

**Independent Auditor's Review Report on Quarterly and Year to Date Unaudited Consolidated Financial 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 Unaudited Consolidated Financial Results of **Speciality Restaurants Limited** ( "the Holding Company"), its subsidiaries ( the Holding Company and its Subsidiaries together referred to as " the Group" ) and its share of losses in the joint ventures for the quarter ended December 31, 2020 and year to date from April 1, 2020 to December 31, 2020 (the "Statement") 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 ( the "Listing Regulations").
2. This 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 Standards 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act 2013 as amended read with relevant rules issued thereunder 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 Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is 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 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 Circular issued by Securities and Exchange Board of India under Regulation 33 (8) of the Listing Regulation, to the extent applicable
4. The Statement includes result of the following entities:
  - a. Speciality Hospitality UK Limited (Subsidiary-UK)
  - b. Caterland Hospitality Limited (Joint venture of subsidiary-UK)
  - c. Speciality Hospitality US Inc (Subsidiary-US).
  - d. Foodland Ventures LLC (Joint venture of subsidiary-US).
  - e. Mainland China Restaurant and Indgrill Restaurant LLC (Joint venture of the Holding Company).



# Singhi & Co.

## Chartered Accountants

B2 – 402B, Marathon Innova, 4<sup>th</sup> Floor, Off Ganpatrao Kadam Marg, Opp. Peninsula Corporate Park, Lower Parel, Mumbai – 400013. India

Tel: +91 (0) 22 – 6662 5537/38 E-mail : [mumbai@singhico.com](mailto:mumbai@singhico.com) Website : [www.singhico.com](http://www.singhico.com)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable India Accounting Standards ('IND AS') prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, including the manner in which it is to be disclosed, or that it contains any material mis-statement.

6. Emphasis of Matter

We draw attention to Note 3 to the Consolidated Financial Results in which the Group describes the uncertainties arising from the COVID 19 pandemic. Our conclusion on the Statement is not modified in respect of this matter.

7. The Statement includes the interim financial information/ financial results of 2 subsidiaries which are located outside India which have not been reviewed/ audited, and have been approved and furnished to us by the management, whose financial information reflects total revenue of Rs Nil and Rs Nil for the quarter and nine months ended December 31, 2020, respectively, total net loss after tax of Rs. 0.43 lakhs and Rs. 0.43 lakhs for the quarter and nine months ended December 31, 2020 respectively and total comprehensive loss of Rs 0.43 lakhs and Rs. 0.43 lakhs for the quarter and nine months ended December 31, 2020, respectively, before giving effect to the consolidation adjustments, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of Rs. 4 lakhs and Rs. 11 lakhs and total comprehensive loss of Rs. 4 lakhs and Rs 11 lakhs for the quarter and nine months ended December 31, 2020 respectively as considered in the statement, in respect of 3 joint venture companies of the Company/ wholly owned subsidiaries located outside India, based on its interim financial information which have not been reviewed/audited, and have been approved and furnished to us by the management. According to the information and explanations given to us by the Management, these financial information/financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

**For Singhi & Co.**  
Chartered Accountants  
Firm Reg. No. 302049E



**Sukhendra Lodha**  
Partner

Membership No. 071272  
UDIN: 21071272AAAAAN4831

Place: Mumbai  
Date: 11<sup>th</sup> February, 2021

**KOLKATTA (HO)**

**NEW DELHI**

**CHENNAI**

**MUMBAI**

**BANGALORE**

**SPECIALITY RESTAURANTS LIMITED**

Registered Office: Uniworth House 3A Gurusaday Road, Kolkata - 700019  
 CIN: L55101WB1999PLC090672. Tel No. (91 33) 2283 7964/65/66. Fax No. (91 33) 2280 9282  
 Email: corporate@speciality.co.in  
 Website: www.speciality.co.in

**Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended 31st December 2020**

₹ in Lakhs (Except per share data)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2020 (Unaudited)	30.09.2020 (Unaudited)	31.12.2019 (Unaudited)	31.12.2020 (Unaudited)	31.12.2019 (Unaudited)	31.03.2020 (Audited)
1	Revenue from operations	5,681	1,964	10,629	8,472	28,238	35,779
2	Other Income	267	124	202	660	706	1,027
3	<b>Total Revenue</b>	<b>5,948</b>	<b>2,088</b>	<b>10,831</b>	<b>9,132</b>	<b>28,944</b>	<b>36,806</b>
4	<b>Expenses</b>						
	(a) Cost of materials consumed	1,736	545	3,323	2,556	8,885	11,348
	(b) Employee benefits expense	1,036	537	2,203	2,088	6,492	8,202
	(c) Finance costs	424	518	576	1,247	1,595	2,115
	(d) Depreciation/amortisation/impairment	818	942	1,558	2,424	4,570	5,749
	(e) Lease rent	697	392	244	1,640	635	1,206
	(f) Other expenses	1,602	1,027	2,461	3,379	6,942	9,325
	<b>Total Expenses</b>	<b>6,313</b>	<b>3,961</b>	<b>10,365</b>	<b>13,334</b>	<b>29,119</b>	<b>37,945</b>
5	<b>Profit/(Loss) before exceptional items, Share of Joint Venture &amp; tax (3 - 4)</b>	<b>(365)</b>	<b>(1,873)</b>	<b>466</b>	<b>(4,202)</b>	<b>(175)</b>	<b>(1,139)</b>
6	Exceptional Gain/(Loss) (Refer Note no. 5)	-	436	-	436	-	(2,738)
7	<b>Profit/(Loss) before Share of Joint Venture &amp; tax (5 - 6)</b>	<b>(365)</b>	<b>(1,437)</b>	<b>466</b>	<b>(3,766)</b>	<b>(175)</b>	<b>(3,877)</b>
8	Share of Profit/(Loss) in Joint Venture Company	(4)	(4)	(4)	(11)	(4)	(13)
9	<b>Profit/(Loss) before tax</b>	<b>(369)</b>	<b>(1,441)</b>	<b>462</b>	<b>(3,777)</b>	<b>(179)</b>	<b>(3,890)</b>
10	<b>Tax expense</b>						
	a) Current tax	-	-	-	-	-	-
	b) Deferred tax	-	-	-	-	-	-
	c) (Excess)/Short provision for tax relating to prior years	-	-	(90)	-	(90)	(90)
				(90)		(90)	(90)
11	<b>Profit/(Loss) after tax for the period (9 - 10)</b>	<b>(369)</b>	<b>(1,441)</b>	<b>552</b>	<b>(3,777)</b>	<b>(89)</b>	<b>(3,800)</b>
12	<b>Other comprehensive income (OCI)</b>						
	Items that will not be reclassified to profit or loss	(19)	24	24	(44)	(16)	(69)
	Items that will be reclassified to profit or loss	52	20	-	63	-	28
13	<b>Total comprehensive income for the period (11 - 12)</b>	<b>(336)</b>	<b>(1,397)</b>	<b>576</b>	<b>(3,758)</b>	<b>(105)</b>	<b>(3,841)</b>
14	Paid-up equity share capital (Face value of ₹ 10/- per share)	4,696	4,696	4,696	4,696	4,696	4,696
15	Other Equity	-	-	-	-	-	11,685
16	<b>Earnings per equity share (of ₹ 10/- each) (not annualised for quarters)</b>						
	(a) Basic	(0.79)	(3.07)	1.18	(8.04)	(0.19)	(8.09)
	(b) Diluted	(0.79)	(3.07)	1.18	(8.04)	(0.19)	(8.09)
	<b>See accompanying notes to the financial results</b>						



**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 11th February, 2021.
- 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 The Company's financial performance for the current quarter and nine months has been impacted by Covid 19 related developments. Given the unprecedented circumstances, the results for the current quarter and nine months ended are not comparable with that of the corresponding quarter and nine months ended of the previous year.
- 4 The operations recommenced as permitted by local regulations and as on date most of our restaurants and confectionery stores are operational. Selectively at the local level, various restrictions continue to apply and consequently impact operating performance. Nevertheless, the trajectory of revenues have continued to improve month on month post reopening.

Given the Covid 19 pandemic, the Company has also performed detailed analysis and expects no challenges with respect to recoverability of its assets as of date. Given the ongoing play out of the Covid 19 related developments, we continue to evaluate the possible effects on the financial results of the Company. However, the actual impact of the pandemic may be different from that considered in our assessments.

Consequent to Covid-19 pandemic, the company has been in discussion with most of the Landlords for its restaurant and confectionery properties for waiver/discounts on rent and common area maintenance expenses during the lockdown period and also for the period thereafter. The company has received various concession/rebates from the Landlords with few of them still under discussion, the company following a prudent accounting practice has/will recognize these concessions/rebates in accordance with the applicable accounting standard.

- 5 The Company had decided to close certain restaurants in previous year due to financial unviability because of Covid -19 pandemic. Due to this the Company had carried out Impairment Testing as per Ind AS 36 of the assets as at 31st March 2020 and had recognized impairment loss under the head Exceptional item. Right of Use Asset and Lease Liability recognized as per Ind AS 116 had been reversed for units closed and the balance is recognized as an Exceptional gain. During the nine months ended 31 December, 2020 some units which were terminated as on 31 March, 2020 recommenced operation post re-negotiation with property owner, hence the impairment gain has been shown as exceptional item. Relevant details are as under:

Particulars	₹ in Lakhs	
	31 December,2020	31 March,2020
i) Impairment of Property, Plant and Equipment	436	(2,545)
ii) Impairment of Right of Use Asset	-	(1,645)
iii) Gain on lease modification/ termination	-	1,452
<b>Total</b>	<b>436</b>	<b>(2,738)</b>

- 6 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment 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.
- 7 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: 11 February, 2021