



SPECIALITY RESTAURANTS LIMITED

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Curtain raiser

Food is not only one of the fundamental requirements for sustaining life. It also stands for nourishment, love, bonding, culture, sensorial pleasure and much more. Over four thousand employees and associates at Speciality Restaurants bring this belief to work everyday, creating a special experience for guests and stakeholders through food.

Speciality Restaurants is a leading player in the fine dining industry with restaurants across India, Bangladesh and Tanzania. Its flagship brand, Mainland China and Mainland China Asia Kitchen, serves authentic cuisines of Chinese provinces and dishes from across Asia through 53 restaurants in 23 cities in India and 1 restaurant in Dhaka, Bangladesh and 1 in Dar es Salaam, Tanzania.

The Group's core brands consist of Oh! Calcutta, serving authentic flavours from Calcutta, Sigree and Sigree Global Grill which brings grilled flavours from all over the world to live grills on each table and Sweet Bengal, a confectionary chain of authentic Bengali sweets made with pure milk by artisans from Bengal.

In recent moves, the group has ventured into casual dining and lounge formats for the young-at-heart target audience with power brands like Café Mezzuna (All Day Bar and Kitchen) and Hoppipola (All Day Fun and Kitchen). By offering new age, global flavours and vibrant service, the Group is exploring new horizons in today's growth markets.

Other brands of Speciality Restaurants include Haka, Machaan, Kix, Kibbeh, Shack, Flame & Grill and Zoodles.



Our Mission

To consistently provide world class cuisine and experience at an affordable price.

To create a dining experience whose uniqueness lies in its elegance and refinement which is brought alive by caring and personalized service in a warm, vibrant environment, and make everybody feel special.

From the CHAIRMAN'S DESK



Dear Shareholders.

The year under review has been stressful, bringing with it both opportunities and challenges in equal measure. The year started on a positive note, with a new Government at the center bringing with it hope and expectations of renewed growth. In view of the recent developments, however it appears likely that it will be a while before these hopes do materialise at the ground level.

The Food and Beverages sector of our economy has witnessed a high rate of inflation for the last couple of years, creating pressure on the discretionary spending power of consumers across all categories.

As a result, your company has been experiencing a challenging business environment over the last few months. Despite these issues, your Company's turnover in FY 2015 increased to 3070.9 million from 2736.9 million in the previous year, reflecting a growth of 12.2%. However, various global factors coupled with unseasonal weather disturbances maintained the inflationary pressure which kept raw material prices and other related operating costs at a higher level.

Your Company chose not to take the easy way out by passing on the increase to our valued patrons through a menu price increase. Rather, we decided to be prudent and considerate; it restrained itself from adding to the burden of the consumers, realizing that this would have an adverse effect on the footfalls in

the restaurants. As a result of this caution, profit margins have failed to keep pace with the increase in revenues even though adequate measures have been taken to keep other costs under control. The Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) amounted to 368.3 million (12% of revenue) as against 438.0 million (16% of revenue) in the previous year. The Net Profit after Tax was down to 94.5 million as against

188.9 million in the previous year, partly due to changed depreciation rate prescribed by the Companies Act, 2013.

Since its inception over two decades ago, your Company has enjoyed a positive growth trajectory with its brands and has sustained this leadership position despite a competitive environment. All your Company's brands consistently deliver an unique experience to the diners, both in service and quality. This consistent service has reinforced the strength of the principal brands - its flagship Mainland China, and its three core brands Oh! Calcutta, Sigree Global Grill and Sweet Bengal. While the severe economic headwinds of the last few years have posed serious challenges, fine dining formats are facing the maximum resistance in the dining-out space. The revenue growth posted by your Company, therefore, vindicates the positioning and the strength of your brands.

Over the last two years, your Company has also made strategic inroads into the space of 'casual or semi-casual' dining, which offers quicker conversions and has built new brands in newer formats. These include Café Mezzuna, Hoppipola and Sigree Global Grill. These brands are experimenting with offerings at lower and single all inclusive price points (Sigree Global Grill), and of different cuisines in fun-filled but non fine-dining settings, (Café Mezzuna and Hoppipola) to attract the youth. Further your Company is carrying out a brand rejuvenation for Mainland China through a refreshed and new offering in the form of Mainland Asia Kitchen, presenting Oriental Cuisine which supplements the all-time favourites of Mainland China with selected Pan-Asian flavours from Thai, Japanese, Korean, Malaysian and Burmese kitchens. With an open lively kitchen and a seating that's more casual than fine dining, this has received an encouraging response and is attracting a completely new class of diners.

I believe that the current year will bring its own new challenges but the recent moderation of food inflation is expected to encourage discretionary spending. Your Company is geared to derive the maximum benefit from this upturn when it comes. This confidence stems from the long standing support of our stakeholders and the unflinching loyalty of our customers.

I would like to thank you all for your continuous support and look forward to another year, where we recommit ourselves to ensuring greater growth for our Company and for our stakeholders.

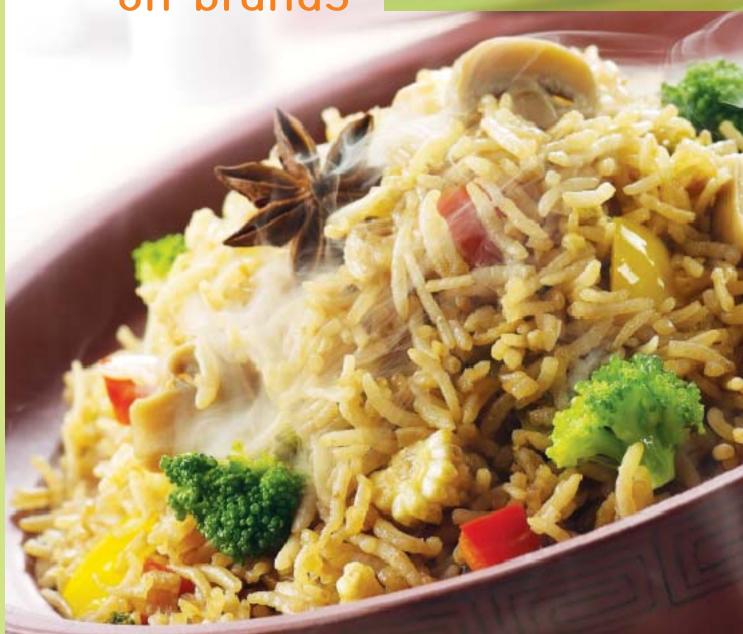
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Susim Mukul Datta Chairman



Our foundation, built on brands

Each of our brands enjoy a unique positioning in the markets they operate and constitute an important aspect of our strategic roadmap over the next several years. We have defined a set standard within which all of them operate and going forward they will play a key role in our near and long term success.



Flagship Brand

MAINLAND CHINA



Mainland China

Mainland China, our flagship brand has crossed the continent and now also has an operational outlet in Tanzania. We continue to ensure that each dish we serve is a perfect balance of Yin and Yang flavours so that guests enjoy the essential harmony of Chinese gourmet cuisine.

The brand which has picked up major awards not just once but on several occasions, enjoys top of the mind brand recall and sustained loyalty of its customer over the years.

ANINLAND CHINA ASIA KITCHEN





In FY 2015, we launched Mainland China Asia Kitchen, refreshing the flagship brand.

Mainland China Asia Kitchen

We explored an exciting new format by launching a new avatar of Mainland China, Mainland China Asia Kitchen that serves cuisines from across Asia beyond Chinese.

This initiative will not only refresh the flagship brand, it launches another gastronomic adventure. All the legendary kitchens of the Far-East now come under one roof with flavours from the food-streets of Hong Kong, Singapore, Malaysia, Thailand, Japan, Korea, Myanmar and of course, China. The dynamic format with live kitchen helps to instill new energy into the flagship brand.

Core Brands

Oh! Calcutta



Oh! Calcutta

The unique cuisine of Oh! Calcutta celebrates the melting pot of cultures that is Calcutta. The menu reveals many lost culinary delights that have been unearthed by meticulous research and have a fan following far beyond just Bengalis.

The elegance and creativity at the heart of the cuisine not only speak in classic Bengali dishes with rare recipes and authentic spices but also find expression in contemporary flavours - smoked, steamed or in small bites like canapes.

The brand is constantly pushing the envelope to offer guests with new flavours of a timeless cuisine.

sigree

GLOBAL GRILL



Sigree Global Grill

A new addition to the Group's portfolio, Sigree Global Grill has emerged as a popular brand. With live grills on each table in the style of Brazilian Churascaria or Japanese Hibachi, Sigree Global Grill is a new concept of dining for the next generation, globe trotting gourmet.

Unlimited grills from around the globe like Mediterranean, Oriental, Spanish, Mexican and Indian cuisine are served on the live grills on each table, followed by a buffet that spans the globe with almost every major cuisine.

The all-inclusive price point has been a major attraction.

Barely a year into operations, Sigree Global Grill has won the Times Good Food Awards for Best Multi Cuisine Buffet in Mumbai.

Sweet Bengal



Sweet Bengal

Sweet Bengal was opened in Mumbai to give sweet connoisseurs a taste of authentic Bengali delicacies. Since then, it has proven to be the favourite destination for Bengali sweets.

The innovative and traditional spread of Bengali sweets and savouries are created from pure, fresh milk, ghee and natural extracts by sweet makers who have perfected the art of making Bengali sweets for generations.

Power Brands





Café Mezzuna

Café Mezzuna was conceived keeping in mind the young, well-travelled connoisseur. A niche, all day semi-casual dining restaurant, Café Mezzuna serves dishes with Mediterranean, Moroccan, Spanish, French and Italian flavours. The bar menu is carefully crafted to complement the exciting menu.

Its all day, casual dining ambience is spread across a lively indoor and outdoor seating arrangement to be more welcoming.

Café Mezzuna is already a winner of Times Good Food Awards for Best Thin Crust Pizza and BestAll Day Dining Café in Pune. The second outlet opened in Kolkata has already received a very encouraging response.





Hoppipola

Hoppipola offers a fun filled experience to the young-at-heart who constitute the majority of a growing market. Positioned as All Day Fun and Kitchen, its menu offers ample contemporary flavours such as finger food and bar nibbles. Innovative mocktails also add to the funky menu.

Literally meaning "jumping in puddles" in Icelandic, Hoppipola is an embodiment that you don't need to be young to have fun. With Beer Pong, Beer Chuggathon, a quirky book section, model aeroplanes suspended from the roof, video and board games, blackboard tables and toadstool seats, there is always fun brewing.

Other Brands





Haka

With an innovative menu and a range of quick bites, dim sums and complete meals Haka is an ideal place for guests on the go. Convenient and delicious meals that can be enjoyed between shopping or the movie make Haka a huge favourite with the outgoing youth.

MACHAAN



Machaan

Machaan serves Indian dishes cooked traditionally to retain the freshness of every ingredient. With a unique jungle theme, Machaan was created as the perfect getaway from the hustle and bustle of the city. The innovative ambience with jungle motifs makes Machaan a family spot as it draws children and large families.