrants and other securities in accordance with the applicable laws;
5. Article 131 – to be modified to align with Section 175 of the Act.

The headings for Article 13 and Article 73 are also to be modified to align with the respective substantive provisions.

The proposed draft of the AoA after incorporation of the aforementioned amendments/ modifications/ deletions will be available for inspection by the shareholders of the Company electronically. Members seeking to inspect can send an email to investor@burgerking.in with subject line "Inspection of AGM Documents".

The Board of Directors of the Company at its meeting held on May 26, 2021, and vide its resolution by circulation on July 28, 2021, has considered, approved and recommended to the shareholders to approve the alteration of certain articles of the AoA by way of Special Resolution.

None of the directors and/ or key managerial personnel of the Company and/ or their relatives, are in any way concerned or interested (financially or otherwise), in the proposed special resolution, except to the extent of their shareholding in the Company, if any.



The Board recommends the special resolution, as set out in item no. 3 of the notice, for approval of the shareholders.

Item No. 4

Approval and ratification of certain articles in the Articles of Association of the Company

The shareholders may note that the existing Articles 105, 112 and 139(d) of the Articles of Association ('AoA') require approval of the shareholders through special resolution after completion of Initial Public Offering ('IPO') of the Company. These relevant articles are extracted below:

Article 105

Subject to applicable law, the corporate governance requirements and shareholders' approval by way of a Special Resolution immediately after the listing of Equity Shares of the Company, (i) subject to Article 139(d), the chief executive officer of the Company shall hold office as a whole time Director on the board of the Company, and (ii) QSR shall have the right to nominate the Directors on the board of the Company ("QSR Directors") in the following manner:

- (a) QSR shall be entitled to nominate four (4) Directors on the Board, for so long as QSR continues to hold at least 40% (forty percent) of the total issued and fully paid-up equity share capital of the Company, calculated on a Fully Diluted Basis; and
- (b) QSR shall be entitled to nominate three (3) Directors on the Board, for so long as it holds at least 25% (twenty five percent) of the total issued and fully paidup equity share capital of the Company, calculated on a Fully Diluted Basis.

Notwithstanding anything contained in this Article 105, in the event of a termination or removal or vacancy of a QSR Director appointed pursuant to this Article 105, QSR shall have the right to nominate a new QSR Director in accordance with this Article 105. Additionally, subject to applicable law (including the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended), so long as QSR holds 15% or more of the issued and paid-up equity share capital of the Company, on a Fully Diluted Basis, it shall have a right to designate one individual to attend all Board meetings as an observer (such individual, the "Board Observer"). The Board Observer may participate in board meetings and shall receive the same information, including the materials, given to the other members of the Board. The Board Observer shall not vote on any matters placed before the Board. The Board Observer may be removed or replaced at any time by the Company upon receiving instructions of QSR.

Article 112: COMPOSITION OF COMMITTEE

Subject to applicable law and shareholders' approval by way of a Special Resolution immediately after the listing of Equity Shares of the Company, the QSR Directors shall have the right (but not an obligation) on behalf of QSR, to be appointed as a member of any committee or sub-committee of the Board, subject to a minimum of at least 1 (one) member on the committee. Subject to applicable law, the quorum for all meetings of the committee or sub-committee of the Board where QSR Director has been appointed as a member, shall require to have at least 1 (one) of the QSR Directors, who shall be required to be present throughout the meeting. The Shareholders of the Company shall take such actions as may be necessary to enable the relevant QSR Directors to exercise such right. Provided however that, prior to the appointment of QSR Director as a member of the committee, the Company shall ensure that it has obtained shareholders' approval by way of a Special Resolution immediately after the listing of Equity Shares of the Company.

Article 139(d)

Notwithstanding the above and subject to applicable law, on and from the date hereof and until such time that QSR 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. Provided however that, shareholders' approval by way of a Special Resolution immediately after the listing of Equity Shares is obtained by the Company for the purposes of this article coming into effect.

Accordingly, the Board of Directors of the Company, by way of a resolution by circulation on July 28, 2021, has approved seeking the approval and ratification of the shareholders in relation to the aforesaid provisions of the AoA by way of a Special Resolution. Therefore, the approval and ratification of shareholders of the Company is sought by way of Special Resolution, for bringing into effect the aforementioned articles.

The copy of existing AoA is available for inspection by the shareholders of the Company electronically. Members seeking to inspect can send an email to investor@burgerking.in with subject line "Inspection of AGM Documents".

Other than Mr. Peter Darrell Perdue, director on the Board who is connected with QSR Asia Pte. Ltd. and his relatives, none of the directors and/or key managerial personnel of the Company and/or their relatives, are in any way concerned or interested (financially or otherwise), in the proposed special resolution, except to the extent of their shareholding in the Company, if any.

The Board recommends the special resolution, as set out in item no. 4 of the notice, for approval and ratification of the shareholders.

Item No. 5

Contribution to Bona Fide and Charitable Funds etc.

The Company wishes to contribute, donate, subscribe or otherwise provide assistance from time to time to any bona fide charitable, social, benevolent and other funds, bodies, universities, institutes, societies, trusts, etc. for charitable and other purposes in any financial year of upto a total amount of upto ₹1,00,00,000/- (Rupees One Crore Only).

Pursuant to Section 181 of the Companies Act, 2013 ('the Act') the Companies have been authorized to contribute to bonafide and charitable funds.

In terms of the provisions of Section 181 of the Act, any amount contributed to any charitable and other funds in excess of 5% of the Company's average net profits during the three immediately preceding financial years need prior approval of the members of the Company.

It is therefore necessary to obtain the approval of the members of the Company for the contributions to be made by the Company in excess of the limits prescribed under the said section. Approval of the members is now being sought pursuant to Section 181 of the Act, authorising the Board of

Directors (or Committee thereof) of the Company to make contributions in any financial year for a total amount of upto ₹ 1,00,00,000/- (Rupees One Crore Only) in any financial year.

The Board of Directors of the Company at its meeting held on May 26, 2021, has considered, approved and recommended to the shareholders to approve the Contribution to Bona Fide and Charitable Funds etc., since the amount towards the Contribution to Bona Fide and Charitable Funds exceeds the prescribed limits as mentioned hereinabove.

None of the directors and/or key managerial personnel of the Company and/or their relatives, are in any way concerned or interested (financially or otherwise), in the proposed resolution, except to the extent of their shareholding in the Company, if any.

The Board recommends the ordinary resolution, as set out in item no. 5 of the notice, for approval of the shareholders.

By Order of the Board of Directors
For Burger King India Limited
(Formerly known as Burger King India Private Limited)

Place: Mumbai
Date: July 28, 2021

Madhulika Rawat
Company Secretary
(Membership No. F8765)

ANNEXURE A

Information pursuant to Regulation 26(4) and 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. Amit Manocha

Director Identification Number	01864156
Date of Birth and Age	April 6, 1978 and 42 years
Brief resume & Qualification	He is an alumni of Harvard Business School and is also an associate member of the Institute of Chartered Accountants of India. He is presently a Managing Director at Everstone Capital.
Nature of his expertise in specific functional areas	Rich experience of over 20 years in Private Equity and Corporate Finance; and spearheaded investments in India and South East Asia across various sectors
Date of first appointment on the Board	July 7, 2016
Terms and conditions of appointment or re-appointment	He is proposed to be re-appointed as a Non-Executive Director, liable to retire by rotation
Details of remuneration sought to be paid	Nil
Remuneration last drawn by Director	
Shareholding of non-executive directors including shareholding as a beneficial owner	Nil
Relationship with other Director, Manager and other Key Managerial Personnel of the company	He is not related to other Directors and /or Key Managerial Personnel of the Company
Number of Meetings of the Board attended during the year	9 out of 9
List of other Companies in which Directorship is held ⁽¹⁾	Nil
Chairperson/ Member of Committee(s) of Board of Directors of the Company ⁽²⁾	Member of Audit Committee
Chairperson/ Member of Committee(s) of Board of Directors of the other Company ⁽²⁾	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.



Registered and Corporate Office

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

CIN: L55204MH2013FLC249986

Unit Nos.1003 to 1007, Mittal Commercial, 10th Floor, Asan Pada Road,
Chimatpada, Marol, Andheri (East), Mumbai, Maharashtra, 400059

Tel: +91 22 7193 3000;

E-mail: investor@burgerking.in

Website: www.burgerking.in