

“Asia’s Pioneering Hospitality Chain of Environmentally Sensitive 5 Star Hotels & Resorts”

29th June, 2021

To,
DCS,
Bombay Stock Exchange Limited
PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

To,
The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra –KurlaComplex,
Bandra (E), Mumbai – 400 051

Code: 526668
ISIN: INE967C01018

Symbol:- KAMATHOTEL

Dear Sirs,

Sub: Outcome of the Board Meeting held on 29th June, 2021.

The Board of Directors of the Company condoles the sad demise of Mr. Dinkar D. Jadhav Non-Executive Independent Director observed two minutes’ silence in the memory of Mr. Dinkar D. Jadhav, who was passed away on 19th February, 2021.

Pursuant to Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors at its meeting held today i.e. 29th June, 2021 has inter alia approved and taken on record the following decisions:

Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 read with SEBI Circular No. CIR/CFD/CMD/56/2016 dated 27th May, 2016, approved and taken on record the Standalone and Consolidated Audited Financial Results of the Company for the quarter and financial year ended 31st March, 2021, which has been audited by M/s. N. A. Shah Associates LLP, Chartered Accountants and Statutory Auditors of the Company. The same is enclosed herewith along with Auditors’ Report with an Unmodified Opinion in respect of the Standalone Financial Results and Modified Opinion in respect of the Consolidated Financial Results for the quarter and financial year ended 31st March, 2021.

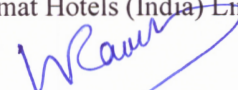
The Meeting of the Board of Directors of the Company commenced at 12-15 p.m. and concluded at 3.30 p.m.

Kindly take the same on your record and oblige.

Thanking you,

Yours faithfully,

For Kamat Hotels (India) Limited


Dr. Vithal V. Kamat
(DIN: 00195341)
Executive Chairman and Managing Director
Encl. a/a.



REGD OFF.: 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099, India. Tel.: 2616 4000, Fax : 2616 4203
Email-Id : cs@khil.com | Website: www.khil.com | CIN: L55101MH1986PLC039307

N. A. SHAH ASSOCIATES LLP

Chartered Accountants

ORIGINAL

Independent Auditor's Report on standalone financial results of Kamat Hotels (India) Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors of
Kamat Hotels (India) Limited

Report on standalone financial results for the year ended 31st March 2021

Opinion

We have audited the accompanying statement of standalone financial results ('the Statement') of **Kamat Hotels (India) Limited** ('the Company') for the year ended 31st March 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), which has been initialled by us for identification purpose.

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the year ended 31st March 2021.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Statement.

Material uncertainty related to going concern

Reference is invited to note 4 of the Statement. As per the standalone financial results, Company's accumulated losses are in excess of its paid-up capital and reserves as at 31st March 2021 and its current liabilities significantly greater than the current assets as on 31st March 2021 and 31st March 2020. Further, in respect of loans, there are non-payment of stipulated instalments comprising of principal and interest and instalments of Rs. 9,679.96 lakhs are due and unpaid as at 31st March 2021. In the opinion of the management, considering management's action to mitigate the impact of COVID-19 as described in note 6 of the Statement which is also demonstrated through positive earnings before interest, taxes and depreciation (EBITDA), restructuring which are approved by the lenders and management's request for seeking extension of the loan dues as stated in note 3(a) of the statement [also refer para (a) of emphasis of matter para below], the future business prospects from prime hotel properties situated nearby domestic and international airports in Mumbai, the fact that the fair values of the assets of the Company are significantly greater than the borrowings/debts and that the Company has been exploring possibilities to divest/liquidate some of its properties, these standalone financial results have been prepared on a going concern basis which contemplates realisation of assets and settlement of liabilities in the normal course of Company's business.



N. A. SHAH ASSOCIATES LLP

Chartered Accountants

Independent Auditor's Report on standalone financial results of Kamat Hotels (India) Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Our opinion is not modified in respect of the above matter. In respect of above matter, attention was also drawn by the us in our limited review report on the financial results for the quarter ended 31st December 2020, 30th September 2020, 30th June 2020, in the quarters of previous year and reports for the year ended 31st March 2020, 31st March 2019. Our conclusion / opinion was not modified in respect of above matter in quarters of current year and earlier quarters / years also.

Emphasis of matter

(a) Attention is invited to note 3(a) of the Statement. As on 31st March 2021, there are non-payment of stipulated instalments comprising of principal and interest due to the lenders. The cumulative unpaid instalments amounts to Rs. 9,679.96 lakhs. Considering COVID-19 pandemic, the Company had sent signed letters by e-mails in the month of March 2020 and June 2020 to various lenders (except Kotak Bank) and had sent an e-mail in September 2020 to Kotak Bank for extension of the dues upto December 2020. In-principle approval was received in writing from one of the lenders for extension of three EMI's amounting to Rs. 143 lakhs each. In respect of further restructuring proposals submitted by the Company with certain lenders, in-principle approval was received in writing from two lenders and the Kotak Bank restructured the outstanding loan whereby it sanctioned Funded Interest Term Loan (FITL) and additional finance by way of Working Capital Term Loan (WCTL) of Rs. 360 lakhs under Emergency Credit Line Guarantee Scheme 2.0. The Company has executed necessary loan documents with Kotak Bank after the close of the financial year. In respect of three lenders, though written confirmation from lenders are awaited, all lenders have verbally agreed for the extension whenever sought. In the absence of written communication from the lenders approving the extension, we are unable to validate the extension granted to the Holding Company by the lenders. In view of the above, in the opinion of the management, event of default is not triggered and therefore, there is no other accounting implications and reclassification of non-current borrowings to current financial liabilities is not required. Impact if any, will be considered in the period in which the Company and the lenders agree on the revised terms. In continuation of the view taken in the earlier quarters, previous year and based on above, in the opinion of the management, no intimation is required to be given to the stock exchange for unpaid loan instalments as at 31st March 2021 as required by SEBI circular dated 21st November, 2019.

(b) Reference is invited to note 6 of the Statement, in respect of the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the management.

Our opinion is not modified in respect of the above matters. In respect of above matters, we had also reported the emphasis of matter in our limited review report for the financial results for the quarter ended 31st December 2020, 30th September 2020, 30th June 2020 and report for the year ended 31st March 2020. Our conclusion / opinion was not modified in respect of above matter in quarters of current year and in quarter ended 31st March 2020.

Management's responsibility for the Statement

The Statement has been prepared on the basis of the annual standalone financial statements. The Company's Board of Directors are responsible for the preparation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the



N. A. SHAH ASSOCIATES LLP

Chartered Accountants

Independent Auditor's Report on standalone financial results of Kamat Hotels (India) Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibility for the audit of the Statement

Our responsibility is to express an opinion on the statement based on our audit of such annual standalone financial statements. Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the Statement of the Company to express an opinion on the Statement.



N. A. SHAH ASSOCIATES LLP

Chartered Accountants

Independent Auditor's Report on standalone financial results of Kamat Hotels (India) Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Materiality is the magnitude of misstatements in the Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Statement.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other matters

- (a) Due to COVID-19 outbreak and related lockdown in various states where the properties of the Company are located, we could not be present at such properties during the physical verification of inventories carried out by the management. We have relied on the same and performed alternate procedures to audit the existence of inventory as at year end.
- (b) The statement includes the results for the quarter ended 31st March 2021 being the derived figures between the audited figures in respect of the full financial year ended 31st March 2021 and the unaudited published year-to-date figures up to 31st December 2020, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review.

Our opinion is not modified in respect of the above matters.

For N. A. Shah Associates LLP

Chartered Accountants

Firm's registration number: 116560W / W100149



Sandeep Shah

Partner

Membership number: 037381

UDIN: 21037381 AAAACR8411

Place: Mumbai

Date: 29 JUN 2021

Statement of standalone financial results for the quarter and year ended 31st March 2021

Sr. No.	Particulars	(Rs. in Lakhs)				
		Quarter ended 31st Mar 2021	Quarter ended 31st Dec 2020	Quarter ended 31st March 2020	Year ended 31st Mar 2021	Year ended 31st Mar 2020
		Unaudited [Refer note 13]	Unaudited	Unaudited [Refer note 13]	Audited	Audited
1	Income					
	(a) Revenue from operations (Refer note 12)	2,280.39	1,441.32	4,484.21	5,162.26	17,868.93
	(b) Other income	43.05	21.53	28.30	100.49	89.99
	Total income	2,323.44	1,462.85	4,512.51	5,262.75	17,958.92
2	Expenses					
	(a) Consumption of food and beverages	249.88	170.47	378.47	508.82	1,636.02
	(b) Employee benefits expense (Refer note 11)	477.21	327.38	1,031.81	1,191.44	4,455.41
	(c) Finance cost (Refer note 10)	1,023.04	1,008.77	1,654.13	3,890.77	3,436.40
	(d) Depreciation and amortisation expense	242.96	256.28	254.39	1,000.86	1,051.70
	(e) Other expenses					
	(i) Heat, light and power	177.93	143.70	252.23	487.04	1,215.69
	(ii) Others	790.22	600.22	1,282.38	2,271.75	4,939.49
	Total expenses	2,961.24	2,506.82	4,853.41	9,350.68	16,734.71
3	(Loss) / profit before exceptional items and tax [1-2]	(637.80)	(1,043.97)	(340.90)	(4,087.93)	1,224.21
4	Exceptional items - income (Refer note 5 and 10)	-	-	2,369.28	373.17	2,369.28
5	(Loss) / profit for the period / year before tax [3-4]	(637.80)	(1,043.97)	2,028.38	(3,714.76)	3,593.49
6	Tax expense					
	Current tax (Refer note 9)	-	-	(140.17)	-	297.75
	Deferred tax - (credit) / charge for current period / year (net) (Refer note 9)	(149.75)	(275.66)	35.91	(946.71)	(287.24)
	(Excess) / short provision for current tax / deferred tax (net)	-	(10.85)	-	(10.85)	13.39
	Total tax expenses	(149.75)	(286.51)	(104.26)	(957.56)	23.90
7	(Loss) / profit for the period / year [5-6]	(488.05)	(757.46)	2,132.64	(2,757.20)	3,569.59
8	Other comprehensive income					
	Items that will not be reclassified to profit or loss					
	(i) Remeasurement of defined benefit plans - gain / (loss)	35.59	3.35	(13.73)	45.64	13.40
	(ii) Income taxes effect on above	(8.97)	(0.84)	4.00	(11.49)	(3.90)
	Total other comprehensive income	26.62	2.51	(9.73)	34.15	9.50
9	Total comprehensive income for the period / year [7+8]	(461.43)	(754.95)	2,122.91	(2,723.05)	3,579.09
10	Paid-up equity share capital (including forfeited shares) (Face value per share of Rs. 10/- each)	2,417.26	2,417.26	2,417.26	2,417.26	2,417.26
11	Reserve excluding revaluation reserves				(4,293.24)	(1,570.19)
12	Earnings per share (Face value per share of Rs. 10/- each)					
	(a) Basic (Rs.)	(2.07)	(3.21)	9.04	(11.69)	15.14
	(b) Diluted (Rs.)	(2.07)	(3.21)	9.04	(11.69)	15.14

See accompanying notes to financial results

Notes:

- The above standalone financial results have been reviewed by the Audit Committee and are approved by the Board of Directors at their meeting held on 29th June 2021. The statutory auditors have carried out audit of the standalone financial results for the year ended 31st March 2021.
- The above standalone financial results have been prepared in accordance with guidelines issued by Securities and Exchange Board of India ('SEBI') and the Indian Accounting Standards [Ind AS] prescribed under section 133 of the Companies Act, 2013.
- (a) As on 31st March 2021, there are non-payment of stipulated instalments comprising of principal and interest due to the lenders. The cumulative unpaid instalments amounts to Rs. 9,679.96 lakhs (this includes instalments of Rs. 1,948.22 lakhs which was due in the quarter ended 31st March 2021). Considering COVID-19 pandemic, the Company had sent signed letters by e-mails in the month of March 2020 and June 2020 to various lenders (except Kotak Bank) and had sent an e-mail in September 2020 to Kotak Bank for extension of the dues upto December 2020. In-principle approval was received in writing from one of the lenders for extension of three EMI's amounting to Rs. 143 lakhs each. In respect of further restructuring proposals submitted by the Company with certain lenders, in-principle approval was received in writing from two lenders and the Kotak Bank restructured the outstanding loan whereby it sanctioned Funded Interest Term Loan (FITL) and additional finance by way of Working Capital Term Loan (WC TL) of Rs. 360 lakhs under Emergency Credit Line Guarantee Scheme 2.0. The Company has executed necessary loan documents with Kotak Bank after the close of the financial year. In respect of three lenders, though written confirmation from lenders are awaited, all lenders have verbally agreed for the extension whenever sought. In view of the above, in the opinion of the management, event of default is not triggered and therefore, there is no other accounting implications. Impact if any, will be considered in the period in which the Company and the lenders agree on the revised terms. The Company has sent letters to the lenders, requesting confirmation of outstanding loan balances, of which confirmations from four lenders for balance of Rs. 6,531.29 lakhs are awaited.
(b) As per 3(a) above and in continuation of the view taken in the earlier quarters and previous year, in the opinion of the management, no intimation is required to be given to the stock exchange for unpaid loan instalments as at 31st March 2021.
In respect of 3(a) and (b) above, the statutory auditors have reported emphasis of matter in their report on the standalone financial results for the quarter and year ended 31st March 2021. Further, the statutory auditors had also reported emphasis of matter in their limited review report for the quarters ended 31st December 2020, 30th September 2020, 30th June 2020 and report for the year ended 31st March 2020.
- As per the standalone financial results, Company's accumulated losses are in excess of its paid up capital and reserves as at 31st March 2021 and its current liabilities are significantly greater than the current assets as on 31st March 2021 and 31st March 2020. Further, in respect of loans, there are non-payment of stipulated instalments comprising of principal and interest. In the opinion of the management, considering management's action to mitigate the impact of COVID-19 as described in note 6 of the Statement which is also demonstrated through positive earning before interest, taxes and depreciation (EBITDA), restructuring which are approved by the lenders and management's request for seeking extension of the loan dues as stated in note 3(a) above, the future business prospects from prime hotel properties situated nearby domestic and international airports in Mumbai, the fact that the fair values of the assets of the Company are significantly higher than the borrowings/debts and that the Company has been exploring possibilities to divest/liquidate some of its properties, these standalone financial results have been prepared on a going concern basis which contemplates realisation of assets and settlement of liabilities in the normal course of Company's business. The statutory auditors have drawn attention of above matter in their report on the financial results for the year ended 31st March, 2021. Further, attention was also drawn by the statutory auditors in their limited review report on the financial results for the quarter ended 31st December 2020, 30th September 2020, 30th June 2020, in the quarters of previous year and reports for the year ended 31st March 2020, 31st March 2019.

SIGNED FOR IDENTIFICATION BY

N.A. SHAH ASSOCIATES LLP
MUMBAI



Kamat Hotels (India) Limited

Registered Office: 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099

CIN: L55101MH1986PLC039307, Tel. No. 022 26164000

Website: www.khil.com, Email: cs@khil.com

- 5 In the previous year, Company's one hotel property in Orissa was affected due to 'Cyclone Fani'. Net block of assets destroyed was Rs. Nil. The Company had filed the insurance claim and received partial amount as advance in quarter ended 30th June, 2019 and 31st December, 2019. During the quarter ended 30th June, 2020, final approval and insurance claim was received. Accordingly, insurance claim of Rs. 373.17 lakhs was recognised as revenue in the quarter ended 30th June, 2020 and shown under "Exceptional item".
- 6 The business has been severely impacted during the year on account of COVID-19. The Company expects recovery in business to be driven by domestic and international leisure and business travel as the normalcy restores. On account of above, the Company has carried out impairment assessment for the carrying value of property, plant & equipment, right of use asset, intangible assets, trade receivables, inventories and other assets based on the internal and external information upto the date of approval of these financial results including potential impact of COVID-19. Based on such assessment, in the opinion of management no further provision is required to be made as the Company expects to recover the carrying amounts of all the assets. Further, the Company have requested its lenders for extension of payment of dues in view of the challenges faced on account of COVID-19. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to monitor the future economic conditions and assess its impact on financial results. The statutory auditors have reported emphasis of matter in their report on the financial results for the year ended 31st March 2021. Further, the statutory auditors had also reported emphasis of matter in their limited review report for the quarters ended 31st December, 2020, 30th September 2020, 30th June 2020 and report for the year ended 31st March, 2020.
- 7 Results for the quarter and year ended 31st March, 2021 are not comparable with the corresponding quarter and year ended results of the previous year due to the impact of COVID-19 pandemic, as explained in note 6 above.
- 8 There are no reportable segments under Ind AS-108 'Operating Segments' as the Company is operating only in the hospitality service segment, therefore, disclosures of segment wise information is not applicable.
- 9 For the current financial year, the Company has opted for lower tax rate under Section 115BAA of the Income Tax Act, 1961. Current tax for the previous year ended 31st March, 2020 was provided as per old tax regime. Deferred tax asset has been created on losses incurred during the year, considering there is a deferred tax liability on net basis. Further, deferred tax for nine months ended 31st December, 2019 and year ended 31st March, 2020 includes credit of Rs. 349.94 lakhs on account of applying lower tax rate as per the new regime to which the company has migrated in the year 2020-21.
- 10 During the previous year ended 31st March, 2020, an ARC (to which two banks and one financial institution had assigned the secured debts) had modified terms and conditions of the debt by providing the allocation between principal and interest payable w.e.f 1st April, 2019 vide their letter dated 29th January, 2020. Further, the effective interest rate (EIR) was recomputed based on the revised principal amount. The management is of the view that the de-recognition and the consequent write back of loan and re-computation of EIR had been done in accordance with the qualitative parameters permitted in Ind AS 109 - 'Financial Instruments' on the basis of opinion obtained from an expert and its ability to make prepayment of loan. Consequently, in the year ended 31st March, 2020, the Company had written back the principal amount of Rs. 2,369.28 lakhs outstanding as on 1st April, 2019 and accounted for additional interest of Rs. 1,052.67 lakhs pertaining to financial year 2019-20. The principal write back of Rs. 2,369.28 lakhs has been shown as "exceptional item". In this respect, the statutory auditors had reported emphasis of matter in their report on the standalone financial results for the year ended 31st March, 2020.
- 11 (a) The Company had paid excess remuneration of Rs. 41.94 lakhs to its Executive Chairman and Managing Director (ECMD) for the financial year ended 31st March, 2020 which was subject to shareholders approval at the AGM. In this respect, the statutory auditors had reported emphasis of matter in their report on the standalone financial results for the year ended 31st March, 2020. However, subsequent to the approval of audited accounts for the year ended 31st March, 2020, at the meeting of the Board of Directors held on 28th August, 2020, the Board decided to recover the excess remuneration amounting to Rs. 41.94 lakhs in view of ongoing business scenario and consequently the said amount had been written back in quarter ended 30th June, 2020. Out of the excess remuneration paid, Rs. 13.80 lakhs has been recovered till 31st March 2021 and balance Rs. 28.14 lakhs has been recovered before the date of approval of the standalone financial results for the year ended 31st March, 2021.
- (b) The Company has paid remuneration to its executive chairman and managing director for the financial year ended 31st March 2021 which is in excess of the limits prescribed under section 197 of the Act (read with Schedule V of the Act) by Rs. 30.61 lakhs; the said excess managerial remuneration is fully recovered by the Company before the date of approval of the standalone financial results for the year ended 31st March, 2021.
- 12 Revenue from operations for the quarter and year ended 31st March, 2021 includes Rs 150.94 lakhs (Previous year Rs. Nil) being grant of indirect taxes refund accrued based on application made by the Company during the year under Maharashtra Package Scheme of Incentives for a hotel unit.
- 13 The figures for the quarter ended 31st March, 2021 and 31st March, 2020 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published year to date figures up to the quarter ended 31st December, 2020 and 31st December, 2019 which were subjected to limited review.



Kamat Hotels (India) Limited

Registered Office: 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099

CIN: L55101MH1986PLC039307, Tel. No. 022 26164000

Website: www.khil.com, Email: cs@khil.com

14 **Standalone statement of assets and liabilities as at 31st March 2021**

(Rs. in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
	Audited	Audited
Assets		
Non-current assets		
(a) Property, plant and equipment	25,129.25	26,045.98
(b) Capital work in progress	617.65	521.22
(c) Right of use assets	420.25	434.55
(d) Investment property	1,016.28	1,058.19
(e) Other Intangible assets	75.42	77.22
(f) Financial assets		
(i) Investments	23.66	19.32
(ii) Loans	2,057.79	1,955.56
(iii) Other financial assets	5.51	6.52
(g) Income tax assets (net)	1,015.91	940.34
(h) Other non-current assets	3,497.36	3,658.06
Sub- total	33,859.08	34,716.96
Current assets		
(a) Inventories	156.77	258.47
(b) Financial assets		
(i) Investments	5.28	3.81
(ii) Trade receivables	607.55	987.12
(iii) Cash and bank balances		
- Cash and cash equivalents	659.19	252.82
- Other bank balances	57.68	67.86
(v) Loans	71.95	13.52
(vi) Other financial assets	22.90	20.53
(c) Income tax assets (net)	-	231.52
(d) Other current assets	398.30	425.15
Sub- total	1,979.62	2,260.80
Total Assets	35,838.70	36,977.76
Equity and liabilities		
Equity		
(a) Equity share capital	2,417.26	2,417.26
(b) Other equity	(4,293.24)	(1,570.19)
Sub- total	(1,875.98)	847.07
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,480.79	18,684.68
(ii) Lease liabilities	100.21	96.52
(iii) Other financial liabilities	107.96	119.86
(b) Provisions	378.84	453.32
(c) Deferred tax liabilities (net)	1,370.07	2,327.18
(d) Other non-current liabilities	388.23	423.05
Sub- total	6,826.10	22,104.61
Current liabilities		
(a) Financial liabilities		
(i) Trade payables		
- Amount due to micro and small enterprises	330.59	292.46
- Amount due to other than micro and small enterprises	1,938.82	2,236.78
(ii) Lease liabilities	14.11	16.57
(iii) Other financial liabilities (Including current maturities of long term borrowings)	26,961.48	9,350.99
(b) Provisions	102.09	136.91
(c) Other current liabilities	1,541.49	1,992.37
Sub- total	30,888.58	14,026.08
Total equity and liabilities	35,838.70	36,977.76

SIGNED FOR IDENTIFICATION BY

 N. A. SHAH ASSOCIATES LLP
 MUMBAI



Kamat Hotels (India) Limited

Registered Office: 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099

CIN: L55101MH1986PLC039307, Tel. No. 022 26164000

Website: www.khil.com, Email: cs@khil.com

15 Standalone statement of cash flows for the year ended 31st March 2021

(Rs. in Lakhs)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / profit before taxes and other comprehensive income	(3,714.76)	3,593.49
Adjustments for:		
Finance cost	3,890.77	3,436.40
Interest income	(23.77)	(24.39)
Depreciation and amortization	1,000.86	1,051.70
Bad debts written off	8.65	13.71
Provision / (reversal) for expected credit loss and doubtful debt advances	91.96	(47.87)
(Profit) / loss on sale / discard of property, plant and equipment	(25.19)	1.13
Reduction in liability towards long term and short term borrowings (exceptional item)	-	(2,369.28)
Rent income	(44.09)	(56.28)
Insurance claim (exceptional item)	(373.17)	-
(Gain) on fair value of investments	(5.81)	(2.87)
Dividend income	-	(0.43)
Operating profit before working capital changes	805.45	5,595.31
Movements in working capital : [Including Current and Non-current]		
Decrease in loans, trade receivable and other assets	305.85	182.58
Decrease in inventories	101.70	9.87
Increase / (decrease) in trade payable, other liabilities and provisions	(1,502.10)	525.63
Adjustment for:		
Direct taxes (paid) (including tax deducted at source) / refund (net)	146.70	20.22
Net cash generated/ (used in) from operating activities...(A)	(142.40)	6,333.61
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(140.37)	(720.31)
Sale of property, plant and equipment	43.00	2.33
Temporary fund received from wholly owned subsidiary	660.00	1,320.00
Repayment of temporary fund received from wholly owned subsidiary	(660.00)	(1,320.00)
Insurance claim received	148.17	-
Rent income received	44.09	56.28
Interest income	21.40	18.60
Dividend income	-	0.43
(Increase)/decrease in bank balance [Current and non-current] (other than cash and cash equivalent)	11.19	9.33
Adjustment for:		
Direct taxes (paid including tax deducted at source)	(1.78)	(2.44)
Net cash (used in) / from investing activities... (B)	125.70	(635.78)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	1,020.34	-
Repayment of long term borrowings	(255.28)	(3,210.71)
Payments of lease liabilities	(24.66)	(24.47)
Interest paid (including other borrowing cost)	(112.70)	(2,414.45)
Net cash (used in) / from financing activities... (C)	627.70	(5,649.63)
Net increase / (decrease) in cash and cash equivalents (A+ B+C)	610.99	48.20
Cash and cash equivalents at beginning of the year (net of book overdraft)	48.20	-
Cash and cash equivalents at end of the year	659.19	48.20
Net increase / (decrease) in cash and cash equivalents	610.99	48.20

For and on behalf of the Board of Directors of
Kamat Hotels (India) Limited.

SIGNED FOR IDENTIFICATION BY

 N.A. SHAH ASSOCIATES LLP
 MUMBAI


 Dr. Vithal V. Kamat
 Executive Chairman & Managing Director
 (DIN : 00195341)

Place: Mumbai
Date: 29th June, 2021

N. A. SHAH ASSOCIATES LLP

Chartered Accountants

ORIGINAL

Independent Auditor's Report on the consolidated financial results of Kamat Hotels (India) Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors of
Kamat Hotels (India) Limited

Report on consolidated financial results for the year ended 31st March 2021

Qualified opinion

We have audited the accompanying consolidated financial results of **Kamat Hotels (India) Limited** ('the Holding Company'), comprising its subsidiaries, (the Holding Company and its subsidiaries collectively referred to as 'the Group') and joint venture entity for the year ended 31st March 2021 ('the Statement'), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), which has been initialled by us for identification purpose.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

- i. includes annual audited financial results of the following subsidiaries:
 - a) Orchid Hotel Pune Private Limited ('OHPPL')
 - b) Mahodadhi Palace Private Limited ('MPPL')
 - c) Orchid Hotel Easter (India) Private Limited ('OHEIPL') (formerly known as Green Dot Restaurants Private Limited)
 - d) Fort Jadhavgadh Hotels Private Limited ('FJHPL')
 - e) Kamats Restaurants (India) Private Limited ('KRIPL');
- ii. includes annual audited financial results of the Joint Venture: Ilex Developers and Resorts Limited ('IDRL');
- iii. has been presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iv. except for the effect of the matters described in basis for qualified opinion paragraph below, gives a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India of the total comprehensive income comprising of net loss and other comprehensive income and other financial information of the Group and joint venture for the year ended 31st March 2021.

Basis for qualified opinion

In respect of subsidiary company ('OHPPL'), reference is invited to note 6(i) to the Statement. Vide agreement dated 24th December 2018, International Asset Reconstruction Company Private Limited (IARC) acquired the loan from M/s Asset Reconstruction Company India Limited (ARCIL) [lender to whom loan was assigned by ICICI Bank in earlier years] for an aggregate amount of Rs. 13,500.00 lakhs. As per the books of the company, total outstanding towards this loan is Rs. 18,833.99 lakhs (including interest liability accounted in books upto 30th September, 2013). The interest amount from 1st October, 2013 till 31st March, 2021 has not been provided in the books nor has the same been quantified. Non-provision of interest is not in compliance with the accounting treatment as prescribed under Ind AS 23 Borrowing Cost. As per the legal opinion obtained by the management, no further liability is required to be accounted now considering the terms of settlement arrangement and pending execution of the definitive agreement (the modalities of which are being worked out).



N. A. SHAH ASSOCIATES LLP

Chartered Accountants

Independent Auditor's Report on the consolidated financial results of Kamat Hotels (India) Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Had the provision been made, borrowing cost and loss for the current year and previous year and negative net worth as at 31st March, 2021 would increase by the amount of interest for the period 1st October, 2013 to 31st March, 2021 which has not been provided nor quantified by the management in view of reasons as mentioned above.

In respect of above matter, qualification was also given in our report for the quarter ended 31st December 2020, 30th September 2020, 30th June 2020 and for the year 31st March, 2020, 31st March, 2019 and 31st March, 2018

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Group and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material uncertainty related to going concern

Attention is invited to note 5, 6(ii) and 7 of the Statement, which indicates that there, is material uncertainty related to continuity as going concern of the Holding Company, OHPPL (subsidiary company), MPPL (subsidiary company) respectively and note 8(i) related to material uncertainty related to going concern at Group level. In consolidated financial results, material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern on account of accumulated losses, negative net worth and negative working capital in Holding Company and two subsidiaries as mentioned in those notes. For preparation of standalone financials results of Holding Company and two subsidiaries, going concern assumption is considered appropriate by the management as appropriate steps are being taken to mitigate the impact of accumulated losses, improve the cash flows, management's request for seeking extension of the loan dues where applicable [also refer para (b) in Emphasis of matter paragraph below], management's action to mitigate the impact of COVID-19 as described in note 11 of the Statement, fair value of the assets of Holding Company are significantly higher than the borrowing/debts and that the Holding Company is exploring possibilities to divest / liquidate some of its properties. In view of the above and in the opinion of management, the consolidated financial results have also been prepared on a going concern basis.

Our opinion is not modified in respect of above matter. In respect of above matter, attention was also drawn by us in our report for the quarter ended 31st December 2020, 30th September 2020, 30th June 2020 and year ended 31st March 2020, 31st March, 2019 and 31st March, 2018. Our conclusion / opinion was not modified in respect of above matter in earlier quarters / years also.

Emphasis of matter

- (a) Attention is invited to note 6(iii) of the Statement in respect of dispute over lease rent levied by Director of Sports, pertaining to the period from 1st November, 2014 to 31st March, 2021. The Company has accounted for the liability amounting to Rs. 1,535.79 lakhs; which is after making the part payment of Rs. 129.83 lakhs in quarter ended 30th September 2020. Further, during the previous year, the Hon'ble Bombay High Court had appointed sole arbitrator to resolve the disputes. Interest / penalty, if any, will be accounted in the period / year in which the dispute will be resolved.
- (b) Attention is invited to note 4(a) of the Statement. In respect of holding Company, as on 31st March 2021, there are non-payment of stipulated instalments comprising of principal and interest due to the lenders. The cumulative unpaid instalments amounts to Rs. 9,679.96 lakhs. Considering Covid-19 pandemic, the Company had sent signed letters by e-mails in the month of March 2020 and June 2020 to various lenders (except Kotak Bank) and had sent an e-mail in September 2020 to Kotak



N. A. SHAH ASSOCIATES LLP

Chartered Accountants

Independent Auditor's Report on the consolidated financial results of Kamat Hotels (India) Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Bank for extension of the dues upto December 2020. In-principle approval was received in writing from one of the lenders for extension of three EMI's amounting to Rs. 143 lakhs each. In respect of further restructuring proposals submitted by the Company with certain lenders, in-principle approval was received in writing from two lenders and the Kotak Bank restructured the outstanding loan whereby it sanctioned Funded Interest Term Loan (FITL) and additional finance by way of Working Capital Term Loan (WCTL) of Rs. 360 lakhs under Emergency Credit Line Guarantee Scheme 2.0. In respect of three lenders, though written confirmation from lenders are awaited, all lenders have verbally agreed for the extension whenever sought. In the absence of written communication from the lenders approving the extension, we are unable to validate the extension granted to the Holding Company by the lenders. In view of the above, in the opinion of the management, event of default is not triggered in any case and therefore, there is no other accounting implications and reclassification of non-current borrowings is not required. Impact if any, will be considered in the period in which the Company and the lenders agree on the revised terms.

In continuation of the view taken in earlier quarters, previous year and based on above, in the opinion of the management, no intimation is required to be given to the stock exchange for unpaid loan instalments as at 31st March 2021 as required by SEBI circular dated 21st November, 2019.

- (c) Attention is invited to note 6(v) of the Statement, that the subsidiary company (OHPPL), is in the process of appointing Company Secretary (key managerial personnel) as required by Section 203 of the Companies Act, 2013.
- (d) Attention is invited to note 11 of the Statement, in respect of the possible effect of uncertainties relating to COVID-19 pandemic on the Group and joint venture's financial performance as assessed by the management.
- (e) Attention is invited to note 6(vi) of the Statement in respect of payment of unsecured advance by the subsidiary company (OHPPL) of Rs. 600 lakhs to Joint Developer for cost to be incurred in respect of joint development agreement entered in September 2019 to develop and commercially exploit certain properties over the land on which the OHPPL holds leasehold rights. As per the terms agreed between the joint developer and the subsidiary company, the said amount would be utilised for obtaining / seeking the necessary approvals for the development of above-mentioned property. Further, as per confirmation received as at 31st March 2021 from the joint developer, no cost has been incurred against the above advance.

Our opinion is not modified in respect of above matters.

In respect of matter covered in (a) above, attention was also drawn by us in our report for the quarter ended 31st December 2020, 30th September 2020, 30th June 2020 and for year ended 31st March 2020, 31st March, 2019 and 31st March, 2018. In respect of matter covered in (b) to (d) above, attention was also drawn by us in our report for the quarter ended 31st December 2020, 30th September 2020, 30th June 2020 and for year ended 31st March 2020. Our conclusion / opinion was not modified in respect of above matters in earlier quarters / years also.

Management's responsibilities for the Statement

The Statement has been prepared on the basis of the annual consolidated financial statements. The Holding Company's Board of Directors are responsible for the preparation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group and its joint venture in accordance with Indian Accounting Standard prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its joint venture and for preventing and detecting frauds and other irregularities;



N. A. SHAH ASSOCIATES LLP

Chartered Accountants

Independent Auditor's Report on the consolidated financial results of Kamat Hotels (India) Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation and presentation of the Statement by the management of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and its joint venture are responsible for assessing ability of the Group and its joint venture continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group and its joint venture or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its joint venture are also responsible for overseeing financial reporting process the Group and its joint venture.

Auditor's responsibilities for the audit of the Statement

Our responsibility is to express an opinion on the statement based on our audit of such annual consolidated financial statements. Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group and its joint venture has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.



N. A. SHAH ASSOCIATES LLP

Chartered Accountants

Independent Auditor's Report on the consolidated financial results of Kamat Hotels (India) Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

- Obtain sufficient appropriate audit evidence regarding the financial results / financial information of the entities within the Group and its joint venture entity to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Statement.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other matters

- (a) Due to COVID-19 outbreak and related lockdown in various states where the properties of the Group and joint venture are located, we could not be present at such properties during the physical verification of inventories carried out by the management. We have relied on the same and performed alternate procedures to audit the existence of inventory as at year end.
- (b) The Statement includes the results for the quarter ended 31st March 2021 being the derived figures between the audited figures in respect of the full financial year ended 31st March 2019 and the unaudited year-to-date published figures up to 31st December 2020, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review.

Our opinion is not modified in respect of the above matters.

For N. A. Shah Associates LLP

Chartered Accountants

Firm's registration number: 116560W / W100149



Sandeep Shah

Partner

Membership number: 037381

UDIN: 21037381AAAA CS 2976

Place: Mumbai

Date: 29th June 2021

Kamat Hotels (India) Limited
Registered Office: 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099
CIN: L55101MH1986PLC039307, Tel. No. 022 26164000
Website: www.khil.com, Email: cs@khil.com

Statement of consolidated financial results for the year ended 31st March, 2021

Sr. No.	Particulars	(Rs. In lakhs)				
		Quarter ended 31st March 2021	Quarter ended 31st Dec 2020	Quarter ended 31st March 2020	Year ended 31st March 2021	Year ended 31st March 2020
		Unaudited [Refer note 18]	Unaudited	Unaudited [Refer note 18]	Audited	Audited
1	Income					
	(a) Revenue from operations (Refer note 17)	2,915.61	1,893.09	5,645.56	6,599.35	22,198.07
	(b) Other income	54.58	34.82	49.69	150.04	141.43
	Total income	2,970.19	1,927.91	5,695.25	6,749.39	22,339.50
2	Expenses					
	(a) Consumption of food and beverages	330.77	226.56	472.21	670.82	2,037.49
	(b) Employee benefits expense (Refer note 16)	597.91	428.74	1,381.41	1,533.10	5,694.47
	(c) Finance cost (Refer note 15)	1,092.97	1,080.19	1,729.05	4,177.85	3,730.63
	(d) Depreciation and amortisation expense	428.61	446.22	447.08	1,754.41	1,815.41
	(e) Other expenses					
	(i) Heat, light and power	248.80	201.96	328.69	702.48	1,604.27
	(ii) Others	959.39	752.86	1,709.96	2,807.59	6,523.91
	Total expenses	3,658.45	3,136.53	6,068.40	11,646.25	21,406.18
3	(Loss) / profit before share of (loss) of joint venture, exceptional items and tax [1-2]	(688.26)	(1,208.62)	(373.15)	(4,896.86)	933.32
4	Share of (loss) from joint venture accounted for using equity method	(2.93)	(21.36)	5.76	(67.18)	(29.10)
5	(Loss) / profit before exceptional items and tax [3+4]	(691.19)	(1,229.98)	(367.39)	(4,964.04)	904.22
6	Exceptional items - income - net [Refer note 6(v), 9, 10 & 15]	-	-	1,523.21	373.17	1,523.21
7	(Loss) / profit for the period / year before tax [5+6]	(691.19)	(1,229.98)	1,155.82	(4,590.87)	2,427.43
8	Tax expense					
	Current tax (Refer note 13)	(0.02)	0.02	(140.02)	-	297.97
	Deferred tax - (credit) / charge for current period / year (net) (Refer note 13)	(141.93)	(278.41)	16.86	(950.63)	(361.41)
	(Excess) / short provision for current tax / deferred tax (net)	-	(10.85)	-	(10.85)	13.39
	MAT credit reversed / (availed)	-	-	(0.13)	-	-
	Total tax expenses	(141.95)	(289.24)	(123.29)	(961.48)	(50.05)
9	(Loss) / profit for the period / year [7-8]	(549.24)	(940.74)	1,279.11	(3,629.39)	2,477.48
10	Other comprehensive income					
	Items that will not be reclassified to profit or loss					
	(i) Remeasurement of defined benefit plans - gain / (loss)	56.94	2.80	(20.20)	65.34	11.22
	(ii) Income taxes effect on above	(8.97)	(0.84)	4.00	(11.49)	(3.90)
	Total other comprehensive income	47.97	1.96	(16.20)	53.85	7.32
11	Total comprehensive income for the period / year [9+10]	(501.27)	(938.78)	1,262.91	(3,575.54)	2,484.80
12	Total comprehensive income for the period / year attributable to:					
	(a) To owner of parent	(501.27)	(938.78)	1,262.91	(3,575.54)	2,484.80
	(b) To non controlling interest	-	-	-	-	-
13	Out of total comprehensive income for the period / year:					
	(Loss) / profit for the period / year attributable to:					
	(a) To owner of parent	(549.24)	(940.74)	1,279.11	(3,629.39)	2,477.48
	(b) To non controlling interest	-	-	-	-	-
	Other comprehensive income attributable to:					
	(a) To owner of parent	47.97	1.96	(16.20)	53.85	7.32
	(b) To non controlling interest	-	-	-	-	-
14	Paid-up equity share capital (including forfeited shares) (Face value per share of Rs. 10/- each)	2,417.26	2,417.26	2,417.26	2,417.26	2,417.26
15	Reserve excluding revaluation reserves				(18,291.89)	(14,716.35)
16	Earnings per share (Face value per share of Rs. 10/- each)					
	(a) Basic (Rs.)	(2.33)	(3.99)	5.42	(15.39)	10.50
	(b) Diluted (Rs.)	(2.33)	(3.99)	5.42	(15.39)	10.50

SIGNED FOR IDENTIFICATION BY

N.A. SHAH ASSOCIATES LLP
MUMBAI



Kamat Hotels (India) Limited

Registered Office: 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099

CIN: L55101MH1986PLC039307, Tel. No. 022 26164000

Website: www.khil.com, Email: cs@khil.com

Notes:

- 1 The above consolidated financial results have been reviewed by the Audit Committee and are approved by the Board of Directors at their meeting held on 29th June, 2021. The statutory auditors have carried out audit of the consolidated financial results for the year ended 31st March 2021.
- 2 The above consolidated financial results have been prepared in accordance with guidelines issued by Securities and Exchange Board of India ('SEBI') and the Indian Accounting Standards [Ind AS] prescribed under section 133 of the Companies Act, 2013 ('the Act').
- 3 The consolidated financial results for the year ended 31st March 2021, and previous quarter / year include financial results in respect of following entities: Wholly owned subsidiary companies (a) Orchid Hotels Pune Private Limited (OHPPL), (b) Fort Jadhavgad Hotels Private Limited (FJHPL), (c) Mahodadhi Palace Private Limited (MPPL), (d) Orchid Hotel Eastern (India) Private Limited (OHEIPL), (e) Kamats Restaurants (India) Private Limited (KR IPL) and one Joint venture company - Ilex Developers & Resorts Limited (IDRL).
- 4 (a) In respect of holding company, as on 31st March, 2021, there are non-payment of stipulated instalments comprising of principal and interest due to the lenders. The cumulative unpaid instalments amounts to Rs. 9,679.96 lakhs (this includes instalments of Rs. 1,948.22 lakhs which was due in the current quarter). Considering Covid-19 pandemic, the Company had sent signed letters by e-mails in the month of March 2020 and June 2020 to various lenders (except Kotak Bank) and had sent an e-mail in September 2020 to Kotak Bank for extension of the dues upto December 2020. In-principle approval was received in writing from one of the lenders for extension of three EMI's amounting to Rs. 143 lakhs each. In respect of further restructuring proposals submitted by the Company with certain lenders, in-principle approval was received in writing from two lenders and the Kotak Bank restructured the outstanding loan whereby it sanctioned Funded Interest Term Loan (FITL) and additional finance by way of Working Capital Term Loan (WCTL) of Rs. 360 lakhs under Emergency Credit Line Guarantee Scheme 2.0. The Company has executed necessary loan documents with Kotak Bank after the close of the financial year. In respect of three lenders, though written confirmation are awaited, all lenders have verbally agreed for the extension whenever sought. In view of the above, in the opinion of the management, event of default is not triggered and therefore, there is no other accounting implications. Impact if any, will be considered in the period in which the holding company and the lenders agree on the revised terms. The holding company has sent letters to the lenders, requesting confirmation of outstanding loan balances, of which confirmations from four lenders for balance of Rs. 6,531.29 lakhs are awaited.
(b) In continuation of the view taken in the earlier quarters, previous year and as per 4(a) above, in the opinion of the Holding Company's management, no intimation is required to be given to the stock exchange for unpaid loan instalments as at 31st March 2021.
In respect of 4(a) and (b) above, the statutory auditors have reported emphasis of matter in their report on the consolidated financial results for the year ended 31st March 2021. Further, the statutory auditors had also reported emphasis of matter in their limited review report for the quarters ended 31st December 2020, 30th September, 2020, 30th June, 2020 and report for the year ended 31st March, 2020.
- 5 As per the standalone financial results, the holding company's accumulated losses are in excess of its paid up capital and reserves and its current liabilities are significantly greater than the current assets as on 31st March 2021 and 31st March 2020. Further, in respect of loans, there are non-payment of stipulated instalments comprising of principal and interest. In the opinion of the management, considering management's action to mitigate the impact of COVID-19 as described in note 11 of the Statement which is also demonstrated through positive earnings before interest, taxes and depreciation (EBITDA), restructuring which are approved by the lenders and management's request for seeking extension of the loan dues as stated in note 3(a) above, the future business prospects from prime hotel properties situated nearby domestic and international airports in Mumbai, the fact that the fair values of the assets of the holding company are significantly higher than the borrowings/debts and that the holding company has been exploring possibilities to divest/liquidate some of its properties, the standalone financial results of the holding company have been prepared on a going concern basis which contemplates realisation of assets and settlement of liabilities in the normal course of Holding Company's business.
- 6 In respect of subsidiary company (OHPPL),
(i) Vide agreement dated 24th December 2018, International Asset Reconstruction Company Private Limited (IARC) purchased the loan from M/s Asset Reconstruction Company India Limited (ARCIL) [lender to whom loan was sold/assigned by ICICI Bank in earlier years] for an aggregate amount of Rs. 13,500.00 lakhs on cash basis which as per the legal advice received by the subsidiary company is not in compliance of the circulars / notifications issued by Reserve Bank of India. Even otherwise, the said sale could not be termed either as sale or assignment as there existed non-compliance of mandatory provisions of law in order to effectuate such a transactions in compliance with the provisions of law. As per the books of the subsidiary company, total outstanding towards this loan is Rs. 18,833.99 lakhs (including interest liability accounted in books upto 30th September, 2013). The interest amount from 1st October, 2013 till 31st March, 2021 has not been provided in books nor has the same been quantified. Non provision of interest is not in compliance with the accounting treatment as prescribed under Ind. AS 23 Borrowing Cost. As per the legal opinion obtained by the subsidiary company and in accordance with the settlement arrangement between holding company, the subsidiary company and IARC, the liability shown in financial statement of the subsidiary company as well as loan to subsidiary and guarantees in the financial statement of the holding company (i.e. Guarantors) would get extinguished. Further, the holding company has agreed to transfer 100% equity shares of the subsidiary company to IARC for a consideration of Rs. 1/- and in turn thereof IARC shall release all the corporate and personal guarantees unconditionally. The other terms/conditions and obligation as agreed between the parties along with the extinguishment as mentioned above will be accounted when the definitive agreement is executed. IARC has replied to the subsidiary company, in principle agreeing to the terms of the settlement and also suggested that modalities for achieving this are being worked out. Accordingly as per the subsidiary company, no further liability is required to be accounted now. The statutory auditors have continued to comment on this matter in their report on the financial results for the quarter and year ended 31st March, 2021 in line with their earlier reports.
(ii) The subsidiary company has incurred loss in the current year and previous year, its net worth is fully eroded and its current liabilities exceeds the current assets as on 31st March 2021 and 31st March 2020. Further, there are defaults in repayment of loans & interest and non-provision of interest as mentioned in note 6(i) above. Considering, the limited support available from the Holding Company due to its financial constraints, provision for impairment of property, plant and equipment made in the previous year [also refer note 6(v)] and earlier year and management's action to mitigate the impact of COVID-19 as described in note 11, in the opinion of the management, the financial results of the subsidiary company are prepared on going concern basis.
(iii) In respect of dispute over lease rent levied by Director of Sports, the subsidiary company has accounted for the liability amounting to Rs. 1,535.79 lakhs for the period from 1st November, 2014 to 31st March, 2021; which is after making the payment of Rs. 129.85 lakhs in the quarter ended 30th September 2020. Further, during the previous year, the Hon'ble Bombay High Court had appointed sole arbitrator to resolve the disputes. Interest / penalty, if any, will be accounted in the period / year in which dispute will be resolved. Further, during the quarter ended 30th June 2020, the subsidiary company, by invoking COVID-19 as the force majeure event, had applied to the authorities for waiver of lease rent during the lockdown imposed by the Government. The said application is pending and waiver, if any, will be accounted in the period/year in which it will be approved.
(iv) The subsidiary company is in the process of appointing Company Secretary (key managerial personnel) as required by Section 203 of the Companies Act, 2013.
(v) During the year ended 31st March, 2020, based on review of recoverable value in respect of net block of property, plant & equipment, in accordance with Ind AS-36 'Impairment of Assets', provision for impairment loss amounting to Rs. 532.20 lakhs was recognized and shown as an "exceptional item". The management has reviewed the position as at 31st March, 2021 and is of the opinion that no further provision is necessary. Total amount of impairment loss recognised in the books till 31st March, 2021 is Rs. 21,932.29 lakhs.
(vi) During the year, the subsidiary company has paid unsecured advance of Rs. 600 lakhs to Joint Developer for cost to be incurred in respect of joint development agreement entered in September 2019 to develop and commercially exploit certain properties over the land on which the subsidiary company holds leasehold rights. As per the terms agreed between the joint developer and the subsidiary company, the said amount would be utilised for obtaining / seeking the necessary approvals for the development of above-mentioned property. Further, as per the mutual understanding, if the joint developer is not able to obtain the requisite development approvals within reasonable time, the said amount subject to deduction for expense incurred by the joint developer would be refunded to the subsidiary company. The project is at a very nascent stage and more clarity would emerge over the next few months.
- 7 In respect of subsidiary company (MPPL),
The subsidiary company has incurred losses in the current quarter, earlier quarters of current year and in the previous year. Further, its accumulated losses are in excess of its paid up capital and reserves and its current liabilities are exceeding current assets. In the opinion of the management, the financial statements are prepared on going concern basis, considering (a) future prospectus of business from hotel property post expiry of operation and management agreement with holding company; (b) fair value of the underlying hotel property; (c) commitment from the holding company for financial support from time to time and (d) management's action to mitigate the impact of COVID-19 as described in note 11.

SIGNED BY _____
N.A. SHARMA & ASSOCIATES LLP



Kamat Hotels (India) Limited

Registered Office: 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099

CIN: L55101MH1986PLC039307, Tel. No. 022 26164000

Website: www.khil.com, Email:cs@khil.com

- 8 (i) In view of the note 5, 6(ii) and 7 and considering management's opinion, the consolidated financial results have also been prepared on a going concern basis. The statutory auditors have drawn attention of this matter in their report on the consolidated financial results for the year ended 31st March 2021. Further, the statutory auditors had also drawn attention of above matter in their report on the consolidated financial results for the quarter ended 31st December, 2020, 30th September, 2020, 30th June, 2020, in quarters of previous year and reports for the year ended 31st March, 2020, 31st March, 2019.
- (ii) in respect of matter covered in note 6(iii), the statutory auditors have reported the emphasis of matter in their report on the consolidated financial results for the year ended 31st March 2021. Further, emphasis of matter was also reported by the statutory auditors in their limited review report on consolidated financial results for the quarter 31st December 2020, 30th September, 2020, 30th June, 2020, in quarters of previous year and reports for year ended 31st March, 2020, 31st March, 2019 and 31st March, 2018.
- In respect of matter covered in note 6(iv), the statutory auditors have reported emphasis of matter in their report on the consolidated financial results for the year ended 31st March 2021. Further, the statutory auditors had also reported the emphasis of matter in reports for quarter ended 31st December 2020, 30th September 2020, 30th June, 2020 and report for the year ended 31st March, 2020.
- In respect of matter covered in note 6(vi), The statutory auditors have reported emphasis of matter in their report on the financial results for the year ended 31st March 2021.
- 9 In respect of joint venture (IDRL),
During the year ended 31st March, 2021, in accordance with Ind AS 36 – Impairment of assets, the management of the joint venture (JV) company had reviewed the recoverable value in respect of net block of property, plant & equipment. Based on such assessment, management of Holding Company also has carried out assessment of recoverable value of the investment in JV in the consolidated financial statements. Based on such assessment, no provision for impairment loss against investment is required during the year. The group had considered impairment in the value of investment amounting to Rs. 313.87 lakhs in the previous year, representing 32.92% share. The same was disclosed as exceptional item.
- 10 In the previous year, Group's hotel properties in Orissa were affected due to 'Cyclone Fani'.
(a) In respect of holding company, net block of assets of one hotel property in Orissa destroyed was Rs. Nil. The Company had filed the insurance claim and received partial amount as advance in quarter ended 30th June, 2019 and 31st December, 2019. During the quarter ended 30th June, 2020, final approval and insurance claim was received. Accordingly, insurance claim of Rs. 373.17 lakhs was recognised as revenue in the quarter ended 30th June, 2020 and shown under "Exceptional item".
(b) In respect of subsidiary company (MPPL), loss of Rs. 264.43 lakhs was accounted in the year ended 31st March 2020. This was also disclosed as 'exceptional item' in the financial results. Further, during the quarter ended 30th June 2020, upon final approval of the claim, additional loss of Rs. 5.97 lakhs was recognised in the statement of profit and loss. The balance insurance claim was received in quarter ended 30th September 2020.
- 11 Due to outbreak of COVID-19 pandemic, there is a significant impact on the business operations of the Group and joint venture. With the lifting of the lockdown restrictions by Central and State Governments, the Group and joint venture have re-opened their hotels and operations have gradually increased. On account of above, the Group and joint venture have carried out impairment assessment for the carrying value of property, plant & equipment, right of use asset, intangible assets, trade receivables, inventories and other assets based on the internal and external information upto the date of approval of these financial results including potential impact on account of COVID-19. Based on such assessment, in the opinion of management of Group and joint venture, no further provision for impairment is required to be made as the carrying amount of all the assets is expected to be recovered. Further, the Holding Company and joint venture have requested its lenders for extension of payment of dues in view of the challenges faced on account of COVID-19. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Group and joint venture will continue to monitor the future economic conditions and assess its impact on consolidated financial results. In this respect, the statutory auditors have reported emphasis of matter in their report on the consolidated financial results for the year ended 31st March 2021. Further, the statutory auditors had also reported emphasis of matter in their limited review report for the quarter ended 31st December 2020, 30th September, 2020, 30th June, 2020 and report for the year ended 31st March, 2020.
- 12 Results for the quarter and year ended 31st March, 2021 are not comparable with the corresponding quarter and year ended results of the previous year due to impact of COVID-19 pandemic as explained in note 11 above.
- 13 The Holding Company for the current financial year, has opted for lower tax rate under Section 115BAA of the Income Tax Act, 1961. Current tax for the year ended 31st March, 2020 was provided as per old tax regime. Deferred tax asset has been created on losses incurred during the year, considering there is a deferred tax liability on net basis. Further, deferred tax for nine months ended 31st December, 2019 and year ended 31st March, 2020 includes credit of Rs. 349.94 lakhs on account of applying lower tax rate as per the new regime to which the holding company has migrated in the year 2020-21.
- 14 There are no reportable segments under Ind AS-108 'Operating Segments' as the Group and joint venture are operating only in the hospitality service segment, therefore, disclosures of segment wise information is not applicable.
- 15 During the year ended 31st March, 2020, an ARC (to which two banks and one financial institution had assigned the secured debts) had modified terms and conditions of the debt of Holding Company by providing the allocation between principal and interest payable w.e.f 1st April, 2019 vide their letter dated 29th January, 2020. Further, the effective interest rate (EIR) had been recomputed based on the revised principal amount. The Holding Company's management is of the view that the de-recognition and consequent the write back of loan and re-computation of EIR had been done in accordance with the qualitative parameters permitted in Ind AS 109 – 'Financial Instruments' on the basis of opinion obtained from an expert and its ability to make prepayment of loan. Consequently, in the year ended 31st March 2020, the Holding Company had written back the principal amount of Rs. 2,369.28 lakhs outstanding as on 1st April, 2019 and accounted for additional interest of Rs.1,052.67 lakhs pertaining to financial year 2019-20. The principal write back of Rs. 2,369.28 lakhs had been shown as "exceptional item". In this respect, the statutory auditors had reported emphasis of matter in their report on the consolidated financial results for the year ended 31st March 2020.
- 16 (a) The Holding Company had paid excess remuneration of Rs. 41.94 lakhs to its Executive Chairman and Managing Director (ECMD) for the financial year ended 31st March, 2020 which was subject to shareholders approval at AGM. The statutory auditors had reported emphasis of matter in their report on the consolidated financial results for the year ended 31st March 2020. However, subsequent to the approval of audited accounts for the year ended 31st March, 2020, at the meeting of the Board of Directors held on 28th August, 2020, the Board decided to recover the excess remuneration amounting to Rs. 41.94 lakhs in view of ongoing business scenario and consequently the said amount had been written back in quarter ended 30th June, 2020. Out of the excess remuneration paid, Rs. 13.80 lakhs has been recovered till 31st March 2021 and balance Rs. 28.14 lakhs has been recovered before the date of approval of the financial results for the year ended 31st March, 2021
(b) The Holding Company has paid remuneration to its executive chairman and managing director for the financial year ended 31st March 2021 which is in excess of the limits prescribed under section 197 of the Act (read with Schedule V of the Act) by Rs. 30.61 lakhs; the said excess managerial remuneration is fully recovered by the Company before the date of approval of the financial results for the year ended 31st March, 2021.
- 17 Revenue from Operations for the quarter and year ended 31st March, 2021 includes Rs 150.94 lakhs (Previous year Rs. Nil) being grant of indirect taxes refund accrued based on application made by the Holding Company during the year under Maharashtra Package Scheme of Incentives for a hotel unit.
- 18 The consolidated figures for the quarter ended 31st March, 2021 and 31st March, 2020 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published year to date figures up to the quarter ended 31st December, 2020 and 31st December, 2019 which were subjected to limited review.

SIGNED FOR IDENTIFICATION BY

N. A. SHAH ASSOCIATES LLP
MUMBAI



Kamat Hotels (India) Limited

Registered Office: 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099

CIN: L55101MH1986PLC039307, Tel. No. 022 26164000

Website: www.khil.com, Email:cs@khil.com

19 Consolidated statement of assets and liabilities

Particulars	As at	As at
	31st March 2021	31st March 2020
	Audited	Audited
Assets		
Non-current assets		
(a) Property, plant and equipment	32,343.28	33,974.70
(b) Capital work-in-progress	628.04	521.22
(c) Right of use assets	2,120.06	2,170.94
(d) Investment property	1,016.28	1,058.19
(e) Other intangible assets	88.45	88.44
(f) Financial assets		
(i) Investment in joint venture (accounted using equity method)	41.33	108.51
(ii) Investments	19.66	15.32
(iii) Loans	2,082.31	2,023.28
(iv) Other non-current financial assets	25.21	9.86
(g) Income tax assets (net)	1,132.95	991.37
(h) Other non-current assets	4,097.45	3,667.82
Sub- total	43,595.02	44,629.65
Current assets		
(a) Inventories	187.08	314.17
(b) Financial assets		
(i) Investments	5.28	3.81
(ii) Trade receivables	567.54	1,006.52
(iii) Cash and bank balances		
- Cash and cash equivalents	1,346.85	1,535.19
- Other bank balances	103.78	108.96
(iv) Loans	71.95	13.61
(v) Other current financial assets	29.61	70.90
(c) Income tax assets (net)	-	316.64
(d) Other current assets	559.82	569.93
Sub- total	2,871.91	3,939.73
Total Assets	46,466.93	48,569.38
Equity and liabilities		
Equity		
(a) Equity share capital	2,417.26	2,417.26
(b) Other equity	(18,291.89)	(14,716.35)
Sub- total	(15,874.63)	(12,299.09)
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	6,419.49	20,622.70
(ii) Lease liabilities	1,697.05	1,666.52
(iii) Other non-current financial liabilities	107.96	119.86
(b) Other non-current liabilities	378.84	453.32
(c) Provisions	446.91	505.87
(d) Deferred tax liabilities (net)	1,499.90	2,408.40
Sub- total	10,550.15	25,776.67
Current liabilities		
(a) Financial liabilities		
(i) Trade payables		
- Amount due to micro and small enterprises	365.59	334.73
- Amount due to other than micro and small enterprises	2,042.98	2,399.22
(ii) Lease liabilities	197.58	223.22
(iii) Other current financial liabilities (including current maturities of long-term borrowings)	47,503.27	29,870.28
(b) Other current liabilities	1,574.43	2,120.93
(c) Provisions	107.56	143.36
(d) Current tax liabilities(net)	-	0.06
Sub- total	51,791.41	35,091.80
Total equity and liabilities	46,466.93	48,569.38

SIGNED FOR IDENTIFICATION BY

N. A. SHAH ASSOCIATES LLP
MUMBAI

Kamat Hotels (India) Limited

Registered Office: 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099

CIN: L55101MH1986PLC039307, Tel. No. 022 26164000

Website: www.khil.com, Email: cs@khil.com

20 Consolidated statement of cash flows

Particulars	For the year ended	For the year ended
	31st March 2021	31st March 2020
	Audited	Audited
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) / profit before taxes and other comprehensive income	(4,590.87)	2,427.43
Adjustments for:		
Finance cost	4,177.85	3,730.62
Interest income	(68.47)	(58.57)
Depreciation and amortization	1,754.42	1,815.41
Bad debts written off	8.65	13.71
Provision for / (Reversal of) expected credit loss and doubtful debts / advances	86.91	(75.11)
Provision for impairment in investment in subsidiary (exceptional item)	-	532.20
Provision for impairment in investment in joint-venture (exceptional item)	-	313.87
Provision for doubtful custom duty receivable	-	45.00
Loss on account of cyclone	5.97	-
(Profit) / loss on sale/ discard of fixed assets	(25.37)	122.23
Share in loss of joint venture (accounted as per equity method)	67.18	29.10
Rent income	(44.09)	(56.28)
Insurance claim (exceptional item)	(373.17)	-
(Gain) on fair value of investments	(5.81)	(2.87)
Reduction in liability towards long-term borrowings(exceptional item)	-	(2,369.28)
Dividend income	-	(0.43)
Operating profit / (loss) before working capital changes	993.20	6,467.03
Movements in working capital : [Including Current and Non-current]		
(Increase) / decrease in loans, trade receivable and other assets	375.42	320.88
(Increase) / decrease in inventories	127.09	22.18
Increase / (decrease) in trade payable, other liabilities and provisions	(1,608.82)	661.21
Adjustment for:		
Direct taxes (paid) (including tax deducted at source) / refund (net)	214.22	(56.50)
Net cash generated/ (used in) from operating activities...(A)	101.11	7,414.80
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(751.24)	(904.17)
Sale of property, plant and equipment	43.23	2.50
Insurance claim received	182.20	-
Movement in long term loans and advances	(30.00)	(30.00)
Repayment received of loans and advances given	30.00	30.00
Rent income received	44.09	56.28
Interest income	69.72	43.96
Dividend income	-	0.43
(Increase) / decrease in bank balance [Current and non-current] (other than cash and cash equivalent)	5.18	6.80
Adjustment for:		
Direct taxes (paid including tax deducted at source)	(4.96)	(4.80)
Net cash (used in) / from investing activities...(B)	(411.78)	(799.00)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	1,021.02	34.13
Repayment of long term borrowings	(255.28)	(3,210.71)
Interest paid (Including other borrowing cost)	(148.57)	(2,583.87)
Payments of lease liabilities	(154.48)	(41.83)
Net cash (used in) / from financing activities...(C)	462.69	(5,802.28)
Net increase / (decrease) in cash and cash equivalents (A+ B+C)	152.02	813.52
Cash and cash equivalents at beginning of the year (net of book overdraft)	1,194.83	381.31
Cash and cash equivalents at end of the year	1,346.85	1,194.83
Net increase / (decrease) in cash and cash equivalents	152.02	813.52

For and on behalf of the Board of Directors of
Kamat Hotels (India) Limited

Dr. Vithal V. Kamat
Executive Chairman & Managing Director
(DIN : 00195341)

SIGNED FOR IDENTIFICATION BY
hmy
N. A. SHAH ASSOCIATES LLP
MUMBAI



Place: Mumbai
Date: 29th June, 2021

“Asia’s Pioneering Hospitality Chain of Environmentally Sensitive 5 Star Hotels & Resorts”

Annexure-1

Statement of Impact of Audit Qualifications for the financial year ended March 31, 2021

[Pursuant to Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Rupees in lakhs)

I.	Sr. No.	Particulars	Audited figures (as reported before adjusting for qualifications) as per consolidated financial statements/results	Adjusted figures (Audited figures after adjusting for qualifications)
	1.	Turnover/ Total Income	6,749.39	6,749.39
	2.	Total Expenditure(including exceptional items and taxes)	10,990.76	Refer note II (e) (i) below.
	3.	Net Profit/ (Loss) [before other Comprehensive Income]	(3,629.39)	Refer note II (e) (i) below
	4.	Earnings per share	(15.39)	Refer note II (e) (i) below.
	5.	Total Assets	46,466.93	46,466.93
	6.	Total Liabilities	62,341.56	Refer note II (e) (i) below
	7.	Net Worth	(15,874.63)	Refer note II (e) (i) below.
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (Each audit Qualification Separately): In respect of a consolidated financial results/consolidated financial statement.			
	a. Details of Audit Qualification:			
	<p>“With respect to one of the subsidiaries (Orchid Hotels Pune Private Limited) reference is invited to note 36.1(a) of notes to the consolidated financial statements (note 6(i) of the consolidated financial results). Vide agreement dated 24th December 2018, International Asset Reconstruction Company Private Limited (IARC) acquired the loan from M/s Asset Reconstruction Company India Limited (ARCIL) [lender to whom loan was assigned by ICICI Bank in earlier years] for an aggregate amount of Rs. 13,500.00 lakhs. As per the books of the company, total outstanding towards this loan is Rs. 18,833.99 lakhs (including interest liability accounted in books upto 30th September, 2013). The interest amount from 1st October, 2013 till 31st March, 2021 has not been provided in the books nor has the same been quantified. Non-provision of interest is not in compliance with the accounting treatment as prescribed under Ind AS 23 Borrowing Cost. As per the legal opinion obtained by the management, no further liability is required to be accounted now considering the terms of settlement arrangement and pending execution of the definitive agreement (the modalities of which are being worked out).</p>			



REGD OFF.: 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099, India. Tel.: 2616 4000, Fax : 2616 4203
 Email-Id : cs@khil.com | Website: www.khil.com | CIN: L55101MH1986PLC039307








	<p>Had the provision been made, borrowing cost and loss for the current year and previous year and negative net worth as at 31st March, 2021 would increase by the amount of interest for the period 1st October, 2013 to 31st March, 2021 which has not been provided nor quantified by the management in view of reasons as mentioned above.</p> <p>Further, qualified opinion was also given in our independent audit report for the financial year 2017-18, 2018-19 and 2019-20.”</p>
a.	Type of Audit Qualification: Qualified opinion/ Disclaimer of Opinion/ Adverse Opinion
b.	Frequency of Qualification: First time / repetitive/ since how long continuing - from last 3 years as per our reports.
c.	For Audit Qualification(s) where impact is quantified by the auditor, Management’s views: Refer note II (e) (i) below.
d.	For Audit Qualification(s) where the impact is not quantified by the auditor: N. A.
i.	<p>Management’s estimation on the impact of audit qualification:</p> <p>ARCIL reassigned the loan portfolio to IARC for an aggregate amount of Rs. 13,500 lakhs in earlier year. The said assignment was challenged by the subsidiary company before Hon’ble Bombay High Court. Based on communication and written assurances by IARC for amicable resolution with the subsidiary company, the petition was withdrawn. As per the legal opinion obtained by the subsidiary company and in accordance with the settlement arrangement between holding company, the subsidiary company and IARC, the liability shown in financial statement of the subsidiary company as well as loan to subsidiary and guarantees in the financial statement of the holding company (i.e. Guarantors) would get extinguished. Further, the holding company has agreed to transfer 100% equity shares of the subsidiary company to IARC for a consideration of Rs. 1/- and in turn thereof IARC shall release all the corporate and personal guarantees unconditionally. The other terms/conditions and obligation as agreed between the parties along with the extinguishment as mentioned above will be accounted when the definitive agreement is executed. IARC has replied to the subsidiary company, in principle agreeing to the terms of the settlement and also suggested that modalities for achieving this are being worked out. Accordingly, as per the management, no further liability is required to be accounted now.</p>
ii.	If management is unable to estimate the impact, reasons for the same: N.A.
iii.	<p>Auditor’s Comments on (i) or (ii) above:</p> <p>Refer II(a) above</p>



REGD OFF.: 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099, India. Tel.: 2616 4000, Fax : 2616 4203
 Email-Id : cs@khil.com | Website: www.khil.com | CIN: L55101MH1986PLC039307



“Asia’s Pioneering Hospitality Chain of Environmentally Sensitive 5 Star Hotels & Resorts”

III.	Signatories:	
	<ul style="list-style-type: none"> • CEO/ Managing Director 	 Dr. Vithal V. Kamat
	<ul style="list-style-type: none"> • CFO 	 Ms. Smita Nanda
	<ul style="list-style-type: none"> • Chairman of the Audit Committee 	 Mr. Ramnath P. Sarang
	<ul style="list-style-type: none"> • Statutory Auditor 	For N.A. Shah & Associates LLP Chartered Accountants (FRN: 116560W/W100149)  Mr. Sandeep Shah Partner Membership No. 37381 
Place: Mumbai		
Date: 29 th June, 2021		



REGD OFF.: 70-C, Nehru Road, Vile Parle (East), Mumbai - 400 099, India. Tel.: 2616 4000, Fax : 2616 4203
 Email-Id : cs@khil.com | Website: www.khil.com | CIN: L55101MH1986PLC039307

