



**SPECIALITY
RESTAURANTS LIMITED**

CIN: L55101WB1999PLC090672 Email : corporate@speciality.co.in
Morya Land Mark - 1, 4th Floor, B-25, Veera Industrial Estate, Off New Link Road, Andheri (W), Mumbai 400 053
Tel. No. (022) 62686700 Website-www.speciality.co.in

August 11, 2023

To,
**General Manager,
Listing Operations,
BSE Limited,
P.J. Tower, Dalal Street,
Mumbai - 400 001.**

**Vice President,
Listing Compliance Department,
National Stock Exchange of India Limited,
'Exchange Plaza', Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051.**

Scrip Code : 534425

Scrip Code : SPECIALITY

Dear Sir/ Madam,

Sub: Monitoring Agency Report for the quarter ended June 30, 2023.

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 162A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, we are enclosing herewith the Monitoring Agency Report dated August 11, 2023 issued by CRISIL Ratings Limited, Monitoring Agency, for the quarter ended June 30, 2023 in respect of utilization of proceeds of the issuance of Warrants convertible into Equity Shares, on preferential basis.

This will also be hosted on Company's website at www.speciality.co.in.

We request you to kindly take the above on record.

Yours sincerely,

For Speciality Restaurants Limited

**AVINASH
MADHUKAR
KINHIKAR**

Authorized Signatory

Digitally signed by
AVINASH MADHUKAR
KINHIKAR
Date: 2023.08.11 14:23:50
+05'30'

**Name: Avinash Kinhikar
Designation: Company Secretary and Legal Head**

Registered Office: 'Uniworth House' 3A, Gurusaday Road, Kolkata - 700019.

**Monitoring Agency Report
for Speciality Restaurants Limited
for the quarter ended June 30, 2023**

CRI/MAR/SRPLTD/2023-24/1035

August 11, 2023

To

Speciality Restaurants Limited

Uniworth House, 3A Gurusaday Road
Kolkata, West Bengal - 700019

Dear Sir,

Monitoring Agency Report for the quarter ended June 30, 2023 - in relation to the Preferential Issue of warrants convertible into equity shares of Speciality Restaurants Limited ("the Company")

Pursuant to Regulation 162A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and Monitoring Agency Agreement dated February 27, 2023, we enclose the Monitoring Agency Report, issued by CRISIL Ratings Limited, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of Preferential Issue for the quarter ended June 30, 2023.

Request you to kindly take the same on records.

Thanking you,

For and on behalf of CRISIL Ratings Limited



Sushant Sarode

Director, Ratings (LCG)

Report of the Monitoring Agency (MA)

Name of the issuer: Speciality Restaurants Limited

For quarter ended: June 30, 2023

Name of the Monitoring Agency: CRISIL Ratings Limited

(a) Deviation from the objects: Not applicable

(b) Range of Deviation: Not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit-related analyses. We confirm that we do not perceive any conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature: 

Name and designation of the Authorized Signatory: Sushant Sarode

Designation of Authorized person/Signing Authority: Director, Ratings (LCG)

1) Issuer Details:

Name of the issuer:	Speciality Restaurants Limited
Names of the promoter:	a. Anjan Snehamoy Chatterjee b. Suchhanda Anjan Chatterjee
Industry/sector to which it belongs:	Restaurants

2) Issue Details

Issue Period:	Wednesday, January 25, 2023 to Wednesday, February 1, 2023
Type of issue:	Preferential Issue
Type of specified securities:	Warrants convertible into equity shares
IPO Grading, if any:	NA
Issue size:	Rs 127.23 crore* (assuming full conversion) Upto 60,00,000 warrants, each convertible into, or exchangeable for, one fully paid-up equity share of the Company of face value of Rs 10 each at a price of Rs 212.05 aggregating upto Rs 127.23 crore

**CRISIL Ratings shall be monitoring the proceeds raised through issue of fully convertible share warrants vide offer letter dated January 24, 2023*

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the offer document?	Yes	Bank Statement, Offer document, Management Undertaking, Independent Chartered Account Certificate	Utilization is as per Objects of the Preferential Issue as stated in Notice of EGM dated December 21, 2022	Yes

Ratings

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether shareholder approval has been obtained in case of material deviations* from expenditures disclosed in the offer document?	Not applicable	Offer document, Management Undertaking, Independent Chartered Account Certificate	No Comments	Not applicable
Whether the means of Finance for the disclosed objects of the issue has changed?	No	Offer document, Management Undertaking, Independent Chartered Account Certificate	No Comments	No
Is there any major deviation observed over the earlier monitoring agency reports?	No	Management Undertaking, Independent Chartered Account Certificate	No Comments	No
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Management Undertaking, Independent Chartered Account Certificate	No Comments	Not applicable
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes	Management Undertaking, Independent Chartered Account Certificate	The Company has taken technical assistance with outside agencies for execution of development of new Restaurants	Yes
Are there any favourable events improving the viability of these object(s)?	Yes	Management Undertaking, Independent Chartered Account Certificate	The overall sentiment in the Indian economy as well as hospitality Sector is positive.	Yes
Are there any unfavourable events affecting the viability of these object(s)?	No	Management Undertaking, Independent Chartered Account Certificate	No Comments	No
Is there any other relevant information that may materially affect the decision making of the investors?	No	Management Undertaking, Independent Chartered Account Certificate	No Comments	No

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
*Where material deviation may be defined to mean:- (a) Deviation in the objects or purposes for which the funds have been raised. (b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.				

^Certificate dated August 08, 2023 issued by Ford Rhodes Parks & Co. LLP, Chartered Accountants (Firm Registration Number: 102860VV/W100098)

4). Details of object(s) to be monitored:

i. Cost of the object(s):

Sr. No.	Item Head	Source of information/ certification considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in crore)	Revised Cost (Rs in crore)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Existing Restaurants Upgrade	Management undertaking, Independent Chartered Accountant Certificate ^, Offer Document	36.00	-	No Revision	N.A.	N.A.	N.A.
2	Development of New Restaurants/ Confectionaries/ Commissaries in various cities of India - Capital Expenditure/ Lease Deposits	Management undertaking, Independent Chartered Accountant Certificate ^, Offer Document	59.50	-	No Revision	N.A.	N.A.	N.A.

Sr. No.	Item Head	Source of information/certification considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in crore)	Revised Cost (Rs in crore)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
3	General Corporate Purpose [#]	Management undertaking, Independent Chartered Accountant Certificate [^] , Offer Document	31.73	-	No Revision	N.A.	N.A.	N.A.
	Total	-	127.23					

Note:

The schedule of deployment as set out in the table above is based on internal management estimates of the Company, assessed in light of current circumstances of the Company's business. The schedule of deployment is, however, dependent upon various factors beyond the Company's control, such as delays in execution by external contractors, availability of raw materials on commercially acceptable terms or at all, general economic conditions and political conditions and force majeure. Accordingly, the actual amounts to be spent in a particular financial year for the proposed object may be different than the amount set out in the table above. Furthermore, to the extent the Company is unable to utilise any portion of the funds towards the aforementioned object as per the estimated schedule of deployment set out above, such surplus amounts shall be deployed in subsequent financial years towards the aforementioned object.

Interim Use of Proceeds

Pending utilization for the purpose set forth above, the Company intends to invest the funds in high-quality interest-bearing liquid instruments including deposits with banks and investments in mutual funds/Bonds/INVIT for the necessary duration. The management in accordance with policies established by the Board from time to time, will have flexibility in deploying the Proceeds of the issue.

[#]The amount utilised for general corporate purposes does not exceed 25% (Rs 31.81 crore) of the gross proceeds from the Fresh Issue.

[^]Certificate dated August 08, 2023 issued by Ford Rhodes Parks & Co. LLP, Chartered Accountants (Firm Registration Number: 102860W/W100098)

ii. Progress in the object(s):

Sr. No.	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in crore)	Amount utilized (Rs in crore)			Total unutilized amount (Rs in crore)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Existing Restaurants Upgrade	Bank Statement, Offer document, Management Undertaking, Independent Chartered Accountant Certificate^	36.00	0.31	0.49	0.80	35.20	Refer Note 2 & 3	N.A.	N.A.
2	Development of New Restaurants/ Confectionaries/ Commissaries in various cities of India - Capital Expenditure/ Lease Deposits	Bank Statement, Offer document, Management Undertaking, Independent Chartered Accountant Certificate^	59.50	3.52	5.67	9.19	50.31	Refer Note 1, 2 & 3	N.A.	N.A.
3	General Corporate Purpose	Bank Statement, Offer document, Management Undertaking, Independent Chartered Accountant Certificate^	31.73	1.31	0.13	1.44	30.29	Refer Note 2 & 3	N.A.	N.A.
		Total	127.23	5.14	6.29	11.43	115.80	Refer Note 4		

^Certificate dated August 08, 2023 issued by Ford Rhodes Parks & Co. LLP, Independent Chartered Accountants (Firm Registration Number: 102860W/W100098).

Note 1: Rs 66,500/- was credited to Warrant Subscription Account by the licensors of the premises for development of new restaurants towards proportionate share of stamp duty and registration fees. The Company has during the quarter ended March 31, 2023 paid full amount on behalf of both parties hence now the licensor credited back his share to Company's Warrant Subscription Account during the current quarter. Hence, this credited amount is adjusted with the current utilization.

Note 2: Rs 1,18,000 has been inadvertently debited by the bank from the Company's Warrant Subscription Account towards processing fees for renewal of sanction letter which was supposed to be debited from the current account of the Company. As per management undertaking, the Company has requested the bank to reverse the said amount however the status remains the same as at the end of the quarter.

Note 3: The Company during the quarter April 1, 2023 to June 30, 2023 received 75% amount of warrant exercise from 7 warrant holders and allotted them equity shares upon conversion of warrant on April 29, 2023. The total amount received for utilization in the reported quarter is Rs 9.54 crore, which includes the excess amount of Rs 3.18 crore received during the quarter ended March 31, 2023. Hence, the total amount received till the quarter ended June 30, 2023 is Rs 41.35 crore.

Note 4: Out of Rs 115.80 crore, Rs 29.93 crore is parked in mutual funds and Warrant subscription account as shown in table (iii) below and balance is yet to be received by the Company.

iii. Deployment of unutilized Preferential Issue proceeds^:

(Rs in crore)

S. No.	Type of instrument and name of the entity invested in	Amount invested	Earning*	Return on Investment (%)	Market value as at the end of quarter (if the market value is not feasible, provide NAV/NRV/Book value of the same)
1	Mutual Fund - SBI Savings Fund - Direct Growth	20.02	0.68	8.52%	20.70
2	Mutual Fund - SBI Arbitrage Opportunities- Direct PG	9.54	0.11	8.52%	9.65
3	Kotak Mahindra Bank - Share Warrant Account	0.37	NA	NA	0.37
	Total	29.93	0.79	-	30.72

* The amount of earnings received during the quarter inclusive of Notional Gain of Rs.0.79 Crores.

^On the basis of management undertaking and Certificate dated August 08, 2023 issued by Ford Rhodes Parks & Co. LLP, Independent Chartered Accountants (Firm Registration Number: 102860W/W100098). Also, refer note 4 above.

iv. Delay in implementation of the object(s)^

Object(s)	Completion date as per offer document	Actual completion date (In case of continuing object(s), specify latest/revised estimate of the completion date)	Delay (No. of days/ months)	Comments of Board of Directors	
				Reason of delay	Proposed course of action
Existing Restaurants Upgrade	FY 2022-23 Estimated: Rs 6.00 Crores Actual spent: Rs 0.31 crore FY 2023-24 Estimated: Rs 18.00 Crores Actual spent - Rs 0.49 crore	Estimated to be utilized during FY 2023-24	-	-	Progressively to be utilised
Development of New Restaurants/ Confectionaries/ Commissaries in various cities of India - Capital Expenditure/ Lease Deposits	FY 2022-23 5.00 Crores Actual Spent - Rs 3.52 crore FY 2023-24 Rs 40.50 Crores Actual Spent - Rs 5.67 crore	Estimated to be utilized during FY 2023-24	-	-	Progressively to be utilised

General Corporate Purpose - 25% of the funds to be raised	FY 2022-23	Estimated to be utilized during FY 2023-24	-	Objects envisage and submitted, post which approval procedure from Regulatory authorities got delayed	Progressively to be utilised
	Rs 31.73 Crore				
	Actual Spent- Rs 0.13 crore				
	FY 2023-24				
Rs 31.60					
	Actual Spent - Rs 1.13 crore				

[^]On the basis of management undertaking and Certificate dated August 08, 2023 issued by Ford Rhodes Parks & Co. LLP, Independent Chartered Accountants (Firm Registration Number: 102860W/W100098)

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document[^]:

S. No.	Item heads	Amount (In crores)	Remarks
1	Any other expenses of corporate nature	0.13	Amount paid to Central Depository, CA Certificate & Issue Expenses.

[^]On the basis of management undertaking and Certificate dated August 08, 2023 issued by Ford Rhodes Parks & Co. LLP, Independent Chartered Accountants (Firm Registration Number: 102860W/W100098)

Disclaimers:

- a) *This Report is prepared by CRISIL Ratings Limited (hereinafter referred to as "Monitoring Agency" / "MA" / "CRL"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.*
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