

Singhi & Co.

Chartered Accountants

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Limited Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of Speciality Restaurants Limited

**To the Board of Directors
Speciality Restaurants Limited**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Speciality Restaurants Limited** ("the Company") for the quarter ended December 31, 2021 and year to date results from April 1, 2021 to December 31, 2021 (the "Statement"), being submitted by the 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 Company's Management and approved by the 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 and in compliance with Regulation 33 of the Listing Regulations. 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.
4. Based on our review conducted as above, 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, read with relevant rules issued there under 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.
5. **Emphasis of Matter**

We draw attention to Note 4 to the Standalone Financial Results in which the Company describes the uncertainties arising from the COVID 19 pandemic. Our conclusion on the Statement is not modified in respect of this matter.

Place: Mumbai
Date: February 10, 2022

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



Milind Agal

Milind Agal
Partner

Membership No. 123314
UDIN: 22123314ABFHIZ4413

KOLKATA (HO)

NEW DELHI

CHENNAI

MUMBAI

BANGALORE

Statement of Standalone Unaudited Financial Results for the quarter and nine months ended 31st December 2021

Sr. No.	Particulars	₹ in Lakhs (Except per share data)					
		Quarter Ended			Nine Months Ended		Year Ended
		31.12.2021 (Unaudited)	30.09.2021 (Unaudited)	31.12.2020 (Unaudited)	31.12.2021 (Unaudited)	31.12.2020 (Unaudited)	31.03.2021 (Audited)
1	Revenue from operations	8,899	6,173	5,681	18,115	8,472	15,014
2	Other Income	157	256	267	608	660	1,666
3	Total Revenue	9,056	6,429	5,948	18,723	9,132	16,680
4	Expenses						
	(a) Cost of food and beverages consumed	2,679	1,808	1,736	5,380	2,556	4,520
	(b) Employee benefits expense	1,423	1,100	1,036	3,210	2,088	3,383
	(c) Finance costs	378	358	424	1,093	1,247	1,650
	(d) Depreciation/amortisation/impairment	675	626	818	2,001	2,424	3,224
	(e) Lease rent	422	428	697	1,090	1,640	1,981
	(f) Other expenses	1,986	1,829	1,601	5,029	3,378	5,275
	Total Expenses	7,563	6,149	6,312	17,803	13,333	20,033
5	Profit/(Loss) before exceptional items & tax (3 - 4)	1,493	280	(364)	920	(4,201)	(3,353)
6	Exceptional Gain/(Loss) (Refer Note no. 5)	-	-	-	-	436	436
7	Profit/(Loss) before tax (5 - 6)	1,493	280	(364)	920	(3,765)	(2,917)
8	Tax expense						
	a) Current tax	-	-	-	-	-	-
	b) Deferred tax	-	-	-	-	-	-
	c) Excess/(Short) provision for tax relating to prior years	-	-	-	-	-	17
9	Profit/(Loss) after tax for the period (7 - 8)	1,493	280	(364)	920	(3,765)	(2,934)
10	Other comprehensive income (OCI) (Net of tax) Items that will not be reclassified to profit or loss	89	(7)	(19)	92	(44)	26
11	Total comprehensive income for the period (9 - 10)	1,582	273	(383)	1,012	(3,809)	(2,908)
12	Paid-up equity share capital (Face value of ₹ 10/- per share)	4,696	4,696	4,696	4,696	4,696	4,696
13	Other Equity	-	-	-	-	-	9,004
14	Earnings per equity share (of ₹ 10/- each)*						
	(a) Basic	3.18	0.60	(0.78)	1.96	(8.02)	(6.25)
	(b) Diluted	3.18	0.60	(0.78)	1.96	(8.02)	(6.25)
	See accompanying notes to the financial results						

* Not annualised for quarter & nine months



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 10th February, 2022. Review as required under regulation 33 of SEBI (Listing obligation and disclosure requirement) regulations, 2015 has been carried out by the statutory auditor of the Company who have issued an unmodified review conclusion on these results.
- 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 Given the unprecedented circumstances on account of Covid 19 related developments, the results for the quarter and nine months ended are not comparable with that of the corresponding quarter and nine months ended of the previous period.
- 4 Currently operations are continuing as permitted by local regulations due to Covid 19 pandemic. 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.

The Company has considered the possible effects that may result from the COVID-19 pandemic on the carrying value of assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of the pandemic, the Company has used external and internal information to assess the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions and based on the current estimates, the carrying value of the assets as at 31st December, 2021 is fully recoverable.

The consequential impact may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes based on future economic conditions as a result of the COVID-19 pandemic.

Consequent to Covid-19 pandemic, the Company has been in discussion with 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 is following a prudent accounting practice and has/will recognize these concessions/rebates in accordance with the applicable accounting standards.

- 5 During the previous year ended 31st March, 2021 some units which were terminated as on 31st March, 2020 recommenced operations post re-negotiation of rentals with the property owners, hence the impairment gain was an exceptional item. Relevant details are as under:

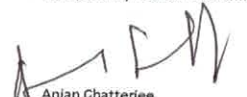
Particulars	₹ in Lakhs	
	31 Dec,2021	31 March,2021
i) Impairment of Property, Plant and Equipment	-	436
ii) Impairment of Right of Use Asset	-	-
iii) Gain on lease modification/ termination	-	-
Total	-	436

- 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 periods figures have been regrouped/ reclassified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the amended schedule III of the Companies Act, 2013 effective 1st April, 2021.



For and on behalf of the Board

For Speciality Restaurants Limited


Anjan Ghatge
Chairman & Managing Director
(DIN : 00200443)

Place: Mumbai

Date: 10th February, 2022