

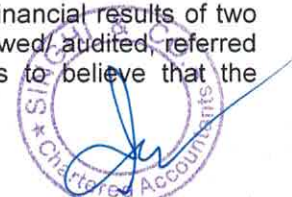
Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Speciality Restaurants Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results ("the Statement") of **Speciality Restaurants Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its Subsidiary together referred to as "the Group"), its joint ventures for the for the quarter ended 31 December, 2019 and the consolidated year to date results from 1 April, 2019 to 31 December, 2019 being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and as per the presentation requirements of SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements(SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain a moderate assurance as to whether the financial statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
 - a) Speciality Restaurants Limited (Holding)
 - b) Speciality Hospitality UK Limited (Subsidiary-UK)
 - c) Caterland Hospitality Limited (Joint venture of subsidiary-UK)
 - d) Speciality Hospitality US Inc (Subsidiary-US).
 - e) Foodland Ventures LLC (Joint venture of subsidiary-US).
 - f) Mainland China Restaurant and Indgrill Restaurant LLC (Joint venture).
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the interim financial results/ interim consolidated financial results of two subsidiaries and their joint venture companies which have not been reviewed/ audited, referred to in paragraph 6 nothing has come to our attention that causes us to believe that the



accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act and as per presentation requirements of the SEBI Circular and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Requirements) Regulations, 2015, as amended, including the manner in which it is to be that it contains any material misstatement.

6. The statement includes the interim financial results/ interim consolidated financial results of two subsidiaries and their joint venture companies which have not been reviewed/ audited, whose interim financial information reflect total revenues of Nil for the quarter ended 31st December, 2019 and year to date results from 1 April, 2019 to 31 December, 2019, total net loss after tax of Rs1 lakhs and Rs. 61 lakhs for the quarter ended 31 December, 2019 and year to date results from 1 April, 2019 to 31 December, 2019, respectively and total comprehensive gain of Rs. 43 lakhs and loss of Rs. 40 lakhs for the quarter ended 31 December, 2019 and year to date results from 1 April, 2019 to 31 December, 2019, respectively as considered in the Statement. The consolidated unaudited financial results also include the Group's share of loss after tax of Rs. 4 lakhs for the quarter ended 31 December, 2019 and Rs. 4 lakhs for year to date results from April 1, 2019 to 31 December, 2019, and total comprehensive loss of Rs. 4 lakhs for the quarter ended 31 December, 2019 and Rs. 4 lakhs year to date results from 1 April, 2019 to 31 December, 2019, in respect of joint ventures of the Holding/subsidiary Companies, based on their interim financial information which have not been reviewed /audited. These interim financial results/ interim consolidated financial results have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the information provided by the management and procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of our reliance on the interim financial information certified by the management.

Place: Mumbai
Date: 3rd February, 2020

For, Singhi & Co.
Chartered Accountants
Firm Registration No.: 302049E



Sukhendra Lodha
Partner

Membership No.: 071272
UDIN:20071272AAAAAD2132

SPECIALITY RESTAURANTS LIMITED

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Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended 31 December 2019

₹ in Lakhs (Except per share data)

Sr. No.	Particulars	For the Quarter ended on			For nine months ended on		For the Year ended on
		31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	31.03.2019 (Audited)
1	Revenue from operations	10,629	8,850	9,845	28,238	26,277	34,636
2	Other Income (Refer note 3)	202	271	210	706	596	946
3	Total Revenue	10,831	9,121	10,055	28,944	26,873	35,582
4	Expenses						
	(a) Cost of materials consumed	3,323	2,812	3,039	8,885	8,254	10,891
	(b) Employee benefits expense	2,203	2,183	1,963	6,492	6,100	8,188
	(c) Finance costs (Refer note 3)	576	555	0	1,595	0	-
	(d) Depreciation/amortisation/impairment (Refer note 3)	1,558	1,536	585	4,570	1,891	2,871
	(e) Lease rent (Refer note 3)	244	180	1,671	635	4,746	6,335
	(f) Other expenses (Refer note 3)	2,461	2,349	1,966	6,942	5,932	7,975
	Total Expenses	10,365	9,615	9,224	29,119	26,924	36,260
5	Profit/(Loss) before share of loss in Joint Venture and tax (3 - 4)	466	(494)	831	(175)	(51)	(678)
6	Share of loss in Joint venture company	(4)			(4)		(2)
7	(Loss)/Profit before tax (5 - 6)	462	(494)	831	(179)	(51)	(680)
8	Tax expense						
	a) Current tax	-	-	17	-	17	90
	b) Deferred tax	-	-	-	-	-	-
	c) (Excess)/Short provision for tax relating to prior years	(90)	-	-	(90)	-	11
		(90)	-	17	(90)	17	101
9	Profit/(Loss) after tax for the period (7 - 8)	552	(494)	814	(89)	(68)	(781)
10	Other comprehensive income/(Loss) Items that will be reclassified to profit or loss	24	7	(38)	(16)	(37)	(53)
11	Total comprehensive income for the period (9 - 10)	576	(487)	776	(105)	(105)	(834)
12	Earnings per equity share (of ₹ 10/- each) (not annualised for quarters)						
	(a) Basic	1.18	(1.05)	1.73	(0.19)	(0.14)	(1.66)
	(b) Diluted	1.18	(1.05)	1.73	(0.19)	(0.14)	(1.66)
	See accompanying notes to the financial results						



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Notes:

- 1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 3 February, 2020.
 - 2 The Company is engaged in the food business, which in the context of Ind AS 108 on Operating Segment, constitutes a single reportable business segment.
 - 3 Effective April 01, 2019, the Company adopted Ind AS 116 "Leases" using the modified retrospective approach for transition. Accordingly, the Company has not restated the comparative information. Instead, the cumulative effect of initial application of the standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019, aggregating to Rs. 1,812.27 lakhs. Consequently in the Statement of Profit and Loss for the current period, the nature of expenses in respect of operating leases has changed from "Lease rent" in previous period to "Depreciation and amortisation expense" for the right of use assets, "Finance cost" for interest accrued on lease liability and GST on Lease Rent to "Other expenses". As a result the "Lease Rent", "Depreciation and amortisation expense", "Finance cost" and "Other expenses" of the current period is not comparable to the earlier periods.
- The performance of the current period is not comparable with previous period results. The reconciliation of the above effect on the Statement of Profit and Loss for the quarter and nine months ended 31 December, 2019 is as under:

Quarter ended 31 December, 2019		₹ in Lakhs	
Adjustments to increase / (decrease) in Profit before tax	Quarter ended 31 December, 2019 comparable basis	Changes due to Ind AS 116 increase/ (decrease)	Quarter ended 31 December, 2019 as reported
Lease Rent	1,753	(1,509)	244
Other expenses	2,241	220	2,461
Depreciation and amortisation expense	514	1,044	1,558
Finance cost	16	560	576
Profit / (Loss) before tax	781	(315)	466

Nine Months ended 31 December, 2019		₹ in Lakhs	
Adjustments to increase / (decrease) in Profit before tax	Nine months ended 31 December, 2019 comparable basis	Changes due to Ind AS 116 increase/ (decrease)	Nine months ended 31 December, 2019 as reported
Other Income	644	(62)	706
Lease Rent	4,967	(4,332)	635
Other expenses	6,319	624	6,942
Depreciation and amortisation expense	1,537	3,033	4,570
Finance cost	17	1,578	1,595
Profit / (Loss) before tax	667	(842)	(175)

4 Previous period / year figures have been regrouped, wherever necessary.



For and on behalf of the Board
For Speciality Restaurants Limited

Anjan Chatterjee
Chairman & Managing Director
(DIN : 00200443)



Place: Mumbai
Date: 3 February, 2020