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**25 YEARS**  
OF MAKING YOU FEEL SPECIAL  
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Annual Report 2018



**SPECIALITY RESTAURANTS**

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**A JOURNEY OF PASSION**



**25 YEARS  
OF  
WINNING HEARTS**



**25 YEARS  
OF  
SERVING YOU**



**25 YEARS  
OF MAKING  
YOU  
FEEL SPECIAL**





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# Curtain raiser

25 years of winning hearts.

25 years of serving joy.

25 years of making you feel special.

25 years is a milestone in any space. It has been Speciality Restaurant group's mission to share with diners authentic and unique cuisines from the world over. To give them a never-before experience and make them 'feel special'. It's a philosophy driven relentlessly with passion, hard work and discipline that has helped us to reach this milestone and it's just the beginning.

From the opening of its first outlet in 1992 in Mumbai (India), Speciality group of restaurants began its journey of serving authentic world cuisines under their flagship brand, Mainland China and 300 year-old delectable Indian cuisines under Oh! Calcutta which is a core brand of the group. Within a short span of over a decade it created history in terms of standardizing recipes and creating a chain of fine dining restaurants all over the country crossing the magical figure of 100 restaurants and confectioneries (currently 128) in over 25 cities in India, Dubai, Colombo (Sri Lanka), Dar es Salaam (Tanzania) and Dhaka (Bangladesh) with ongoing expansion plans to open soon in the Canada, UK and UAE (other Gulf countries). Other Power brands being Sigree Global Grill (bringing convergence of different grill styles in a live cooking format), Asia Kitchen (semi-casual format of Asian dining format in a refreshed new version of Mainland China and the future to be a flagship brand), Café Mezzuna (all-day modern European casual dining), Hoppipola (all-day bar and kitchen with games), Sweet Bengal (a confectionary chain of authentic Bengali sweets) and Dariole (a confectionary and Café). New age offering, vibrant

service and global flavours by our brands have created a new paradigm in the hospitality sphere.

Other brands of Speciality Restaurants include Haka, Flame & Grill, Machaan, Kix, Zoodles and our latest addition being Gong and Progressive Oriental House (POH).

The group has always striven to go to great lengths to pamper and surprise patrons and ensure that every dining experience they have, is something they'd remember. From sourcing ingredients from far-off lands to attentive service, it's all done with one objective – to give diners an experience they will cherish forever. Three thousand and two hundred employees of Speciality Restaurants work everyday with this very belief and conviction.

Success was born out of a vision. One that is shared by the entire senior management. Their vast experience in the country's leading high-end and 5-star hotels helps them maintain an extraordinarily high degree of professionalism. From monitoring quality, hygiene and safety standards, the effort has always been to create a special experience for every diner, every time.

What really drives everyone for ensuring this success continuously, is rather simple.

The love and passion to serve good food and count blessings.



## Our Mission

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

To create a dining experience whose uniqueness lies in elegance and refinement, brought alive by care and personalized service in a warm, vibrant environment, that makes everybody feel special.





## Chairman & Managing Director's Perspective

Dear Shareholders,

This is a very special moment for me and for all of us at Speciality Restaurants as we celebrate 25 years of our journey having served around 50 million meals till date. It goes without saying, but I would like to emphasize it — this could simply not have happened without the support and faith of all our stakeholders – starting with our large base of loyal guests; you, our shareholders; our professional partners; and, of course, the expert and dedicated team at Speciality Restaurants.

This moment is also special because this is the first time I am addressing all of you as chairman. And at the very outset I would like to acknowledge the immense contribution of Mr. Susim Mukul Datta, who has been our Chairman for seven years – but has moved on for personal reasons. His leadership, direction and guidance have been invaluable in helping us to get where we are. We wish him all the very best in all that he does.



**Chairman & Managing Director,  
Anjan Chatterjee**



I also want to take this opportunity to reiterate that your company is in excellent hands under the able leadership of your directors. Mr. Dushyant Mehta is a leading figure in marketing and advertising. Mr. U.R. Bhat's financial expertise stands us in very good stead. Mr. Rakesh Pandey, our newest board member brings with him years of vast experience in the service industry; and of course, our full-time directors Mr. Indroneil Chatterjee and Mrs. Suchchanda Chatterjee.

Our journey began in Mumbai two and a half decades ago in 1992 with our first brand, Only Fish, followed soon by the first Mainland China in 1994. That remarkable beginning gave us a springboard to grow and we now have 42 Mainland China and 7 Asia Kitchen restaurants across India and overseas in Bangladesh, Tanzania and more recently in Srilanka and Dubai. Such growth is particularly significant in the particularly challenging environment the hospitality industry has been subject to in the last few years.

### **The Hospitality industry – opportunities and challenges**

More generally, the last three years have been specially daunting for the restaurant industry even though India has been one of the fastest growing large economies in the world. The year under review

has been far from normal. Structural transformations like demonetisation, the reverberations of which are still being felt, and the introduction of the Goods and Services Tax (GST) have hit us hard. The subsequent changes in GST which led to the withdrawal of the Input Tax Credit specifically and only for the restaurant industry, have had a major impact on the business, including your Company. SRL's operating environment during the year has been nothing short of challenging in the extreme.

However, we have sought to counter these challenges with measures such as menu re-structuring and re-pricing, and cost control initiatives including re-negotiations with partners to reduce purchase costs at an operational level. This has been coupled with a representation and plea to the government for the re-introduction of Input Tax Credit as well as a reduction in the number of licences required to operate a restaurant.

### **A strategic roadmap**

Our sensitivity and alertness to changing customer needs and environmental conditions have helped us respond with agility and innovation: new formats have







been developed and new brands to adapt to the new preferences of customers. We see many opportunities in the F&B industries, and are in a position of strength to capitalize on them, thanks to our diversified brand portfolio, strong senior leadership and a talented and committed team.

Responding to the changing palate of young consumers, Mainland China was re-incarnated in an enormously successful new avatar as Asia Kitchen by Mainland China. This seems to be the strategy going forward in refreshing of our flagship brand Mainland China. Our other restaurant brands like Oh! Calcutta, Sigree Global Grill, Café Mezzuna, Gong, Flame & Grill, Hoppipola, POH as well as confectionery brands Sweet Bengal and Dariole have continued to attract a loyal customer base. In the coming years, we plan to introduce exciting new formats and brands and convert more Mainland China outlets to Asia Kitchen.

Several tactical initiatives have also helped the brands gain greater traction. Small plates with smaller portions, greater value for money, wider variety, comfortable pricing and a semi-casual fun

dining format, are some initiatives that we expect will continue to show benefit. Our successful international expansion with Mainland China in Colombo, and Asia Kitchen by Mainland China in Dubai, have both received a good response which in turn has generated franchise enquiries from UAE and other Gulf countries, as well as also Canada, the UK and other European countries. The next few years will see our brands making forays into more international destinations.

We continue to pursue your Company's mission to provide world-class cuisine within an affordable price tag and to create a unique dining experience suffused with warmth and elegance, and brought alive by personalized service.

Let me once again thank all those who have placed their faith in us – our shareholders for their continued support; our guests for their loyalty; and our tireless team for their unstinting efforts.

Let us look forward together to a very special future.

**Anjan Chatterjee**  
(Chairman and Managing Director)





## Our foundation, built on brands

Every brand of ours has created its own niche. They operate and constitute an important aspect of our strategic roadmap over the next several years. Our pre-defined rules and standards have allowed a smooth run for all the franchise and continuing this trend will inch us closer to near and long-term goals and success.





# Flagship Brand

**MAINLAND  
CHINA**



## Mainland China

This is the kingdom of Mainland China, beyond the Great Wall. A place where all dreams come true.

Today, this flagship brand of Speciality Restaurants has a countrywide presence in the form of 42 outlets across 21 cities in India serving customers with authentic Chinese cuisine. To its credit it has remained one of the most favoured and popular Chinese fine dining restaurant chain catering to the Indian taste buds in its journey of 25 years. The overwhelming popularity has taken the brand to international destinations viz. Tanzania, Bangladesh and very recently launched in Colombo (Sri Lanka) thereby earning a reputation of serving the finest Chinese cuisine suited for the Indian palette outside China, to discerning gourmets all over the world.

It enjoys top of the mind brand recall and sustained loyalty of its customers over the years.

**ASIA KITCHEN**  
by MAINLAND CHINA



## Asia Kitchen by Mainland China

Asia Kitchen by Mainland China is refreshed new semi-casual format of Mainland China in a relaxed ambience serving exciting pan-asian cuisine from selections of Thai, Japanese, Malaya, Myanmar, Singapore, Hong Kong and of course China.

After receiving tremendous response in Mumbai, Kolkata, Bangalore and Chennai, the first outlet internationally is now in operation at Burjuman Mall in Dubai, UAE. This exciting new format with live kitchen and innovative take on street food is creating ripples in the dining circles.

**Asia Kitchen by Mainland China is a refreshed new format of Mainland China with exciting Pan-Asian flavours with open kitchen and semi-casual ambience.**





# Core Brand

## Oh! Calcutta



### Oh! Calcutta

Launched into 1992 as 'Only Fish', it was re-branded as 'Oh! Calcutta' and currently has nine operational outlets across the country.

With a rare cuisine that celebrates Calcutta's melting pot of cultures, Oh! Calcutta's appeal reaches out to food connoisseurs far beyond Bengali's looking for their home flavours. It's a resurrection of 300 year old recipes well researched to give a contemporary expression in the form of grilled and steamed specialities, deftly balancing the traditional flavours with amalgamation of authentic ingredients and spices to appeal to a global audience. Keeping the elegance and creativity of the cuisine at heart, the brand is constantly pushing the envelope for the newer experiences of traditional flavours.



sigree

## GLOBAL GRILL



### Sigree Global Grill

Sigree Global Grill has emerged as a popular brand with the concept of live grills on each table, display kitchen, interactive cooking with skilful displays by master chefs inspired by changing taste-buds.

The menu features a melange of fresh, unlimited grilled flavours from all around the world like Mediterranean, Oriental, Spanish, Mexican and Indian Cuisine at all inclusive price points.

