



**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

May 15, 2025

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: Transcript of Conference Call held for presenting the results for Q4 and Financial Year ended March 31, 2025.

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Conference Call held on May 13, 2025 for presenting the results for Q4 and Financial Year ended March 31, 2025.

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

Avinash Kinhikar

Company Secretary and Legal Head

Digitally signed by
AVINASH MADHUKAR
KINHIKAR
Date: 2025.05.15
19:03:45 +05'30'

Encl: As above

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



**“Speciality Restaurants Limited
Q4 FY25 Results Conference Call”
May 13, 2025**



**MANAGEMENT: MR. AVIK CHATTERJEE – WHOLE TIME DIRECTOR --
SPECIALITY RESTAURANTS LIMITED
MR. RAJESH KUMAR MOHTA – EXECUTIVE
DIRECTOR, FINANCE AND CHIEF FINANCIAL OFFICER -
- SPECIALITY RESTAURANTS LIMITED**

MODERATOR: MR. DHIRAJ MISTRY – ICICI SECURITIES LIMITED



Speciality Restaurants Limited
May 13, 2025

Moderator: Ladies and gentlemen, good day and welcome to the Speciality Restaurants Q4 FY '25 Results Conference Call hosted by ICICI Securities Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Dhiraj Mistry from ICICI Securities Limited. Thank you, and over to you, sir.

Dhiraj Mistry: Thank you, and welcome all to Speciality Restaurants 4Q FY '25 Results Earnings Call. So I would like to thank management of Speciality Restaurants to give us this opportunity. From the management, we have with us Mr. Avik Chatterjee, Whole-Time Director; and Mr. Rajesh Mohta, Finance and CFO. Over to you, sir.

Rajesh Mohta: Thank you, Mr. Dhiraj. A very warm welcome to all the participants to the Investors call of Speciality Restaurants Limited. On behalf of the management, myself, Rajesh Mohta, CFO of the company, welcome you all to this Investors call for quarter ending -- quarter 4 of FY '25 and year ending FY '25, which is being done after the approval of the results by the Board of the Directors and submission to the stock exchanges as per guidelines.

I share here with the quarter highlights for the Q4 FY '25 vis-a-vis Q4 of FY '24. Revenues for the quarter grew by 8.33% from INR94.64 crores to INR102.52 crores. This is on a standalone basis. Reported EBITDA grew by 18.37% from INR16.54 crores to INR19.58 crores. And the PAT grew by 62% from INR1.64 crores to INR2.66 crores during the quarter.

On the reported numbers the operational EBITDA basis without considering the IndAS impact, grew from – INR 2.05 crores to INR3.88 crores, which is 3.9% of the revenues and 2.3% of the revenues respectively, which signifies a growth of 89.3% year-on-year basis. During the quarter, we witnessed a same-store sales growth of 5.2% and 2.1% for the entire financial year FY '25.

The improvement in the margin is the result of the impact of operating leverage, which has played favorably as gross margin continues to be steady during the quarter at 70%. These were the few financial highlights. I now request participants to have an interactive question and answers where we can give answers to the questions you may have. Thank you.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Charisha Shyam from Venture Growth Partners. Please go ahead.

Charisha Shyam: My first question is the growth looks a little muted. Is there any reason that some quarters are not favorable or some quarters are favorable? And what could we see -- how is the future looking like?



- Rajesh Mohta:** Sorry the clarity was not there. We could not hear your question. Could you just repeat the question?
- Charisha Shyam:** My first question is the growth looks a little muted in this quarter. So is there any particular reason for some quarters to show a better growth? And how are we looking at the future growth?
- Rajesh Mohta:** Yes. We appreciate like, say, for instance, what has happened, the economic environment also had played an important role during the quarter because February and March months peak compared to others have witnessed. Discretionary spend pressures are there and inflation has also been on a steady front. But going forward, with the kind of efforts which we are putting in with respect to control on expenses, we will be able to maintain the profitability. And the moment the economic environment is better, we are looking forward for a higher revenue.
- Charisha Shyam:** And what do we see the future outlook? Do we stand still on the guidance or?
- Rajesh Mohta:** See, as you know, we are -- from a guidance perspective, we have been historically growing like, let's say, financially, we have grown 5%. And with the new openings, which would be adding to the revenue, we would be at least growing to the extent of 10% to 15% of financial year '25.
- Charisha Shyam:** What's the company level EBITDA growth and restaurant level EBITDA growth, sir?
- Rajesh Mohta:** Company level EBITDA growth because we -- when you talk in terms of company level, there is an element of 5% to 6%, which is the corporate cost. Rest is all at restaurant level.
- Charisha Shyam:** So the EBITDA is 5% to 7% at company level, right?
- Rajesh Mohta:** Company level is 18.37%.
- Charisha Shyam:** And restaurant level is?
- Rajesh Mohta:** See, restaurant levels would be at least 4% more than that because of the corporate cost, which would be around 23%.
- Charisha Shyam:** Okay. And about the capex which we are doing, the renovation, which we have done. So what will be the payback period for this capex?
- Rajesh Mohta:** What is the payment?
- Charisha Shyam:** What is the payback period for the capex which we are going to incur for the renovation?
- Rajesh Mohta:** Here what happens is when we plan our renovation, we generally look at a revised financial evaluation and work towards it that the payback period is between 4 to 5 years.
- Charisha Shyam:** Got it, sir. Thank you.



Speciality Restaurants Limited
May 13, 2025

Moderator: Thank you. We will take the next question from the line of Zaki Nasar an Individual Investor. Please go ahead.

Zaki Nasar: Good evening. Congrats on, I think, healthy quarter numbers considering the environment. Sir, how do you see the growth coming forward, sir? Do you see your Chinese oriented growing or there was -- last year around this time, there was some talk of some acquisition. Is that happening? What is your thoughts on Sweet Bengal? And one question to Mr. Rajesh is, sir, what is the liquidity on books and what do you plan to do with it? And another add-on is, sir, we had started cross-branding for sauces and stuff like that. Your thoughts were the same, sir?

Rajesh Mohta: Thank you for the pertinent questions, Mr. Zaki. On strategy, I would leave Mr. Avik to answer that. On the cash in the books, see, at this point of time, we have treasury investment of almost like INR160 crores. With liabilities, it would come to around INR122 crores. You asked about acquisition. Mr. Avik, would update yourself?

Avik Chatterjee: Mr. Zaki. Thank you for the question. We are in continuous talks for the right strategic investment from the pool of money that we have in our treasury. Hoping to have sharing good news this year itself with all our investors, but we're just on the tertiary leg, I would say, to close us a good fit strategic investment for this year itself.

Last financial year, we had already acquired restaurants from our franchisees in the southern region of India. And this year, we would be making strategic investments where we can see core synergies in -- not just in assets, but also in the operation leverage that we have. So soon, we would be able to close that.

Zaki Nasar: And what about the cross-branding, sir? We had introduced some Mainland China sauces. Do you continue to focus on them or they are a part of timing you will see going forward how this takes off?

Avik Chatterjee: Yes. Right now, our key focus is to be growing our brands, mainly that is Asia Kitchen. So the company strategy lies very straight. We're a restaurant-first company. So the sauces become a good product that comes alongside the restaurant as a value proposition. We have put in efforts to grow it through Swiggy Instamart from Zomato and other aggregator platforms. But our key focus is to grow Asia Kitchen brand with the growth of malls of India.

We are tracking them and mapping them very closely. And this year itself, we have signed 8 new properties with the kind of growth of malls, and we are looking for even further more growth alongside the newer malls that come up in India. So that becomes our key factor for this year.

Zaki Nasar: Fantastic. And if I may, sir, a small add-on, sir. Your thoughts on Sweet Bengal and your plans for the same, sir?

Avik Chatterjee: So Sweet Bengal is a very highly profitable brand for us. We are looking at capturing the Maharashtra region at this point. That's become our key focal point. This is mainly because we



want to leverage our capex into the production unit that we have already developed. We have increased capacity. So we are at the hunt for newer markets.

We are, in fact, also into the development of a brand evolution for Sweet Bengal itself. That means we will be upgrading the way the stores look, the way the branding looks and also on our packaging front. So it becomes a whole update button for our brand. So that is what we're doing. And surely, we would be into many new areas of Maharashtra soon for this year.

Zaki Nasar: We can see this happening within the quarter, sir?

Avik Chatterjee: Yes, absolutely.

Zaki Nasar: Thank you. Best wishes, sir.

Moderator: Thank you. We will take the next question from the line of Charisha Shyam from Venture Growth Partners. Please go ahead.

Charisha Shyam: Sir, could you shed some light on the wet-led models which we are having like Episode One, which we are looking at for growth?

Avik Chatterjee: Two quarters ago, we had already expanded one new unit for Episode One. And in between the next two quarters, we are almost waiting for the property, but we have already initiated our talks and etcetera. But once the property is ready, we should be having another episode very soon.

Charisha Shyam: So apart from Asia Kitchen, Episode One and Sweet Bengal, are we trying to cut down the other brands or are we trying to -- I mean, which other brands are we looking at for growth? That's the first. And second thing, can you give some numbers on 2, 3 years down the lane on revenue and EBITDA?

Avik Chatterjee: Sure. The first question that you asked about the growth of brands, yes, we are focusing mainly on Asia Kitchen because we have been very -- after a long time, we have been able to -- a hybrid model within Asia Kitchen. And let me give a quick one-liner on what the hybrid model is. The hybrid model lies that we have an Asia Kitchen wherever we have a new Asia Kitchen, we also do have a great delivery benefit of the brands Mainland China and the brand Haka, which all lies in different price points.

So what happens is the delivery revenue boosts tremendously and adds to the total top line for the same store. So hence, we feel with the growth of each Asia Kitchen, it parallelly grows our cloud brands as well. So Asia Kitchen becomes the most dynamic as well as the most strategic front, it becomes the best investment for us for which we feel we want to capture all the high-footfall locations of India, primarily the malls because they guarantee the footfall and we have some great partnerships with the real estate of malls. So that becomes our focus there.



Speciality Restaurants Limited
May 13, 2025

Episode One on the other hand becomes our wet-led format, which again can be planned with the growth of malls like the last two quarters ago, we did it in Viviana Mall. And soon, we'll be looking at another mall in Mumbai, which I can't name yet because we have not finalized the LOI, that should be coming up very soon. So these are the two fronts for that.

Sweet Bengal, I rightly mentioned in the last question, that it's going to be updated very soon. And what I mean by update, the avenues of Sweet Bengal grows. That means with the aggregate of partners that we have today, we are trying to enter the gifting market, which is a huge, huge market that we feel is the current growth for brands like Sweet Bengal. So that has been our key focus strategy.

Apart from that, as I mentioned earlier, acquisition is something that we are very closely and firmly looking at it as a team. We've, in fact, developed a new acquisition hunting team inside our corporate office, which is solely day and night working for the same. So this becomes our macro strategy for this financial year for sure.

Charisha Shyam: So by acquisition, you mean inorganic -- we are looking at inorganic growth, right?

Avik Chatterjee: Yes, absolutely.

Charisha Shyam: So apart from Asia Kitchen and Episode One and Sweet Bengal, are we planning to close the other kitchens and close the other brands or are we going to stick with them? Hello.

Moderator: Ladies and gentlemen, please stay connected while we reconnect the management. Thank you for waiting the management is back online.

Charisha Shyam: Sir, my question was like are you going to stick with the other brands or I mean, are we trying to expand that? Are we trying to stay intact with the number of the store counts for other brand, first? And also, could you also talk on the catering business if you are looking for further growth in that? And the third question is on Delivery segment, like on Zomato, Swiggy, how are we doing it? What do we see the growth like in upcoming quarters?

Rajesh Mohta: Madam, if I may answer your first question. See, what is happening is the other brands, will continue to operate those brands and restaurants, which are still profitable for us. But the expansion, as Mr. Avik mentioned, Oriental Cuisine brand. Now second and last, let's say, for instance, when you talk in terms of aggregators platform increase, etcetera, this is the new normal and we are associated with all the aggregators and we would continue to spend money on aggregators platform to also grow.

The primary reason for this growth is that the kitchen within kitchen that is the restaurant where we operate our other brands as well, this becomes more from a sweating of assets point of view. And this is, like I mentioned, new normal. So we'll continue to be on aggregators platform for delivery and booking on dine-in for our dine-in business.

Charisha Shyam: Got it, sir. So -- and about the catering business?



- Rajesh Mohta:** See, catering is a -- we have catering division in Calcutta, where we are doing decent, I would say, large-scale caterings of doctors conferences, some international conferences where we have 2,000, 2,500 people. And in Bombay, we have started doing speciality experiences, which is high-end niche catering.
- I would say where, if I may be allowed, like say, for instance, per plate cost is almost like touching INR4,000 to INR5,000. But yes, that is niche, and we are putting efforts to grow that particular business in Bombay, but Calcutta we have a fairly large presence.
- Charisha Shyam:** Got it. One question, sir. Like we see inflation, yes, and some expenses due to the renovation going on. But what are the major challenges which we are facing, which is hindering us from growing further and growing more?
- Rajesh Mohta:** See, one of the biggest challenge which we face in this, I would say, restaurant business is trained manpower. And secondly, let's say, for instance, real estate is also an issue because we need to do an evaluation for a real estate, which makes financial sense for us and results into profitability. So the constraints we'll look at. But yes, trained manpower is the biggest challenge.
- Charisha Shyam:** So any strategy behind resolving this? And I mean -- and the last question is like what numbers can we bank upon in next 3 years?
- Rajesh Mohta:** See, to answer your first question, the strategy what we have, we are tied up with various institutes who train people like in Calcutta, we have in IIHM. We have created our own catering college wherein we train our own staff in our place and put them online training for restaurants directly on the restaurants.
- But that particular process is on, but the trained manpower, what happens is there is -- people who wish to open restaurants, takeaway trained manpower from our end. So this has become a continuous exercise and we continue to grow. So the training aspect which is being taken care in Calcutta is feeding most of our new restaurants.
- Coming to the second strategy in 2, 3 years, let's be as far as short term is concerned, like Mr. Avik mentioned, that we have already signed 8 restaurants during this financial year, the basic idea is that we should be doing 8 to 10 new restaurants every year to grow on both the top line and profitable at bottom line.
- Charisha Shyam:** Got it, sir. Got it. So any numbers which you could give for revenue and EBITDA percentage, like I know EBITDA is 15% to 20%, which we discussed in the last call, but anything on numbers for revenue?
- Rajesh Mohta:** From a guidance perspective, we have already said, but let's restrict ourselves to the numbers in the next 2, 3 years.
- Charisha Shyam:** Okay. Thank you for that.



Moderator: Thank you. We take the next question from the line of Shaleen Seth from Seers Fund Management. Please go ahead.

Shaleen Seth Congratulations for this...

Rajesh Mohta: There is echo in the voice. We are not able to hear.

Shaleen Seth: I was just saying congratulations for Siciliana by Mezzuna looks like a pretty good brand, sir.

Rajesh Mohta: Thank you Mr. Shaleen.

Shaleen Seth My question is related to the capital WIP. I was just hoping to get a guideline on that as to when do we expect that to be recognized?

Rajesh Mohta: See, the capital for WIP, which is there in our books is primarily with respect to a building in Calcutta, where we've built four floors and it's being completed by a developer. We hope to complete in this financial year where we will have banquets and our commissary type, which would take care of our Dariole business from there. So it should be up and running this financial year, sir.

Shaleen Seth: Okay. Towards the end of the financial year maybe?

Rajesh Mohta: We hope in the, let's say, in another 6 to 8 months time.

Shaleen Seth Okay. Sir, the second question was related with Chourangi. Sir, anything specific that happened there because we see a significant difference in the standalone and console?

Rajesh Mohta: As you would have seen, sir, economic environment in London is not very conducive from a spend point of view because of the higher interest rates and the inflation. So there have been a dip and covers their in Chourangi, but efforts are on to bring back customers back into the restaurants. So this particular financial year, we had seen a degrowth in revenues. But we hope things to improve because we have tried to control our expenditure and ensure that we make money there.

Shaleen Seth: Great, sir. And specifically for Siciliana. So this is Italian and anything that you can tell us about that?

Avik Chatterjee: Siciliana is actually a byproduct of Mezzuna. So we've named it Siciliana by Mezzuna. What we have noticed is to give a brand differentiation, we just have a 20% menu upgrade in this particular outlet, which is the best obviously. But apart from that, let's say, 80% is going to be the same food of Mezzuna. It's just -- it's giving the customer a reason to visit both outlets in the city rather than just coming to one.

Shaleen Seth: Correct. Okay. Makes sense. It sounds like a different strategy. We like it. Great Nice to talk, Avik. Congratulations to the team. Thank you.



Speciality Restaurants Limited
May 13, 2025

Avik Chatterjee: Thank you, Mr. Shaleen.

Shaleen Seth: Thank you.

Moderator: Thank you. As there are no further questions, I would now like to hand the conference over to the management for closing comments.

Rajesh Mohta: We are extremely thankful to all the investors who participated in the Investors call of Speciality Restaurants for the quarter 4 of FY '25. We are very confident that we would be able to work harder and improve performances going forward. Thank you.

Moderator: On behalf of ICICI Securities Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.