

SPECIALITY RESTAURANTS LIMITED

ONGOING FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

1. Overview:

In accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**SEBI Regulations**”) and Schedule IV of the Companies Act, 2013, as amended, (the “**Companies Act**”) Speciality Restaurants Limited (the “**Company**”) has introduced a programme (the “**Programme**”) to familiarize the independent directors (the “**Independent Directors**”) of the Company including in relation to the business model of the Company, nature of industry in which the Company operates and the roles, rights and responsibilities of the Independent Directors.

2. Purpose:

The Programme aims to enable the Independent Directors to understand the business model of the Company and keep them updated on an ongoing basis about the significant changes which occur in the industry in which the Company operates.

3. Familiarization process:

The Company, through various presentations and/or discussions familiarises the Independent Directors on the overall economic trends, the performance of the food and beverage sector and analysis of the circumstances which have adversely impacted the Company’s performance and the initiatives taken / proposed to be taken to bring about an overall improvement in the performance of the Company, comparison of the Company's performance with its peers in the Industry as available in public domain, marketing/brand strategy, business risks and mitigation plan etc. Besides this, the Independent Directors are also updated, from time to time, about the disclosures required to be made under the Companies Act, the SEBI Regulations, the code of conduct applicable to the Independent Directors and other regulations and policies applicable to them and also appraised about food and beverages’ sector specific laws, including the Food Safety and Standards Act, 2006 and the Legal Metrology Act, 2009.

As part of the ongoing familiarization programme the presentations were made to the Independent Directors during the Financial Year 2017-18 on Way forward strategy and Budget 2018, Briefing on CSR Project progress, Presentation on Review of the Enterprise Risk Management, Presentation on Internal Financial Controls System by Consultants.

During the Financial Year 2017-18, Mr. Ullal Ravindra Bhat and Mr. Rakesh Pandey were appointed as Independent Directors of the Company with effect from April 28, 2017 and November 29, 2017 respectively.

Mr. Ullal Ravindra Bhat and Mr. Rakesh Pandey were familiarized on the following aspects:-

- (i) their roles, rights and responsibilities of the Company;
- (ii) the industry, business operations and business models of the Company;
- (iii) Important statutory and regulatory provisions, the code of conduct and other policies as applicable.

Apart from above, presentations on financial results of the Company and presentation on new developments were part of Board discussions which inter alia covered the following:-

1. Presentation on financial statements of the Company by Executive Director – Finance & CFO.
2. Presentation on way forward strategy by the Management of the Company.
3. New initiatives by the Company at Business units.
4. Impact of GST on the Restaurant industry & the Company and its Implementation.
5. Presentation on Union Budget 2018-19 by Deloitte Haskins and Sells LLP.

In the Financial year 2017-18, approximately Twenty Four (24) hours on a cumulative basis were spent by the Independent Directors on the above programmes.