

14th January, 2023

The Board of Directors
Speciality Restaurants Limited
'Uniworth House', 3A Gurusaday Road
Kolkata, West Bengal – 700019

Dear Sir,

**ADDENDUM TO VALUATION REPORT DATED 21.12.2022 OF WARRANTS
CONVERTIBLE INTO EQUITY SHARES OF SPECIALITY RESTAURANTS
LIMITED**

In terms of the engagement letter dated 21st December 2022 of Speciality Restaurants Limited and NSE requirement letter dated 12th January 2023 having Ref no : NSE/LIST/33836 for the purpose of preferential allotment of warrants convertible into equity shares by the Company valuation has been carried out in accordance with Section 23, Section 42 & Section 62(1)(c), of the Companies Act 2013 along with Rule 13 of Companies (Share Capital and Debenture) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended thereunder including the Regulation 164 & 166A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended has been duly carried out.

The valuation report is intended solely for the use by the Addressee of the report and my recommendation is based on the events and circumstances prevailing as on valuation date.

I have performed a valuation engagement and presented my valuation report in conformity with the ICAI Valuation Standards 2018 issued by the Institute of Chartered Accountants of India (ICAI).

My analysis and recommendation should be understood in the context of the assumptions and the statements made in this report.

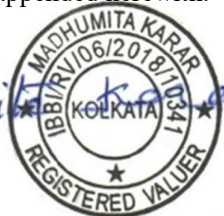
A more detailed description of the quantitative and qualitative analysis and valuation conclusion is presented in the attached narrative valuation opinion report.

Based on the assumptions and limiting conditions as described in this report, as well as the facts and circumstances as on the valuation date, it is concluded that the fair value of equity shares for issue of preferential allotment of one warrant convertible into one equity share of Speciality Restaurants Limited of Rs. 10/- each is Rs. 212.05.

A detailed valuation report is appended herewith.

Yours faithfully,

Madhumita Karar



Madhumita Karar
Registered Valuer- Securities or Financial Assets
IBBI/RV/06/2018/10341
UDIN: 23067844BGXSQR4768

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Executive Summary

Client Identity:	Speciality Restaurants Limited ('SRL') was incorporated on 1st December 1999, under Companies Act 1956 with Registrar of Companies, Kolkata, West Bengal. SRL is a Listed Company bearing CIN: L55101WB1999PLC090672. The Registered Office of the Company is situated at 'Uniworth House', 3A Gurusaday Road Kolkata, West Bengal – 700019. SRL is engaged in the business of running restaurants and bars. The equity shares of the Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).
Business Activity:	SRL is engaged in the business of running restaurants and bars.
Purpose of Valuation:	Recommendation of fair value of equity shares for the preferential allotment of warrants, each convertible into, or exchangeable for, One fully paid-up equity share of the Company of face value Rs. 10 in accordance with the provisions of Regulation 166A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with Regulation 164 of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018.
Base of Value:	Fair Value
Premise of Value:	Going Concern
Relevant Date :	19 th December 2022
Date of Valuation:	19 th December 2022
Report Date:	14th January 2023
Conclusion:	Based on the assumptions and limiting conditions as described in this report, as well as the facts and circumstances as of the valuation date, it is concluded that the fair value of equity shares for issue of preferential allotment of one warrant convertible into Equity Share of the Company of face value Rs. 10/- each is Rs. 212.05.



Company Background

Introduction

Speciality Restaurants Limited ('SRL') is a Listed Company incorporated on 1st December 1999 having Corporate Identification No. (CIN): L55101WB1999PLC090672 and registered address at 'Uniworth House', 3A Gurusaday Road Kolkata, West Bengal – 700019.

The Company is listed on Bombay Stock Exchange (BSE) Limited and the National Stock Exchange (NSE) of India Limited.

Capital Structure of Speciality Restaurants Limited

Particulars	(Rs.)
Authorized Capital	
5,10,00,000 Equity Shares of Rs.10/- each	51,00,00,000
70,00,000 Compulsorily Convertible Preference Shares of Rs. 10/- each	7,00,00,000
Total	58,00,00,000
Issued, Subscribed and Paid up	
46957657 Equity Shares of Rs.10/- each	46,95,76,570
Total	46,95,76,570

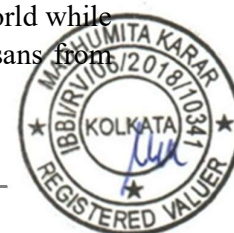
Shareholding Pattern as on December 16, 2022 :

Sr.no.	Description	No. of shareholders	Total Shares	% Equity
1	Promoters and Promoter Group	5	2,46,65,057	52.5262
2	Public	24,174	2,22,92,600	47.4738
	Total:	24,179	4,69,57,657	100.00

Nature of Business

Speciality Restaurants Limited owns and operates fine dining restaurants and confectionaries in India. The Company has restaurants consisting of different concepts and cuisine across India. It offers a chain of fine & casual dining, bar & lounge and bakery & confectionery outlets and restaurants all over the country crossing 83 restaurants and 38 confectioneries in over 14 cities in India as well as overseas such as in Doha (Qatar), Dubai (UAE) and London (UK).

The company through its flagship brand Mainland China continues to serve authentic Chinese cuisine with some new items on the Menu while it's brand extension i.e. Asia Kitchen by Mainland China serves pan-Asian cuisine in a semi-casual dining format. The group's other brands include Oh! Calcutta serving authentic 300-year-old unexplored flavours of Calcutta, Sigree Global Grill with live grillers on each table offering unlimited grills of the world while Sweet Bengal serves authentic Bengali sweets made with pure cow's milk by artisans from



Bengal. The wet led formats like Episode One, BARishh and Hoppipola offers innovative mixes with added attractions of good nibbles.

Terms of issue of Warrants Fully Convertible into Equity Shares

The Company proposes to issue up to 60,00,000 Warrants, each convertible into, or exchangeable for One fully paid-up equity share of the Company of face value Rs. 10 (Rupee Ten Only). The Warrants shall be converted into equity shares on or before Sunday, April 30, 2023.

An amount equivalent to 25% of the warrant issue price shall be payable at the time of subscription and allotment of each warrant and the balance of 75% of the warrant issue price shall be payable by the warrant holder against each warrant at the time of allotment of ordinary equity shares pursuant to exercise of the options attached to warrant(s) to subscribe the ordinary equity share(s).

In the event that, a warrant holder does not exercise the Warrants on or before Sunday, April 30, 2023 from the date of allotment of such warrants along with deposit of Warrant Exercise Price, the unexercised Warrants shall lapse and the amount paid by the warrant holders on such Warrants shall stand forfeited by the Company.

Valuer's Identity and appointment details

Name of the Valuer	Ms. Madhumita Karar
Address of the Valuer	Chatterjee International Centre, Flat No. 13, 17th Floor, 33-A, Jawaharlal Nehru Rd, Park Street area, Kolkata, West Bengal 700071
Contact Detail	9007064060
Email address	madhumita@kgrs.in
Qualifications	FCA, IP , Registered Valuer-SFA
IBBI Registration No	IBBI/RV/06/2018/10341
Independence and Disclosure of Interest	The undersigned is an independent valuer. There is no conflict - of interest. It is further stated that neither the undersigned nor the relatives /associates are related or associated with Speciality Restaurants Ltd
Any other experts involved	No
Appointment of Valuer	Appointment as Valuer was done on 21 st December 2022 by Board of Directors of Speciality Restaurants Ltd
Date Of Valuation	19 th December 2022
Relevant Date	19 th December 2022
Date Of Report	14 th January 2023
Currency	INR



Valuation Approaches, Methods & Basis

A. Valuation Approaches & Methods

As per paragraph 8 of the Indian Valuation Standard 103 - Valuation Approaches and Methods, of Indian Valuation Standards 2018 issued by The Institute of Chartered Accountants of India, there are three main valuation approaches:

1. Market approach;
2. Income approach; and
3. Cost approach.

1. **Market approach**

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

The following valuation methods are commonly used under the market approach:

- a) Market Price Method;
- b) Comparable Companies Multiple (CCM) Method; and
- c) Comparable Transaction Multiple (CTM) Method;

a) **Market Price Method**

Under this method a valuer shall consider the traded price observed over a reasonable period while valuing assets which are traded in the active market. A valuer shall also consider the market where the trading volume of asset is the highest when such asset is traded in more than one active market. A valuer shall also consider the market where the trading volume of asset is the highest when such asset is traded in more than one active market.

b) **Comparable Companies Multiple (CCM) Method**

Comparable Companies Multiple Method, also known as Guideline Public Company Method, involves valuing an asset based on market multiples derived from prices of market comparables traded on active market.

c) **Comparable Transaction Multiple (CTM) Method**

Comparable Transaction Multiple Method, also known as 'Guideline Transaction Method' involves valuing an asset based on transaction multiples derived from prices paid in transactions of asset to be valued /market comparables (comparable transactions).



2. Income Approach

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

This approach involves discounting future amounts (cash flows/income/cost savings) to a single present value.

Some of the common valuation methods of equity share valuation under income approach are as follows:

- a) Discounted Cash Flow (DCF) Method;
- b) Relief from Royalty (RFR) Method;
- c) Multi-Period Excess Earnings Method (MEEM);
- d) With and Without Method (WWM)

a) Discounted Cash Flow ('DCF') Method

The DCF method values the asset by discounting the cash flows expected to be generated by the asset for the explicit forecast period and also the perpetuity value (or terminal value) in case of assets with indefinite life.

The DCF method is one of the most common methods for valuing various assets such as shares, businesses, real estate projects, debt instruments, etc.

b) Relief from Royalty (RFR) Method

RFR Method is a method in which the value of the asset is estimated based on the present value of royalty payments saved by owning the asset instead of taking it on lease. It is generally adopted for valuing intangible assets that are subject to licensing, such as trademarks, patents, brands, etc.

c) Multi-Period Excess Earnings Method (MEEM)

MEEM is generally used for valuing intangible asset that is leading or the most significant intangible asset out of group of intangible assets being valued.

d) With and Without Method (WWM)

Under WWM, the value of the intangible asset to be valued is equal to the present value of the difference between the projected cash flows over the remaining useful life of the asset under the following two scenarios:

- i. business with all assets in place including the intangible asset to be valued; and
- ii. business with all assets in place except the intangible asset to be valued.



3. Cost Approach

Cost approach is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).

Two most commonly used valuation methods under the Cost approach:

- a) Replacement Cost Method; and
- b) Reproduction Cost Method.

a) Replacement Cost Method

Replacement Cost Method, also known as 'Depreciated Replacement Cost Method' involves valuing an asset based on the cost that a market participant shall have to incur to recreate an asset with substantially the same utility (comparable utility) as that of the asset to be valued, adjusted for obsolescence.

b) Reproduction Cost Method

Reproduction Cost Method involves valuing an asset based on the cost that a market participant shall have to incur to recreate a replica of the asset to be valued, adjusted for obsolescence.

B. Valuation Basis

As per paragraph 14 of the Indian Valuation Standard 102 - Valuation Bases, of Indian Valuation Standards 2018 issued by The Institute of Chartered Accountants of India, Valuation base means the indication of the type of value being used in an engagement. Different valuation bases may lead to different conclusions of value. Therefore, it is important for the valuer to identify the bases of value pertinent to the engagement. This Standard defines the following valuation bases:

- a) Fair value;
- b) Participant specific value; and
- c) Liquidation value

a) Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. Fair value is the price in an orderly transaction in the principal (or most advantageous) market at the valuation date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.



b) Participant Specific Value

Participant specific value is the estimated value of an asset or liability considering specific advantages or disadvantages of either of the owner or identified acquirer or identified participants.

c) Liquidation Value

Liquidation value is the amount that will be realised on sale of an asset or a group of assets when an actual/hypothetical termination of the business is contemplated/assumed.

Liquidation value can be carried out under the premise of an orderly transaction with a typical marketing period or under the premise of forced transaction with a shortened marketing period. The valuer must disclose whether an orderly or forced transaction is assumed. The net amount is determined after considering estimated cost of disposal.

C. Premise of Value

As per paragraph 37 of the Indian Valuation Standard 102 - Valuation Bases, of Indian Valuation Standards 2018 issued by The Institute of Chartered Accountants of India, Premise of Value refers to the conditions and circumstances how an asset is deployed. In a given set of circumstances, a single premise of value may be adopted while in some situations multiple premises of value may be adopted. Some common premises of value are as follows:

- a) highest and best use;
- b) going concern value;
- c) as is where is value;
- d) orderly liquidation; or
- e) forced transaction.

a) Highest and Best Use

The highest and best use of a non-financial asset takes into account the use of the asset that is physically possible, legally permissible and financially feasible.

b) Going Concern Value

Going concern value is the value of a business enterprise that is expected to continue to operate in the future.

c) As-is-where-is Basis

As-is-where-is basis will consider the existing use of the asset which may or may not be its highest and best use.



d) Orderly Liquidation

An orderly liquidation refers to the realisable value of an asset in the event of a liquidation after allowing appropriate marketing efforts and a reasonable period of time to market the asset on an as-is, where-is basis.

e) Forced transaction

Forced transaction is a transaction where a seller is under constraints to sell an asset without appropriate marketing period or effort to market such asset.

The approach, method, base and premise of value is selected after considering the terms and purpose of the valuation engagement.

Valuation Methodology adopted for valuation of SRL:

Income Approach:

The Discounted Cash Flow (DFCF) method works on the premise that the value of a business is measured in terms of future cash flow streams, discounted to the present time at an appropriate discount rate. In the instant case, the objective is to derive the Fair Market Value of the Equity Shares/Warrants converted into equity shares of the Company as on the Valuation date. Thus DCF method being the most appropriate method under Income Approach is selected for the purpose of valuation. The projections as provided by the management and used in the DCF model are attached in Appendix.

Forecasting free cash flow to shareholders

Free cash flow to the shareholders (FCF) represents the cash flow that a company generates in an accounting period, after paying operating expenses and making necessary expenditures. This cash flow represents the return to shareholders.

FCF can be calculated from the statement of cash flows as follows:

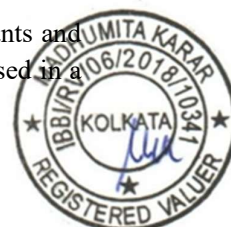
FCF = Cash flow from operations + After-tax interest expense – Capital expenditures–Increase in working capital – Net Repayment of Debt

Cash Flow from operation (Net Income)

The profit after tax as calculated above in the projections plus depreciation and non-cash charges is taken as the Net Income for stating the computation of free cash flow to shareholders.

Net Capital Expenditure

To underpin growth, companies need to keep investing in capital items such as property, plants and equipment. Net capital expenditure is calculated by taking change in gross fixed asset disclosed in a company's projected balance sheet.



Change in Working Capital

Working capital refers to the cash a business requires for day-to-day operations or, more specifically, short-term financing to maintain current assets such as debtors. The faster a business expands the more cash it will need for working capital and investment.

Working capital is calculated as current assets minus current liabilities. Net change in working capital are the difference in working capital levels from one year to the next. When more cash is tied up in working capital than the previous year, the increase in working capital is treated as a cost against free cash flow.

Net Repayment of Debt

Net Repayment of Debt represents new debt borrowed as reduced by the debt repaid.

Discount Rate

Having projected the company's free cash flow for the next years, the worth of the cash flows as on date is required. That means selecting an appropriate discount rate which can be used to calculate the net present value (NPV) of the cash flows. The cost of equity has been taken as the discounting factor for discounting the free cash flows to the shareholders.

Cost of Equity

The annual rate of return that an investor expects to earn when investing in shares of a company is known as the cost of equity. That return is composed of the dividends paid on the shares and any increase (or decrease) in the market value of the shares. Under risk and return model, the cost of equity is derived using a build – up method and Modified CAPM Method.

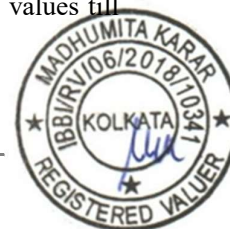
Cost of Equity under Modified CAPM

Cost of Equity (K_e) = $R_f + \beta X (R_m - R_f)$

Rf- Risk-Free Rate-This is the amount obtained from investing in securities considered free from credit risk, such as government securities. R_f has been taken to be 7.398% which is Yield on 10 yrs India Bond Yield as on valuation date. (Source: www.investing.com)

β - Beta - This measure how much a company's share price moves against the market as a whole. A beta of one, for instance, indicates that the company moves in line with the market. If the beta is in excess of one, the share is exaggerating the market's movements; less than one means the share is more stable. Occasionally, a company may have a negative beta (e.g. a gold mining company), which means the share price moves in the opposite direction to the broader market. Beta of the industry has been taken 0.54 which is the average beta of the similar industries. (Source: www.damodaran.com)

R_m – Expected Market Return - is assumed to be the Compound Annual Growth Rate (CAGR) of the Bombay Stock Exchange Sensex. The CAGR is computed based on the BSE Sensex values till the valuation date which comes to 15.67%.



Discounted Free Cash Flow to Shareholders (DFC)

All future cash flows are estimated and discounted to give their present values (PVs) – the sum of all future cash flows, both incoming and outgoing, is the net present value (NPV), which is taken as the value or price of the cash flows.

$$DCF = \frac{CF_1}{(1+r)^1} + \frac{CF_2}{(1+r)^2} + \dots + \frac{CF_n}{(1+r)^n}$$

CF = Cash Flow

r = discount rate (WACC)

Discounted Free Cash Flow of shareholders (DCF) = Rs 1,595 Millions.

Terminal Value (T.V)

The terminal value is the value of the company's expected cash flow beyond the explicit forecast horizon.

There are several ways to estimate a terminal value of cash flows, but one well known method is to value the company as a perpetuity using the Gordon Growth Model. The model uses this formula:

$$\text{Terminal Value} = \frac{\text{Final Projected Year Cash Flow} \times (1 + \text{Long-Term Cash Flow Growth Rate})}{(\text{Discount Rate} - \text{Long-Term Cash Flow Growth Rate})}$$

This formula is however based on the assumption that the cash flow of the last projected year will stabilize and continue at the same rate forever. In the valuation exercise the cash flow of the Company is assumed to stabilize after 5 years and continue to grow at a rate of 5 % (source: World Bank national accounts data)

Terminal Value = Rs. 14,642 Millions

Present value of Terminal Value = Rs. 7,904 Millions

Computation of Fair Value by Income Approach - Discounted Cash flow Method

Particulars	Rs in Millions
Discounted Free Cash Flow to Shareholder	1,594.80
Add: Present Value of Terminal Value	7,904.04
Add: Surplus Assets	62.21
Less: Lease Liability	1,181.51
Value to the Shareholder	8,379.54
No of Equity shares	46.96
Value per Equity Share	178.44



Asset Approach:

The Asset based method views the business as a set of assets and liabilities that are used as building blocks of a business value. The difference in the value of these assets and liabilities on a Book Value basis or Realizable Value basis or Replacement Cost basis is the business value. However, this methodology recognizes historical cost of net assets only without recognizing its present earnings, comparative financial performance of its peers and their enterprise values etc. Therefore, in general Net Asset Value only reflects the minimum proxy value of the company. In the instant case, the subject company is intended to be continued on a 'going concern basis', therefore, we have applied it but not given any weights as value derived by using asset approach may not be representative of its fair market value.

Adjusted NAV of Speciality Restaurants Limited as on 30.09.2022 (in Millions)			
SL. No.	PARTICULARS	Book value	Restated value
A.	ASSETS		
	Non-Current Assets		
	Property Plant and Equipment	423.70	603.20
	Right of Use Asset	992.44	992.44
	Capital Work in Progress	295.07	295.07
	Other Intangible Assets	9.17	9.17
	Goodwill on Consolidation	0.29	0.29
	Investments	44.47	46.11
	Loans	16.54	16.54
	Other Financial Assets	210.84	210.84
	Income Tax Assets(Net)	9.77	9.77
	Other Non-Current Assets	156.05	156.05
	Current Assets		
	Inventories	86.12	86.12
	Investments	1,248.42	1,248.42
	Trade Receivables	82.41	82.41
	Cash and Cash Equivalents	16.97	16.97
	Bank Balances other than above	0.77	0.77
	Loans	7.16	7.16
	Other Financial Assets	88.21	88.21
	Other Current Assets	134.77	134.77
	Assets classified as held for Sale	13.78	13.78
	Total	3,837	4,018
B.	LIABILITIES		
	Non-Current Liabilities		
	Lease Liabilities	1,181.51	1,181.51
	Other Financial Liabilities	21.34	21.34
	Provisions	42.94	42.94
	Current Liabilities		
	Lease Liabilities	261.88	261.88
	Trade Payables	387.19	387.19



Valuation of Equity Shares of Speciality Restaurants Limited

	Other Financial Liabilities	109.89	109.89
	Other Current Liabilities	46.14	46.14
	Liabilities directly associated with assets held for sale	82.93	82.93
		2,134	2,134
C.	Net Asset Value (A-B)	1,703	1,884
D.	Number of Shares	46.96	46.96
E.	NAV per share	36.27	40.13

Market Approach:

Speciality Restaurants Limited is listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited where price of such shares is determined by the market forces i.e. the demand & supply of the shares among the buyers and Sellers. Stock Exchange is one of the most efficient platform where the price of the shares is determined by market forces and not by assumptions as required in Income approach, therefore we have used Comparable Companies method and Market Price method in accordance with the regulations of SEBI (ICDR) Regulations for valuation of equity share of Speciality Restaurants Limited.

a) Comparable Companies Multiple (CCM) Method

There are listed Comparable Companies who are operating in the similar line of the business to the Company's Business. Hence CCM Method has been considered. A key benefit of Comparable Companies Multiples method is that this methodology is based on the current market price of peer companies which is generally viewed as one of the best valuation metrics as an observable input. However, there is the difficulty in the selection of a comparable company since its rare to find two or more companies with the same product portfolio, size, capital structure, business strategy, profitability and accounting practices.

In the case of SRL, the peers are selected based on the nature of business and traded volume considering the total assets of comparable Companies weights are applied to the multiples of the comparable companies to arrive at the weighted average multiples

SL No	Comparable Companies	EV/Total Assets	Weights assigned
1	Indian Hotels	0.66	5%
2	WestLife Food World	5.89	35%
3	EIH Ltd	2.84	10%
4	Sapphire Foods	4.03	10%
5	Barbeque Nation	3.48	40%
	Weighted Average Multiple	4.17	100%

SL No	Particulars	EV/Total Assets
1	Total Assets of SRL as on 30 th September 2022	2,15,83,00,000
2	Weighted Average Multiple	4.17
	Market Cap	9,00,65,82,631



Computation of fair value by Multiple Approach - Comparable Companies Method

Particulars	Details
Enterprise Value	9,00,65,82,631
Value of Debt	-
Value to Shareholders	9,00,65,82,631
No. of Equity Shares	4,69,57,657
Value per Equity Share	191.80

b) Market Price Method

Under the Market Approach, Market Price Method has been adopted, wherein the traded price, market and volume of the stock are observed over a reasonable period while valuing assets which are traded in the Active Market. The pricing guideline of Regulation 164 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR) have been relied upon for valuing the equity share of SRL under the Market Price Method.

As per the Regulation 164 of the SEBI ICDR read with Regulation 161 the pricing guideline for Pricing of frequently traded shares are as follows:

If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

- a) The 90 trading days' volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or
- b) The 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date

Since the equity shares of Speciality Restaurants Ltd is frequently traded in the recognised stock exchanges, market approach has been duly considered for the valuation of the equity shares of the Company.

For the purpose of this Chapter, "relevant date" as per **Regulation 161** means

- a) in case of preferential issue of equity shares, the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue:
- b) in case of a preferential issue of convertible securities, either the relevant date referred to in clause (a) of this regulation or a date thirty days prior to the date on which the holders of the convertible securities become entitled to apply for the equity shares.

Explanation: Where the relevant date falls on a weekend or a holiday, the day preceding the weekend or the holiday will be reckoned to be the relevant date



Valuation of Equity Share of Speciality Restaurants Ltd as per the SEBI ICDR

Working of 90 trading days' volume weighted average price (VWAP) preceding the relevant date

Amount in Rs.

SL NO	Date	VWAP	Total Traded Quantity	VWAP*Traded Quantity
1	16-Dec-22	197.69	39814	7870829.66
2	15-Dec-22	200.23	36110	7230305
3	14-Dec-22	200.75	61222	12290317
4	13-Dec-22	198.1	39405	7806131
5	12-Dec-22	200.26	28252	5657746
6	09-Dec-22	200.94	55518	11155787
7	08-Dec-22	204.94	37213	7626432
8	07-Dec-22	208.04	63204	13148960
9	06-Dec-22	208.29	126848	26421170
10	05-Dec-22	205.4	100375	20617025
11	02-Dec-22	200.89	50020	10048518
12	01-Dec-22	201.76	51458	10382166
13	30-Nov-22	199.58	71024	14174970
14	29-Nov-22	199.54	66131	13195780
15	28-Nov-22	202.1	104462	21111770
16	25-Nov-22	197.61	78798	15571273
17	24-Nov-22	195.96	100456	19685358
18	23-Nov-22	190.82	42614	8131603
19	22-Nov-22	190.35	44860	8539101
20	21-Nov-22	192.41	49883	9597988
21	18-Nov-22	194.61	73338	14272308
22	17-Nov-22	195.34	63460	12396276
23	16-Nov-22	197.51	73741	14564585
24	15-Nov-22	202.49	99071	20060887
25	14-Nov-22	202.41	78643	15918130
26	11-Nov-22	210.39	89427	18814547
27	10-Nov-22	214.95	91047	19570553
28	09-Nov-22	222.44	865931	192617692
29	07-Nov-22	205.99	188052	38736831
30	04-Nov-22	201.45	119723	24118198
31	03-Nov-22	200.15	257769	51592465
32	02-Nov-22	192.77	69562	13409467
33	01-Nov-22	192.36	100475	19327371
34	31-Oct-22	192.66	159906	30807490
35	28-Oct-22	199.87	99341	19855286
36	27-Oct-22	201.09	80422	16172060



Valuation of Equity Shares of Speciality Restaurants Limited

37	25-Oct-22	207.45	65022	13488814
38	24-Oct-22	211.91	47934	10157694
39	21-Oct-22	210.63	72498	15270254
40	20-Oct-22	215.14	42131	9064063
41	19-Oct-22	215.53	34732	7485788
42	18-Oct-22	215.35	77092	16601762
43	17-Oct-22	209.76	85853	18008525
44	14-Oct-22	211.72	115737	24503838
45	13-Oct-22	210.61	50283	10590103
46	12-Oct-22	212.62	84060	17872837
47	11-Oct-22	220.9	138374	30566817
48	10-Oct-22	224.12	114079	25567385
49	07-Oct-22	227.31	107116	24348538
50	06-Oct-22	227.18	394692	89666129
51	04-Oct-22	213.24	83655	17838592
52	03-Oct-22	212.6	100743	21417962
53	30-Sep-22	211.11	81936	17297509
54	29-Sep-22	212.56	89087	18936333
55	28-Sep-22	209.97	83969	17630971
56	27-Sep-22	208.22	120561	25103211
57	26-Sep-22	210.59	173340	36503671
58	23-Sep-22	228.3	169074	38599594
59	22-Sep-22	225	142330	32024250
60	21-Sep-22	220.42	70485	15536304
61	20-Sep-22	226.32	167136	37826220
62	19-Sep-22	216.05	107954	23323462
63	16-Sep-22	220.83	408048	90109240
64	15-Sep-22	230.28	153875	35434335
65	14-Sep-22	232.12	243337	56483384
66	13-Sep-22	231.95	332391	77098092
67	12-Sep-22	236.37	797822	188581186
68	09-Sep-22	227.89	505105	115108378
69	08-Sep-22	226.38	919732	208208930
70	07-Sep-22	223.02	1276190	284615894
71	06-Sep-22	205.34	223566	45907042
72	05-Sep-22	213.93	216324	46278193
73	02-Sep-22	214.3	201167	43110088
74	01-Sep-22	214.87	623973	134073079
75	30-Aug-22	202.9	922825	187241193
76	29-Aug-22	186.13	60171	11199628
77	26-Aug-22	192.83	108195	20863242
78	25-Aug-22	194.35	133608	25966715
79	24-Aug-22	188.11	115886	21799315
80	23-Aug-22	190.12	93088	17697891
81	22-Aug-22	191.9	146129	28042155



Valuation of Equity Shares of Speciality Restaurants Limited

82	19-Aug-22	198.29	126740	25131275
83	18-Aug-22	197.9	169219	33488440
84	17-Aug-22	199.56	198997	39711841
85	16-Aug-22	204.61	337419	69039302
86	12-Aug-22	197.88	239559	47403935
87	11-Aug-22	196.56	281141	55261075
88	10-Aug-22	198.77	430463	85563131
89	08-Aug-22	201.76	1346942	271759018
90	05-Aug-22	193.56	430080	83246285
		Total	1,76,19,440	3,73,61,50,280

Working of 10 trading days' volume weighted average price (VWAP) preceding the relevant date

Amount in Rs.

SL NO	Date	VWAP	Total Traded Quantity	VWAP*Traded Quantity
1	16-Dec-22	197.69	39814	7870829.66
2	15-Dec-22	200.23	36110	7230305
3	14-Dec-22	200.75	61222	12290317
4	13-Dec-22	198.1	39405	7806131
5	12-Dec-22	200.26	28252	5657746
6	09-Dec-22	200.94	55518	11155787
7	08-Dec-22	204.94	37213	7626432
8	07-Dec-22	208.04	63204	13148960
9	06-Dec-22	208.29	126848	26421170
10	05-Dec-22	205.4	100375	20617025
		Total	587961	119824701.7

Particulars	Details(Rs)
90 Trading Days VWAP	212.05
10 Trading Days VWAP	203.78
As per SEBI ICDR price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the above	212.05



Value Conclusion

SL No	Valuation Approach	Valuation Method	Value per Share (Rs)
1	Asset approach	Adjusted Net Asset Value	40.13
2	Income approach	DCF	178.44
3	Market Approach	Company Comparable Method	191.80
		Market Price Method	212.05
	*As per Regulation 166A of SEBI (ICDR) the floor price of per equity share is		212.05

***As per Regulation 166A of SEBI (ICDR) Regulations**

(1) Any preferential issue, which may result in a change in control or allotment of more than five per cent of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price:

Provided that the floor price, in such cases, shall be higher of the floor price determined under sub-regulation (1), (2) or (4) of regulation 164, as the case may be, or the price determined under the valuation report from the independent registered valuer or the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable:

Provided further that if any proposed preferential issue is likely to result in a change in control of the issuer, the valuation report from the registered valuer shall also cover guidance on control premium, which shall be computed over and above the price determined in terms of the first proviso:

Therefore the floor price per share is Rs 212.05

Recommended Value

The recommended value of one warrant convertible into Equity Share of the Company of face value of Rs 10/- each is Rs. 212.05 per equity share/warrant.

Sources of Information

The following information and documents are being used in this appraisal:

- Discussions with the Company's Management.
- Minutes of the Board Meetings
- Board Resolution
- Annual Report 21-22
- Financial Statements of the company and its subsidiaries as on 30th September 2022
- Projections provided by the management
- NSE and BSE Portals



- Various Website
- Other Documents

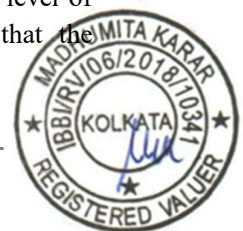
Independence of Appraiser

I am independent of the Company and its fee for this report is not contingent in anyway upon the opinion of realisable value of the equity shares/warrants of Speciality Restaurants Ltd to be valued. I am not aware of any conflicts of interest. My engagement does not in any way preclude the Client from seeking other independent opinions of the realisable value of the equity shares/warrants of Speciality Restaurants Ltd from other sources.

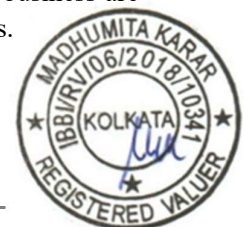
Contingent and Limiting Conditions

This appraisal is made subject to the following general contingent and limiting conditions:

1. The analyses, opinions, and conclusions presented in this report apply to this engagement only and may not be used out of the context presented herein. This report is valid only for the effective date specified herein and only for the purpose specified herein.
2. Public information, estimates, industry and statistical information contained in this report have been obtained from sources considered to be reliable. However, I independently did not verify such information and make no representation as to the accuracy or completeness of such information obtained from or provided by such sources.
3. The company and its representatives warranted to me that the information supplied to me was complete and accurate to the best of their knowledge and that the financial information properly reflects the business conditions and operating results for the respective periods in accordance with the generally accepted accounting principles. Information supplied to me has been accepted as correct without any further verification.
4. Financial information of the subject company is included solely to assist in the development of a value conclusion presented in this report and should not be used to obtain credit or for other purpose. Because of the limited purpose of the information presented, it may be incomplete and contain departures from the generally accepted accounting principles.
5. Possession of this report, or a copy thereof, does not carry with it the right of publication of all or part of it nor may it be used for any purpose by anyone other than those enumerated in this report without my written consent. This report and the conclusion of the value arrived at herein are for the exclusive use of the client for the sole and specific purposes as noted herein.
6. I do not provide assurance on the achievability of the results forecasted by the client because events and circumstances frequently do not occur as expected; differences between actual and expected results may be material; and achievement of the forecasted results is dependent on actions, plans, and assumptions of management.
7. The conclusion of value arrived at herein is based on the assumption that the current level of management expertise and effectiveness would continue to be maintained, and that the



- character and integrity of the enterprise through any sale, reorganization, exchange or diminution of the owner's participation would not materially or significantly changed.
8. This report and the conclusion of the value arrived at herein are for the exclusive use of the client's sole and specific purpose as noted herein.
 9. The report and the conclusion of the value are not intended by the author and should not be construed by the reader to be investment advice in any manner whatsoever. The conclusion of value represents the considered opinion of the registered valuer, based on information furnished by the client and other sources.
 10. Neither all nor any part of the contents of this report (especially the conclusion of value, the identity of any valuation specialist(s) or any reference to any of their professional designations) should be disseminated to the public through advertising media, public relations, news media, sales media, mail, direct transmittal, or any other means of communication without my approval
 11. This valuation reflects the facts and conditions existing or reasonably foreseeable at the valuation date. Subsequent events have not been considered, and I have no obligation to update the report for such events and conditions.
 12. The analyst, by reason of this valuation, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
 13. The engagement for this valuation consulting work does not include any procedures designed to discover any defalcations or other irregularities, should any exist.
 14. No change in any item in this valuation/conclusion report shall be made by anyone other than me and I shall have no responsibility for any such unauthorized change.
 15. It is assumed that there is full compliance with all applicable central, state, and local environmental regulations and laws unless non-compliance is stated, defined, and considered in the report.
 16. I assume no responsibility concerning the value and useful condition of all equipment, real estate, investments used in the business, and any other assets or liabilities, except as specifically stated to the contrary in this respect.
 17. I have relied on the representations of the owners, management, and other third parties concerning the value and useful condition of all equipment, real estate, investments used in the business, and any other assets or liabilities, except as specifically stated to the contrary in this report.
 18. I have made no investigation of title to property and assume that the owner's claim to the property is valid. I have not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances or that the entity has good title to all assets.



19. The draft of the present report was circulated to the Management for confirming the facts stated in the report and to confirm that the information or facts stated are not erroneous.

