KAMAT HOTELS (INDIA) LIMITED

"Asia's Pioneering Hospitality Chain of Environmentally Sensitive 5 Star Hotels & Resorts"

5th September, 2022

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

Code: 526668

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

Code:- KAMATHOTEL-EQ

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith 35th Annual Report of the Company. We wish to inform you that 35th AGM is scheduled to be held on Wednesday, 28th September, 2022 at 11.30 a.m. through "Video Conferencing (VC) or Other Audio Visual Means (OAVM)

We also inform you that the Register of Members and the Share Transfer Books in respect of Equity Shares of the Company shall remain closed from Wednesday, 21st September, 2022 to Wednesday, 28th September, 2022 (both days inclusive) for the purpose of 35th Annual General Meeting Annual General Meeting of the Company.

Please find attached herewith Annual Report of the Company for the year ended 31st March, 2022 for your record.

Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully,
For Kamat Hotels (India) Limited

Hemal Sagalia
Company Secretary & Compliance Officer
Encl. a/a.

KAMAT HOTELS (I) LTD. MUMBAI

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

ANNUAL REPORT

2021-2022

From Glorious Himalayas,
To the Blue Oceans.

From Heritage Fort in the rolling hills,
To the Grand Hotels in the cities.

From preserving our rich culture
To your business taking new heights.

Let's explore the unseen of
Kamat Hospitality.

KAMAT HOTELS (INDIA) LIMITED

INDIA'S PIONEERING HOSPITALITY CHAIN OF
ENVIRONMENT-SENSITIVE HOTELS & RESORTS

THE ORCHID® — ECOTEL HOTELS & RESORTS — FRIENDLY. ECO-FRIENDLY

Fort JadhavGADH — A Gadh Heritage Hotel — Ladh, Jhagadh, Aage Badh...

MAHODADHI PALACE — A Beach View Heritage Hotel — Puri - Odisha

LOTUS RESORTS By ORCHID Hotels

THE BACKBONE OF KAMAT HOTELS (INDIA) LIMITED.

Dr. Vithal Venketesh Kamat

Executive Chairman and Managing Director

Dr. Vithal Venketesh Kamat, a second-generation restaurateur, a pioneer in green hotels, an environmentalist, an entrepreneur, an educationalist, an antiquarian, an ornithologist, an author, a globetrotter, and a black belt holder in karate, is a versatile personality. Having begun his journey in a small, family-owned vegetarian restaurant, Dr. Vithal Kamat today is Executive Chairman and Managing Director of Kamat Hotels (India) Limited.

Dr. Vithal Kamat is a recipient of many national and international awards including 'Best CEO of Industry Award' by The Indian Express, 'Golden Peacock Award' received from the hands of His Holiness The Dalai Lama, and the 'Lifetime Achievement Award' in Berlin, Germany.

KAMAT HOTELS (INDIA) LIMITED

BOARD OF DIRECTORS

Dr. Vithal V. Kamat
Executive Chairman and Managing Director

Mr. Ramnath P. Sarang
Independent Director

Ms. Harinder Pal Kaur
Independent Director

Mr. Vilas Ramchandra Koranne
Independent Director

Mr. Sanjeev Badriprasad Rajgarhia
Non Executive non Independent Director

Ms. Vidita V. Kamat
Non Executive non Independent Director

Ms. Smita Nanda
Chief Financial Officer

Mr. Hemal Sagalia
Company Secretary & Compliance Officer

BANKERS
Canara Bank
Union Bank of India
State Bank of India
Axis Bank
Punjab National Bank
Kotak Mahindra Bank
HDFC Bank
UCO Bank

REGISTERED OFFICE
70-C, Nehru Road, Near Santacruz Airport,
Vile Parle (East), Mumbai – 400 099.
Maharashtra, India.
Email : cs@khil.com Website : www.khil.com
Tel No. 022 2616 4000

REGISTRARS AND SHARE TRANSFER AGENTS
Link Intime India Private Limited
C-101, 247 Park,
L.B. S. Marg, Vikhroli (West),
Mumbai – 400 083.
Email : rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in
Tel No.022 49186270 Fax No. 022 49186060

CONTENTS

KAMAT HOTELS (INDIA) LIMITED

KAMAT HOTELS (INDIA) LIMITED

CIN: L55101MH1986PLC039307
Regd. Office : 70-C, Nehru Road, Near Santacruz Airport, Vile Parle (East), Mumbai -400 099.
Tel. No. 022 26164000, Website: www.khil.com, Email: cs@khil.com

Notice

Notice is hereby given that the Thirty Fifth Annual General Meeting of the members of **Kamat Hotels (India) Limited** will be held on Wednesday,28th September, 2022 at 11.30 a.m. through "Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the financial year ended on 31st March, 2022 and Reports of the Board and Auditors thereon.

2. To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT Ms. Vidita V. Kamat (DIN: 03043066), a Director liable to retire by rotation, who retires by rotation and being is eligible, offers herself for re-appointment."

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139,142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. N. A. Shah Associates LLP, Chartered Accountants (FRN: 116560W/W100149) be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 40th Annual General Meeting of the Company on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

   RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take such steps as may be necessary, expedient or desirable to give effect to this resolution."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 196, 203 and all other applicable provisions if any, read with Schedule V of the Companies Act, 2013 ('Act') and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard, the approval of the Members of the Company be and is hereby accorded for the re-appointment of Dr. Vithal V. Kamat (DIN: 00195341) as an Executive Chairman and Managing Director of the Company who shall not be liable to retire by rotation, for a period of 5 years w.e.f. 1st October, 2022 to 30th September, 2027 on the terms specifically approved with powers to the Board of Directors (which term shall be deemed to include any committee thereof for the time being and from time to time, to which all or any of the powers hereby conferred on the Board by this resolution may have been delegated) as set out in the annexed Explanatory Statement in respect of Item No. 4 with authority to the Board of Directors to alter, amend, vary and modify the terms and conditions of the said re-appointment from time to time as they deem fit in such manner as prescribed under to the said Act or any statutory amendment(s) and/or modification(s) thereof.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to take such steps as may be necessary, expedient or desirable to give effect to this Resolution."

Registered Office:
70-C, Nehru Road, Near Santacruz Airport, Vile Parle (East),
Mumbai - 400 099,
Maharashtra, India.

Place: Mumbai
Date: 19th May, 2022

By Order of the Board of Directors
KAMAT HOTELS (INDIA) LIMITED

Hemal Sagalia
Company Secretary & Compliance Officer

NOTES:

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs (**'MCA'**) and Securities and Exchange Board of India (**'SEBI'**) allowed the Companies to hold AGM through VC/OAVM, without physical presence of members at the venue vide Genera l Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020, General Circular No. 20/2020 dated 5th May, 2020, General Circular No. 19/2021 dated 8th December, 2021, General Circular No. 21/2021 dated 14th December, 2021, General Circular No. 02/2021 dated 13th January, 2021 and Circular No.02/2022 dated 5th May, 2022 (collectively referred as 'MCA Circulars') and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/ HO / CFD / CMD2 / CIR/P/2021/11 dated 15th January 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 (collectively referred as 'Circulars') respectively. In compliance with the aforesaid Circulars, the AGM of the Company will be held through VC/OAVM.
2. The Company has enabled the Members to participate at the 35th AGM through the VC facility provided by Link Intime India Private Limited, Registrar and Share Transfer Agents ('RTA /LIIPL'). The instructions for participation by the Members are given in the subsequent paragraphs. Participation at the AGM through VC shall be allowed on a first-come-first-serve basis.
3. In compliance with the aforesaid Circulars, Members attending the 35th AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. The Company has provided the facility to Members to exercise their right to vote by electronic means, both through remote e-voting and e-voting during the AGM. The process of remote e-voting with necessary user id and password is given in the subsequent paragraphs. Such remote e-voting facility is in addition to e-voting that will take place during the 35th AGM being held through VC.
5. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting during the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
6. Since the AGM is being held through video conferencing/other audio-visual means, physical attendance of Members has been dispensed with for the 35th AGM. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form, Attendance Slip and route map of the AGM venue are not annexed to this Notice. However, a Member may appoint a representative as per applicable provisions of the Companies Act, 2013 to attend and/or vote.
7. The Explanatory Statement pursuant to Section 102 of the Act, in respect of the Business mentioned in Item No. 3 to item No. 4 of the accompanying Notice is annexed hereto.
8. Corporate Members are required to access the link https://instameet.linkintime.co.in and upload a certified copy of the Board resolution authorizing their representative to attend the AGM through VC and vote on their behalf.
9. In case of joint holders attending the Meeting, the member whose name appears as the first holder in the order of names shall be entitled to vote.
10. The Register of Directors and Key Managerial Personnel ('KMP') and their shareholding, maintained under Section 170 of the Act and the Register of Contracts and Arrangements, in which the Directors are interested, maintained under Section 189 of the Act, shall be available for inspection during the 35th AGM. Members seeking to inspect such documents can send an email to cs@khil.com.
11. Members are requested to note that the Company's Equity shares are under compulsory DEMAT trading for all class of investors, as per the provisions of SEBI circular dated 29th May, 2000. In view of above, members are advised in their own interest to dematerialize the shares held by them in physical form to avoid inconvenience and avail various benefits of dematerialization.
12. In line with the aforesaid Circulars, the notice of the 35th AGM along with the Annual Report 2021-22 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may please note that this Notice and Annual Report 2021-22 is also being available on the Company's website at https://www.khil.com/annual-reports/annual-reports.html and on the websites of the Stock Exchanges i.e. BSE Limited and The National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively.
13. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 21st September, 2022 to Wednesday, 28th September, 2022 (both days inclusive) for determining the name of members for the purpose of AGM.
14. E-voting period will start from Sunday, 25th September, 2022 at 9:30 a.m. and will end on Tuesday, 27th September, 2022 at 5:00 p.m. Members holding shares as at the close of business hours on Tuesday, 20th September, 2022 (being 'cut-off date') shall be entitled to vote on the matters provided in this Notice.
15. Members, in the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from the IEPF authority by submitting an online application in e-Form IEPF-5 available on http://www.iepf.gov.in/ along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a Financial Year as per the IEPF Rules. Pursuant to Rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company on its website at https://www.khil.com/investors/investors.html and also on the website of the MCA.
16. Members desirous of obtaining any information on the financials and operations of the Company, are requested to send an email to the Company at least seven working days prior to the date of the AGM, so that the information can be kept ready during the meeting.

17. **Remote e-Voting Instructions for shareholders:**

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL

   Existing IDeAS user can visit the e-Services website of NSDL viz... https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login"" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to “InstaVote” website for casting your vote during the remote e-Voting period.

   If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

   Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL

   Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.

   After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

   If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.

   Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form is given below:

Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in
2. Click on **“Sign Up”** under **‘SHARE HOLDER’** tab and register with your following details: -

   A. User ID: Shareholders holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.

   B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

   C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

   D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

   Shareholders/ members holding shares in **physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

   ➢ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

   ➢ Click “confirm” (Your password is now generated).
3. Click on ‘Login’ under **‘SHARE HOLDER’** tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **‘Submit’.**

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon**.**
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
4. After selecting the desired option i.e. Favour / Against, click on **'Submit'.** A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes',** else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as **'Custodian / Mutual Fund / Corporate Body'**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body'** login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22- 23058542-43.

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login Type	helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at voting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/Institutional shareholders & e-voting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022-4918 6000.

***Instructions for attending the AGM through VC:**

I. Open the internet browser and launch the URL: https://instameet.linkintime.co.in

*Select the "Company" and 'Event Date' and register with your following details:

i. **Demat Account No. or Folio No:** Enter your 16 digit DEMAT Account No. or Folio No

a) Shareholders/members holding shares in **CDSL DEMAT account shall provide 16 Digit Beneficiary ID**

b) Shareholders/members holding shares in **NSDL DEMAT account shall provide 8 Character DP ID followed by 8 Digit Client ID**

c) Shareholders/members holding shares in **physical form shall provide Folio Number registered with the Company**

ii. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

iii. **Mobile No.:** Enter your mobile number.

iv. **Email ID:** Enter your email id, as recorded with your DP/Company.

*Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Note: Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/InstaMeet website.

Instructions for Shareholders/Members to Speak during the Annual General Meeting through InstaMeet:

i. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on cs@khil.com.

ii. Shareholders will get confirmation on first cum first serve basis depending upon the provision made by the client.

iii. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.

iv. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.

v. Please remember your speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Note: Shareholders are requested to speak only when moderator of the meeting/management will announce the name and serial number for speaking.

***Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer/moderator during the meeting, shareholders/members who have not exercised their vote through the remote e-voting can cast the vote as under:

1) On the Shareholders VC page, click on the link for e-Voting "Cast your vote"

2) Enter your 16-digit DEMAT Account No./Folio No. and OTP (received on the registered mobile number/registered email Id) received during registration for InstaMeet and click on 'Submit'.

3) After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.

4) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

5) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

6) Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/members have any queries regarding login/e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Other Instructions:

1. A Member can opt for only one mode of voting, i.e. either through Remote e-voting or by e-voting during the AGM. If a Member casts his/her vote using both the modes, then voting done through Remote e-voting shall prevail.
2. Members, whose names appear in the Register of Members/Record of Depositories as on Friday 26th August, 2022, will be eligible for voting. The voting shall be reckoned in proportion to a Member's share of voting rights on the paid-up share capital of the Company as on the cut-off date. Any recipient of the AGM Notice who is not a member as on the said date should treat this notice for information purpose only.
3. Mr. Vidyadhar V. Chakradeo of M/s. Chakradeo & Co. , Practicing Company Secretaries, Mumbai (COP No. 1705), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. The results of the votes cast through e-voting and remote e-voting will be declared in the manner as specified under the applicable rules and regulations.
5. The results declared along with the Scrutinizer's Report will be communicated to the BSE Ltd. and The National Stock Exchange of India Ltd. and will also be placed on the Company's website www.khil.com and on the website of e-voting service provider (https://instavote.linkintime.co.in) immediately after the result is declared by the Chairman of the Company or any other person authorized by him.
6. In case of any query/grievance relating to e-voting, Members may contact LIIPL by forwarding an e-mail at enotices@linkintime.co.in or the Secretarial Department of the Company at cs@khil.com.
7. Members are requested to notify any change in their address immediately, to their respective Depository Participants in respect of their shares held in electronic form quoting Client ID No. and to the RTA of the Company in respect of their physical shares, quoting the Folio No. The members are also requested to submit the proof of changed address for verification purpose.
8. Securities and Exchange Board of India (SEBI) has, vide its circular number SEBI / HO / MIRSD / MIRSD _ RTAMB / P /CIR / 2021 / 655 dated 3rd November, 2021, mandated to all the physical security holders for furnishing their PAN, KYC and Nomination details with Company or RTA. The communication with respect to the said circular has already been forwarded to all such shareholder for updating their PAN, KYC and Nomination details with the Company / RTA. In the event where any one of the aforesaid details is not updated on or before 31st March, 2023, the Company / RTA will freeze the physical folios, effective from 1st April, 2023.
9. Payment of dividend will be made through National Electronic Clearing Service (NECS) at the RBI Centers by crediting the dividend amount to the bank account of the Members, wherever relevant information is made available to the Company.

   Members holding shares in physical form and covered under RBI centers, and who have not furnished requisite information and who wish to avail the NECS facility to receive dividend from the Company, may furnish the information to RTA of the Company. Members holding shares in electronic form may furnish the information to their respective Depository Participant(s) in order to receive dividend through NECS mechanism.
10. Members, who hold share under multiple folios in same name(s) or in joint holding, but in same order of names, are requested to consolidate their holdings into single folio.
11. With a view of supporting the 'Go Green initiative', we request Members to register/update their email address with their Depository Participant(s) to enable the Company to send future communications electronically.

Registered Office:
70-C, Nehru Road, Near Santacruz Airport, Vile Parle (East),
Mumbai - 400 099,
Maharashtra, India.

By Order of the Board of Directors
KAMAT HOTELS (INDIA) LIMITED

Place: Mumbai
Date: 19th May, 2022

Hemal Sagalia
Company Secretary & Compliance Officer

ANNEXURE I TO THE NOTICE

EXPLANATORY STATEMENT SETTING OUT THE MATERIAL FACTS AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM No. 3:

In accordance with Section 139 & 142 of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended, M/s. N. A. Shah Associates LLP, Chartered Accountants (FRN: 116560W/W100149) (herein referred to as the 'Statutory Auditors') were appointed as the Statutory Auditors of the Company to hold office for a period of five consecutive years to examine and audit the accounts of the Company from the conclusion of the 30th Annual General Meeting ('AGM') of the Company until the conclusion of the 35th AGM of the Company.

Pursuant to the provisions of Section 139(2) of the Act, a listed company can appoint / re- appoint an audit firm for a period of not more than two terms of five consecutive years.

As such, M/s. N. A. Shah Associates LLP, the existing Statutory Auditors of the Company will complete their first term as Statutory Auditors of the Company at the conclusion of the ensuing 35th AGM and are eligible to be re-appointed as the Statutory Auditors of the Company for another term of five years.

After evaluating various factors such as independence, industry experience, technical skills, geographical presence, audit team, audit quality reports, etc., the Board of Directors of the Company, based on the recommendations of the Audit Committee, approved the re–appointment of M/s. N. A. Shah Associates LLP as the Statutory Auditors of the Company to hold office for a second term of five consecutive years from the conclusion of the 35th AGM till the conclusion of the 40th AGM of the Company to be held in the year 2027 to examine and audit the accounts of the Company. The remuneration of their term shall be determined based on the recommendation of the Audit Committee and as mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

Pursuant to Section 139 of the Act and the rules framed thereunder, the Company has received written consent from the Statutory Auditors and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

The Board commends the Ordinary Resolution set out at Item No. 3 of the accompanying Notice for approval by the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives are, in any way are concerned or interested, in the Resolution set out at Item No. 3 of the accompanying Notice.

Item No. 4.

The shareholders had, at the 32nd Annual General Meeting held on 18th September, 2019, appointed Dr. Vithal V. Kamat as Executive Chairman and Managing Director of the Company for a period of 3 years from 1st October, 2019. The tenure of Dr. Vithal V. Kamat as Executive Chairman and Managing Director will expire on 30th September, 2022. Therefore it is proposed that Dr. Vithal V. Kamat be reappointed as Executive Chairman and Managing Director of the Company for a further period form 1st October, 2022.

Dr. Vithal V. Kamat satisfied all the conditions set out in the Companies Act, 2013 (including any amendments thereto) read with the conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for re-appointment. Dr. Vithal Kamat will attain the age of 70 years on November 28, 2022. As a matter of abundant caution, it is proposed to obtain approval of the shareholders as per the provisions of Section196(3) of Companies Act, 2013 for continuation of his employment as an Executive Chairman & Managing Director. Hence a Special Resolution is proposed at Item No. 4 of the Notice. Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

Pursuant to the recommendation of Nomination and Remuneration Committee and the Board of Directors at their meetings held on 19th May, 2022 approved the re-appointment of Dr. Vithal V. Kamat as an Executive Chairman and Managing Director for a period of 5 years effective from 1st October, 2022 on the following terms and conditions, subject to approval of the members in general meeting.

The brief resume of Dr. Vithal V. Kamat is provided in Annexure II to the notice.

Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of Dr. Vithal V. Kamat as Executive Chairman & Managing Director of the Company w.e.f. 1st October, 2022 upto 30th September, 2027. A copy of the appointment letter of Dr. Vithal V. Kamat for re-appointment is available for inspection between 11.00 a.m. to 1.00 p.m. during office hours on all working days except Sundays and Holidays at the Registered Office of the Company.

None of the Directors and Key Managerial Personnel except Ms. Vidita V. Kamat, Daughter of Dr. Vithal V. Kamat and non executive non Independent Director of the Company and Dr. Vithal V. Kamat is concerned or interested, financially or otherwise, in the said resolution. The Directors recommend the passing of the resolutions set out at Item No. 4 of the accompanying Notice as special resolution.

Registered Office:
70-C, Nehru Road, Near Santacruz Airport, Vile Parle (East),
Mumbai - 400 099,
Maharashtra, India.

Place: Mumbai
Date: 19th May, 2022

By Order of the Board of Directors
KAMAT HOTELS (INDIA) LIMITED

Hemal Sagalia
Company Secretary & Compliance Officer

ANNEXURE II TO THE NOTICE

As required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of the Directors seeking appointment/ re-appointment is as follows:

1. Name: **Dr. Vithal V. Kamat (DIN 00195341) Age - 70 years**

   Dr. Vithal V. Kamat, Executive Chairman and Managing Director of Kamat Hotels (India) Limited, is a well-known hotelier in the Country. He is in the hospitality business for about 49 years. Under his leadership and due to his initiation “The Orchid” (Flagship unit of the Company) has become the Asia's first Ecotel Hotel in a 5 Star Category. For this Dr. Vithal V. Kamat has won 97 prestigious National and International awards for, "The Orchid Hotel" over the period of time since the operation of this hotel.

   Dr. Vithal V. Kamat is a Diploma holder in Electrical Engineering (IV Sem). Padmashree D.Y. Patil University honored him with the degree of Doctor of Science (Honoris Causa) on 13th April, 2012. He is also awarded with the IHC Life Time Achievement Award in Hospitality and was honored by International Hospitality Council London. His name was published in IIHM Times in May 2019 and Times Hospitality Icon -Veteran Hotelier award- 2019.

2. **Name: Ms. Vidita V. Kamat (DIN 03043066) Age- 35 years**

   Ms. Vidita V. Kamat is a commerce graduate (Mumbai University) and Diploma in Craft Course. She has 11 years of experience in Bakery & Confectionary.

Particulars	Name of the Directors	
	Dr. Vithal V. Kamat	Ms. Vidita V. Kamat
Remuneration last drawn (including sitting fees, if any)	NIL	Rs. 100,000/-
Date of first appointment on the Board	21-03-1986	29-09-2020
Shareholding in Kamat Hotels (India) Ltd as on March 31, 2022	32,54,990 Shares	500
Number of meetings of the Board attended during the financial year (2021-22)	5	5
Relationship with other Directors	Ms. Vidita V. Kamat is daughter of Dr. Vithal V. Kamat and non-executive non independent director of the Company	daughter of Dr. Vithal V. Kamat, ECMD ofthe Company.
Directorships held in other Listed Companies:	NIL	NIL
Audit Committee Membership in other Listed Companies*	NIL	NIL
Stakeholders Relationship Committee Membership in other Listed Companies	NIL	NIL

*Committee Membership or chairmanship includes only Audit Committee and stakeholders relationship committee of public limited Companies (if listed or not).

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the 35th Annual Report together with the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31st March, 2022.

FINANCIAL SUMMARY:

The financial summary for the year under review is as below:

(Rs. in lakhs)

Particulars	Standalone	
	Year ended 31st March, 2022	**Year ended 31st March, 2021**
Total Income	**10,879.27**	**5,262.75**
Profit Before Interest, Depreciation &Taxation	2,785.93	803.70
Less: Interest and Finance Charges (net)	4,752.76	3,890.77
Less: Depreciation and Amortisation	1,003.33	1,000.86
Profit / (Loss) Before Exceptional Item and Tax	**(2,970.16)**	**(4,087.93)**
Add/(Less): Exceptional Item – Income / (expenses) (Net)	-	373.17
Profit Before Tax	**(2,970.16)**	**(3,714.76)**
Add: Deferred Tax (credit)	(735.76)	(957.56)
Other Comprehensive Income	18.69	34.15
Total Comprehensive Income	(2,215.71)	(2,723.05)
Basic & diluted earnings per share (in Rs.)	**(9.47)**	**(11.69)**

PERFORMANCE REVIEW:

The average occupancy of hotels of the Company i.e. 'The Orchid, Mumbai', was around 58% and VITS Mumbai was around 77%. The Average Room Rate during the year under review, was at Rs. 3,903 at The Orchid, Mumbai as compared to Rs. 3,145 in the previous year and at Rs. 2,958 at VITS, Mumbai as compared to Rs. 2,501 in the previous year.

STANDALONE FINANCIAL PERFORMANCE:

The total revenue from operations of the Company for the year was recorded at Rs. 10,818.68 lakhs (of which the turnover of Rs. 4,849.04 lakhs pertains to The Orchid, Mumbai, Rs. 2,409.43 lakhs pertains to VITS Mumbai and Rs. 3,560.21 lakhs pertains to other units) as against Rs. 5,162.26 lakhs in the previous year, an increase of around 109.57% over the last year. The Company's loss after tax is Rs. 2,234.40 lakhs as compared to Loss of Rs. 2,757.20 lakhs of previous year (excluding other comprehensive income).

MANAGEMENT/ FRANCHISEE / CONTRACTS/OTHERS:

During the year under review, the agreements entered for Management of The Orchid Hotel Pune and VITS Bhubaneswar continued. Also the arrangement under Business Contract Agreement for operation of Mahodadhi Palace Puri continued. During the year under Review, company had accorded its consent to enter into Loyalty and Service agreement with Orchid Loyalty Private Limited to increase revenue of its Units/Hotels.

DIVIDEND:

In view of the prolonged lockdown and consequent travel restrictions to avoid spread of COVID-19 pandemic imposed by the Government of India as well other countries globally almost all business segments were severely impacted. In these unforeseen and uncertain times, it is difficult to predict when business conditions will normalise. Therefore, in view of losses in current year and in order to conserve cash and ensure/liquidity for the operations for the Financial Year 2021-22, the Board of Directors decided not to recommend any dividend to the shareholders for the financial year 2021-22.

TRANSFER TO RESERVES:

Due to losses in FY 2021-22, no amount has been transferred to Reserves.

SHARE CAPITAL:

There was no change in the share capital of the Company during the year. As on 31st March, 2022, the Authorised Share Capital of the Company stands at Rs. 3,425 lakhs (excluding forfeited share capital) divided into 3,42,50,000 equity shares of Rs. 10/- each whereas the issued, subscribed and paid up capital stood at Rs. 2,358.41 lakhs divided into 2,35,84,058 equity shares of Rs. 10/- each.

MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.

REPORT ON THE PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES IN TERMS OF RULE 8(1) OF COMPANIES (ACCOUNTS) RULES, 2014:

In accordance with the provisions of the Companies ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015("Listing Regulations") and Ind AS 110, the Audited Consolidated Financial Statement forms part of the Annual Report.

A copy of Audited Financial Statements of the Subsidiaries/Associates/Joint Ventures shall be made available for inspection at the Registered Office of the Company during business hours. Any shareholder interested in obtaining a copy of separate Financial Statement of the Subsidiaries Associates/Joint Ventures shall make specific request in writing to the Corporate Secretarial Department of the Company.

The Audited Financial Statements of the Subsidiaries/ Associates/Joint Ventures are also available on the website of the Company. In view of this, the Balance Sheet, Statement of Profit and Loss and other related documents of the Subsidiaries/ Associates/ Joint Venture Companies are not attached to the Annual Report. However, the statement containing the salient features which is required to be given in Form AOC -1 are provided with the Consolidated Financial Statement of the Company, hence not repeated for the sake of brevity. As on 31st March, 2022 following are the Subsidiaries and Joint Venture of the Company.

SUBSIDIARY COMPANIES:

1. Orchid Hotels Pune Private Limited (OHPPL)
2. Mahodadhi Palace Private Limited (MPPL)
3. Kamats Restaurants (India) Private Limited (KRIPL)
4. Fort Jadhavgadh Hotels Private Limited (FJHPL)
5. Orchid Hotels Eastern (I) Private Limited (OHEIPL)

JOINT VENTURE COMPANY:

Ilex Developers and Resorts Limited

During the year, the Company has not sold or liquidated any of its Subsidiaries / Associates /Joint Ventures and no Subsidiaries/Associates/ Joint Ventures became/ ceased to be Subsidiaries/Associates/Joint Ventures of the Company and all Subsidiaries/Associates/Joint Ventures are operative.

NOTE ON FINANCIALS OF SUBSIDIARY (OHPPL):

In respect of subsidiary Company i.e. Orchid Hotels Pune Private Limited (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 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 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, 2022 has not been provided in book 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 of OHPPL and in accordance with the settlement arrangement between Company, subsidiary and IARC, the liability shown in financial statement of the subsidiary as well as loan and guarantees in the financial statement of the Company (i.e. Guarantors) would get extinguished. Further, the Company has agreed to transfer 100% equity shares of the subsidiary company (OHPPL) to IARC for a consideration of Rs. 1/- and in turn thereof IARC shall release all the corporate and personal guarantees unconditionally. IARC has replied to the 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 Company no further liability is required to be accounted now. However, for implementation of the Settlement Agreement the OHPPL has filed a Commercial Suit before the Ld. District Court, Pune seeking specific performance (under The Specific Relief Act, 1963) of the obligations by IARC in terms of the One Time Settlement, as narrated hereinabove. The said Commercial Suit is pending hearing and final adjudication.

The statutory auditors have continued to comment on this matter in their report on the financial results for the quarter and twelve months ended 31st March, 2022 in line with their earlier reports.

SECRETARIAL STANDARDS:

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As on the date of this report, the Company has 6(Six) Directors including 3(Three) Executive and 3(Three) Independent Directors.

b. Directors retiring by rotation:

   In accordance with the provisions of the Act and the Articles of Association of the Company, Ms. Vidita V. Kamat (DIN 03043066), Director of the Company, retire by rotation, at the ensuing Annual General Meeting, and being eligible, offers herself for re-appointment

c. Declaration by Independent Directors:

The Company has received necessary declaration from each of the Independent Directors, under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of Independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Act and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. There has been no change in the circumstances affecting their status as Independent Directors of the Company. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

The Independent Directors of the Company have confirmed that they have registered their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules,2014 (as amended). The Independent Directors of the Company possess the requisite experience and they had successfully qualified the online proficiency self-assessment test conducted by The Indian Institute of Corporate Affairs (IICA) for Independent Directors Data Bank.

Pursuant to rule 8(5) (iii a) of Companies (Accounts) Rules, 2014 the Board of Directors hereby do confirm about the integrity, expertise and experience of all the directors of the Company. The Board further acknowledge the fact that the directors who are required to pass the assessment test of proficiency of Independent Directors have passed the examination conducted by the institute under section 150 (1) of the Companies Act, 2013.

d. Woman Director:

In terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has complied with the requirement of having at least one Independent Woman Director on the Board of the Company.

e. Non-Executive Directors:

Dr. Vithal V. Kamat, Executive Chairman and Managing Director, Mr. Sanjeev B. Rajgarhia and Ms. Vidita V. Kamat are the Non-Executive Directors of the Company. Others are Independent Directors of the Company.

f. Key Management Personnel (KMP):

As on date Dr. Vithal V. Kamat, Executive Chairman and Managing Director, Ms.Smita Nanda, Chief Financial Officer and Mr. Hemal Sagalia, Company Secretary are the Key Managerial Personnel of the Company in accordance with the provisions of Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules-2014.

FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS:

The Company constantly endeavors to familiarize its Independent Directors on the functioning of the Company, so that they are aware of the functions of the Company and their expertise can be utilized for the betterment of the Company. In this view the Company has conducted Familiarization Programmes to familiarize the Independent Directors of the Company. Details of the same are disclosed on the website of the Company and the web link of the same is http://www.khil.com/investors/policies.html.

EXTRACT OF ANNUAL RETURN:

As provided under Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the extract of annual return in Form MGT-9 is available on the website of the Company at https://www.khil.com/annual-reports/annual-reports.html

NUMBER OF MEETINGS OF THE BOARD:

During the financial year under review, 5(five) meetings of the Board of Directors were held.

The intervening gap between two Board meetings was not more than 120 days. The particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report, which forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors state that:

1. in the preparation of the annual accounts for the year ended 31st March 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed and that there are no material departures from the same;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the profit of the Company for the financial year ended on that date;
3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual accounts have been prepared on a going concern basis;
5. The Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and are operating effectively; and

6. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

NOMINATION AND REMUNERATION POLICY:

In terms of Section 178 (3) of the Companies Act, 2013, and Listing Regulations, a policy on Nomination and Remuneration of Directors and Senior Management Employees including, inter alia, criteria for determining qualifications, positive attributes, independence of directors and policy on Board diversity was formulated by the Nomination and Remuneration Committee and has been adopted by the Board of Directors. The said policy is made available on the website of the Company www.khil.com and its web link is http://www.khil.com/investors/policies.html.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Particulars of loans given, guarantees given, Investments made and securities provided by the Company under Section 186 of the Companies Act, 2013 are given as under:

(Rs. In lakhs)

Particulars	Opening Balances	Movement during the year	Closing Balance
Loans Given	-	-	-
Guarantee Given/ Security Provided	22,500.00	-	22,500.00
Investment Made	28.94	(0.61)	28.33*

* Movement in the year represents Fair value adjustment

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY:

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is available on the website of the Company www.khil.com and its web link is https://www.khil.com/investors/policies.html. The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and Related Parties. All transactions entered into by the Company with Related Parties were in ordinary course of business and at arm’s length basis.

The Audit Committee has granted omnibus approval for the transactions (which are repetitive in nature) and the same was reviewed by the Audit Committee and Board of Directors.

During the year, the Company did not enter into any contract, arrangement or transaction with Related Parties that could be considered material in accordance with the Related Party Transaction Policy of the Company.

Suitable disclosure as required under Ind-AS-24 has been made in Notes to the Financial Statements.

STATEMENT OF ANNUAL PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS:

The Company has established the procedure for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-executive Directors and Executive Directors.

The performance evaluation process inter-alia considers attendance of Directors at Board and Committee Meetings, acquaintance with business, communication inter se board members, effective participation, domain knowledge, and compliance with code of conduct, vision and strategy.

The Board carried out an annual performance evaluation of the Board, Committee, Individual Directors and the Chairperson. The Chairman of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on evaluation report received from respective Committees.

The report on performance evaluation of the individual Directors was reviewed by the Chairman of the Board and feedback was given to Directors.

MEETING OF INDEPENDENT DIRECTORS:

The Meeting of Independent Directors was conducted in an informal and flexible manner to enable the Independent Directors to discuss matters pertaining to inter alia review of performance of Non-Independent Directors and the Board as a whole, review the performance of the Executive Chairman of the Company (taking into account the views of the Executive and Non- Executive Directors), review the performance of the Company, assess the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

The meeting of the independent Directors for the financial year under review was held on 28th March, 2022

The Chairman of the meeting of Independent Directors apprised the Chairman of the Company regarding the views/concerns, if any, of Independent Directors.

VIGIL MECHANISM:

The Company has established a Vigil Mechanism for Directors and employees to report genuine concerns. The Vigil Mechanism enable the Directors, employees and all stakeholders of the Company to report genuine concerns and provides for adequate safeguards against victimization of person who use Vigil Mechanism and also makes provision for direct access to the Chairman of the Audit Committee. The functioning of the Vigil mechanism is reviewed by the Audit Committee from time to time.

None of the whistle blowers have been denied access to the Audit Committee of the Board. The detail of Vigil Mechanism is put on the Company's website and can be accessed at www.khil.com and its web link is http://www.khil.com/investors/policies.html.

AUDIT COMMITTEE:

The composition of the Audit Committee as required to be disclosed under Section 177(8) of the Companies Act, 2013 is given in Corporate Governance report which forms part of this Annual Report. During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

RISK MANAGEMENT:

Your Company has a well defined Risk Management framework, which is designed to enable risk to be identified, assessed and mitigated appropriately.

A quarterly review report on compliance with Risk Management framework of the Company is placed before the Audit Committee of the Company.

During the year under review, no risk threatening the existence of the Company was identified.

The Company has reported the Pandemic caused by the Covid-19 as governed under the Companies Act, 2013.

DISCLOSURE OF PECUNIARY RELATIONSHIP:

During the year, there was no pecuniary relationship or transactions between non-executive directors and the company. No payment, except sitting fees, was given to non-executive directors of the Company. No convertible instruments are held by any of the non-executive directors.

DETAILS OF SHARES ISSUED WITH DIFFERENTIAL VOTING RIGHTS AND SWEAT EQUITIES:

During the year under review, the company has not issued any shares with differential voting rights as to dividend, voting or otherwise and sweat equity shares.

EMPLOYEE STOCK OPTION SCHEME:

During the year under review, no option was granted or vested to any employee or Directors of the Company.

PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES:

The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustee for the benefit of employees.

DEPOSITS:

The Company did not accept any deposits within the meaning of Section 73 of the Companies Act, 2013 and Rules made there under at the beginning of the year. During the year under review, the Company has neither invited nor accepted any deposit under Section 73 of the Companies Act, 2013 and the rules made there under and no deposit was remaining unpaid or unclaimed as at the end of the year.

COST AUDIT:

The Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Act.

SECRETARIAL AUDIT:

In The Secretarial Auditor's Report do not contain any qualifications, reservations, or adverse remarks or disclaimer.

As per Regulation 24A of SEBI Listing Regulations, the Secretarial Audit Reports of the Company and material unlisted subsidiary viz. Orchid Hotels Pune Private Limited are attached to this report as **"Annexure A".**

EMPLOYEE REMUNERATION: [DETAILS AS PER SECTION 197(12) READ WITH RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIALPERSONNEL) RULES, 2014]:

Disclosures relating to remuneration of Directors, Key Managerial Personnel (KMPs) and employees as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in "***Annexure B"*** to this Report. During the year under review, there were no employees falling under the criteria specified under section 197(12) of the Companies Act, 2013 and rule 5(2) of the of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However, other information as required under said rule may be obtained by the members by writing to the Company Secretary of your Company and the same be furnished on request and is also made available on the Company's website i.e.www.khil.com

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Conservation of Energy:

The Company continued energy conservation efforts during the year. It has closely monitored power consumption and running hours on day to day basis, thus resulting in optimum utilization of energy. The hotels are fitted with energy saving devices to conserve energy in the long run.

a) Technology Absorption:

(i) the efforts made towards technology absorption: The activities of the Company at present do not involve technology absorption and research and development.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution; N.A.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a) the details of technology imported; N.A.

b) the year of import; N.A.

c) whether the technology been fully absorbed; N.A.

d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; N.A. and

e) the expenditure incurred on Research and Development. N.A.

The activities of the Company at present do not involve technology absorption and research and development.

f) Foreign exchange earnings and outgo:

Earnings: Rs. 337.27 lakhs (Previous Year Rs. 174.05 Lakhs) Utilization (including import of capital goods): Rs.261.43 lakhs (Previous Year Rs. 7.13 Lakhs)

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review, no significant or material orders were by passed by the regulators or courts or tribunals which had an impact on the going concern status of the company and its operations in future.

Pursuant to rule 8 (xi) of the Companies (accounts) Rules, 2014, in the matter of Kabra Travel Services Private Limited a petition was filed by the Company before adjudicating authority NCLT, Mumbai for initiating a corporate insolvency resolution under section 9 of the insolvency and bankruptcy code 2016 for recovery which is dismissed on technical ground by the adjudicating authority. The Company is preferring an appeal before NCLAT Delhi for appropriate relief.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT:

Your Company has in place adequate internal financial controls with reference to financial statements, commensurate with the size, scale and complexity of its operations. The Company has laid down standards, processes and structures which enable implementation of internal financial control across the organization and ensure that the same are adequate and operating effectively. Financial Controls are operative for all the business activities of the Company and no material weakness in the design or operation of any control was observed. During the year the internal financial controls as laid down are adequate and were operating effectively.

Furthermore, in accordance with Section 149(8), read with the Code for Independent Directors laid down under Schedule IV, Clause II (4) of the Companies Act, 2013, the Independent Directors have satisfied themselves on the integrity of financial information and have ensured that Financial Controls and systems are robust and secure. The Board has empowered the Audit Committee to periodically review and confirm that the mechanism remains effective and fulfill the objectives for which they have been created.

DISCLOSURES RELATING TO UNCLAIMED SUSPENSE ACCOUNT AS PER REGULATION 34(3) READ WITH SCHEDULE V(F) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015:

Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year
One shareholder having 500 equity shares	Nil	NIl	One shareholder having 500 equity shares

The voting rights on the shares in unclaimed suspense account shall remain frozen till the rightful owner of such shares claims the shares.

CORPORATE SOCIAL RESPONSIBILITY:

The Company understands the importance of the society in smooth functioning of the business. Thus, to acknowledge the constant support provided by the society, the Company involves itself in different corporate social responsibility activities.

Brief outline of Corporate Social Responsibility (CSR Policy of company and the initiatives undertaken by the Company on CSR activities during the under review are set out in ***"Annexure C"*** of this report in the format prescribed under the Companies (CSR Policy) Rules, 2014. The CSR Policy is available on the website of the Company.

The CSR committee on a continuous basis manifests the activities through which it can have positive impact on the society and be beneficial for larger good of the people.

NOMINATION AND REMUNERATION POLICY

Nomination and remuneration policy is available on the website of the company under the investors section.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is given as ***"Annexure D".***

CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The Report of Corporate Governance as stipulated under the Listing Regulations is annexed as ***"Annexure E"***. The requisite Certificate from M/s. V. V. Chakradeo, Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

IMPLEMENTATION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has zero tolerance towards any action on the part of any employee which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every woman employee in the Company. The Company's policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year complaint pertaining to Sexual harassment being received and it was resolved by taking necessary action by the committee by expulsion of culprits.

STATUTORY AUDITORS:

M/s. N. A. Shah Associates LLP, Chartered Accountants, Mumbai were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 22nd September, 2017 for a term of five consecutive years.

EXPLANATION ON QUALIFICATION MADE BY STATUTORY AUDITORS / SECRETARIAL AUDITOR:

The Statutory Auditors' Report on the Standalone Financial Statements and the Secretarial Auditor's Report do not contain any qualification.

The Statutory Auditors, in their report on Consolidated Financial Statements for the year ended 31st March, 2022, have invited reference to Note 35.1 a) of notes to the financial statements and stated that, in their opinion, non-provision of interest on the secured loan taken by Company's

Subsidiary viz., Orchid Hotels Pune Private Limited (OHPPL) in its books from 1st October, 2013 till 31st March, 2022 is not in compliance with Ind AS 23 – Borrowing Cost. Your Directors are of the view that no provision for interest is required to be made in the books of accounts for the reasons detailed in Note 54(ii) of the notes to the financial statements, which are self-explanatory.

EMPLOYEE RELATIONS:

The Management realizes the role and importance of its employees for growth of the business. Therefore, the Company continuously strives to maintain cordial relationship with its employees. They are also given opportunities to rise and have impact on the working of the Company.

ACKNOWLEDGEMENTS:

The Directors place on record their appreciation for the sincere and whole hearted co-operation extended by all concerned, particularly Company's Bankers, Financial Institutions, Asset Reconstruction Companies, Security Trustees, Stock Exchanges, Department of Tourism, Municipal authorities, the Government of Maharashtra, Goa and Odisha, the Central Government, Suppliers, Clientele and the employees of the Company and look forward to their continued support. The Directors also thank the shareholders for continuing their support and confidence in the Company and its management.

For and on behalf of Board of Directors
KAMAT HOTELS (INDIA) LIMITED

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

Place : Mumbai
Date : 19th May, 2022

ANNEXURE "A" TO THE BOARD'S REPORT

FORM NO MR - 3
SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March, 2022

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014]

To,

The Members,

Kamat Hotels (India) Limited.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kamat Hotels (India) Limited (hereinafter called the Company). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, We report that in our opinion the company had during the audit period covering the financial year ended on 31st March 2022 complied with the statutory provisions listed hereunder and also that the company has proper board-processes and compliance mechanism in place to the extent in the manner and subject to the reporting made hereinafter :

1. We have examined the books papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of :

   i. The Companies Act, 2013 (Act) and the rules made there under;

   ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;

   iii. The Depositories Act 1996 and the regulations and Byelaws framed there under;

   iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; Not Applicable ;

   v. The following regulation guidelines prescribed under Securities and Exchange Board of India Act, 1992, (SEBI Act) viz:

      a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;

      b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

      c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

      e. The Securities and Exchange Board of India (Share Based Employee Benefits), Regulations 2014;

      f. The Securities and Exchange Board of India (Issue of Listing of Debt Securities) Regulations, 2008;

      g. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act, and dealing with client;

      h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable during the Audit period)

      i. The Securities and Exchange Board of India (Buyback of Securities) Regulations 1998. (Not applicable during the Audit period)

   vi. Applicable Laws for Restaurant and Hotel, Public Licenses Permissions/Licenses from various Local Authorities, Government and Government Bodies,

      1. The Securities Contracts (Regulation) Act, 1956 and the rules made there under;

      2. The Securities and Exchange Board of India Act, 1992

      3. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

      4. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

      5. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

      6. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

      7. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

      8. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

9. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under
10. The Indian Stamp Act, 1899.

2. Acts, Rules, Regulation relating to Accounts and Taxation Department:
    1. Income Tax Act, 1961 & Rules
    2. Finance Act, 1994
    3. Bombay Prohibition Act, 1949 (for state excise)
    4. Goods and Services Tax (GST)
    5. Ind AS (Indian Accounting Standard)
    6. Profession Tax Act of states
    7. Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 and 2000
    8. Maharashtra Value Added Tax Act, 2002
    9. Maharashtra Municipal Corporation Act, 1949
    10. Accounting Standards as specified under section 133 of the Companies Act, 2013 read with Rule 7 the Companies (Accounts) Rules 2014, Accounting Standard Interpretation (ASI) issued by ICAI, Guidance Notes issued by ICAI, Auditing Standards,
    11. CBDT, VAT, CBEC Circulars
3. Acts, Rules, Regulation relating to Human Resource Department:
    1. The Minimum Wages Act, 1948
    2. The Equal Remuneration Act, 1976
    3. The Payment of Wages Act, 1936
    4. The Industrial Employment (Standing Orders) Act, 1946
    5. The Employees' State Insurance Act, 1948
    6. The Employees Provident Fund and miscellaneous provisions Act, 1952
    7. The Industrial Disputes Act, 1947
    8. The Payment of Gratuity Act, 1972.
    9. The Contract Labour (Regulation and Abolition) Act, 1970
    10. The Employment Exchanges(Compulsory Notification Of Vacancies) Act, 1959
    11. The Trade Unions Act, 1926
    12. The Maharashtra Recognition of Trade Unions & Prevention of Unfair Labour Practices Act, 1971
    13. The Child Labour (Prohibition And Regulation) Act, 1986 And Rules
    14. The Bombay Labour Welfare Fund Act, 1953
    15. The Payment of Bonus Act, 1965
    16. The Maharashtra Workmen's Minimum House-Rent Allowance Act, 1983
    17. The Workmen's' Compensation Act, 1923
    18. The Apprentice Act, 1973
    19. The Maternity Benefit Act, 1961
    20. Acts, Rules, Regulation relating to Restaurant Division:
    21. Bombay Police Act, 1951
    22. The Water (Prevention & Control of Pollution) Act, 1974
4. Acts, Rules, Regulation relating to Restaurant Division:

1. Bombay Police Act, 1951
2. The Water (Prevention & Control of Pollution) Act, 1974
3. The Air (Prevention & Control of Pollution) Act, 1981
4. The Environment (Protection) Act, 1986
5. Food Safety and Standards Act, 2006

5. Acts, Rules, Regulation relating to Legal Department

Sr. No	Name of the Acts/rules/regulations	Details of Compliances
1	Bombay Shops & Establishments Act, 1948	-
2	Police Licenses	• Section 394 for i) Restaurant, ii) Lodging, iii)Gradation • Section 328 for Neon Sign • Section 279 for Water supply • Sections 206 etc for Property Tax • Covering of Terrace in Monsoon for specific period under • Development Control Rules, 1991 • Water Fountain permission • Swimming Pool • Testing of water
3	Police Licenses	.Place of Public Entertainment License(PPEL) 1960 • Bombay Police Act, 1951 • Place of Licensing & Controlling for Amusement, Public • Amusement Act (including Tamasha and Melas excluding Cinemas)
4	Rangabhumi Prayog Parinirikshak Board, Government of Maharashtra	For playing music inside the premises Section 138(1) of Place of Amusement and Controlling Act, 1960
5	Bombay Prohibition Act, 1949	FL III License, Fl IV License (One day License)
6	Maharashtra Fire Prevention and Life Safely Measures Act 2006	-
7	Food Safety & Standard Authority of India (FSSAI) (Earlier Prevention of Food Adulteration Act, 1954)	-
8	Standard of Weights and Measures Act, 1976	Stamping of Peg Measure
9	Copy Right Acts, 1957	Sound recording
10	Cable Television Network (Regulation) Act, 1995	
11	Maharashtra Land Revenue Code, 1966	Payment of Non Agricultural Tax every year.
12	Bombay Entertainments Duty Act, 1923	.For faithful compliance/deposit for showing TV channels in hotels • For deposit of taxes for any type of entertainment program while serving liquor
13	Maharashtra Pollution Control Board (MPCB)	Consent to Operate under Water Act, 1974 & under Air Act, 1981 • Environmental Statement Report under Environment Protection)Act, 1992
14	The Water (Prevention & Control of Pollution) Cess Act,1977	Payment of cess quarterly as demanded by MPCB
15	Bombay Electricity Duty Act, 1958	Payment of duty quarterly for generation of electricity by DG • Faithful compliances of Electrical Installation prior to • annual inspection by Electrical Inspector from Public Works • Department • Testing of all electrical fittings including lights inside the • swimming pool
16	The Bombay Lift Act, 1939 with Bombay Lift Rules, 1958	Faithful compliances of Lifts Installation prior to annual inspection by Electrical Inspector from Public Works Department
17	The Sexual Harassment of Women at Workplace. (Prevention, Prohibition and Redressal) Act, 2013	

During the year, the Company had no profit making the payment of remuneration to executive Chairman and Managing Director

We have also examined compliance with the applicable clauses of the following:

i) Secretarial Standards issued by the Institute of Company Secretaries of India.

ii) The Listing Regulations entered into by the company with the stock exchange regulations, guidelines, standard etc mentioned above subject to the following observations.

During the under review the company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. as mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non -executive Directors and Independent Directors. The changes in composition of the board of directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the board meeting and agenda and detailed notes on agenda were sent at least seven days in advance and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for the meaningful participation at the meeting.

Majority decision is carried through while the dissenting members views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

FOR V. V. CHAKRADEO & CO
COMPANY SECRETARIES

Place : Mumbai
Date 19th May, 2022

V. V. Chakradeo
COP 1705. FCS 3382

To,

The Members,

Kamat Hotels (India) Limited

My report of even date is to be read along with this letter:

1. Maintenance of secretarial record is responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required I obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of the Corporate and other laws, rules, regulations, norms and standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR V. V. CHAKRADEO & CO
COMPANY SECRETARIES

Place : Mumbai
Date 19th May, 2022
UDIN F003382D000344921

V. V. Chakradeo
COP 1705. FCS 3382

FORM NO MR - 3

SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March, 2022

(Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,
The Members,
Orchid Hotels Pune Private Limited
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Orchid Hotels Pune Private** Limited (hereinafter called the Company). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, where by report that in our opinion the company had during the audit period covering the financial year ended on 31st March 2022 complied with the statutory provisions listed hereunder and also that the company has proper board-processes and compliance mechanism in place to the extent in the manner and subject to the reporting made hereinafter :

1. We have examined the books papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of :
   - i) The Companies Act, 2013 (Act) and the rules made there under;
   - ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
   - iii) The Depositories Act 1996 and the regulations and Byelaws framed there under;
   - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; Not Applicable ;
   - v) The following regulation guidelines prescribed under Securities and Exchange Board of India Act, 1992, (SEBI Act) viz:-
     - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; NA.
     - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
     - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; NA.
     - d) The Securities and Exchange Board of India (Share Based Employee Benefits), Regulations 2014;NA.
     - e) The Securities and Exchange Board of India (Issue of Listing of Debt Securities) Regulations, 2008;NA.
     - f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act, and dealing with client;
     - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable during the Audit period)
     - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations 1998. (Not applicable during the Audit period) NA.
     - i) Applicable Laws for Restaurant and Hotel, Public Licenses Permissions/Licenses from various Local Authorities, Government and Government Bodies,
       - 1) The Companies Act, 2013 (the Act) and the rules made there under;
       - 2) Secretarial Standards issued by The Institute of Company Secretaries of India;
       - 3) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
       - 4) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
       - 5) The Securities and Exchange Board of India Act, 1992
       - 6) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
       - 7) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. NA.
       - 8) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009NA.

9) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 201410) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client

10) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009NA.

11) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under

12) The Indian Stamp Act, 1899

2. Acts, Rules, Regulation relating to Accounts and Taxation Department:

1) Income Tax Act, 1961 & Rules

2) Finance Act, 1994

3) Bombay Prohibition Act, 1949 (for state excise)

4) Goods and Services Tax (GST)

5) Ind AS (Indian Accounting Standard)

6) Profession Tax Act of states

7) Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 and 2000

8) Maharashtra Value Added Tax Act, 2002

9) Maharashtra Municipal Corporation Act, 1949

10) Accounting Standards as specified under section 133 of the Companies Act, 2013 read with Rule 7 the Companies (Accounts) Rules 2014, Accounting Standard Interpretation (ASI) issued by ICAI, Guidance Notes issued by ICAI, Auditing Standards

11) CBDT, VAT, CBEC Circulars

3. Acts, Rules, Regulation relating to Human Resource Department:

1) The Minimum Wages Act, 1948

2) The Equal Remuneration Act, 1976

3) The Payment of Wages Act, 1936

4) The Industrial Employment (Standing Orders) Act, 1946

5) The Employees' State Insurance Act, 1948

6) The Employees Provident Fund and miscellaneous provisions Act, 1952

7) The Industrial Disputes Act, 1947

8) The Payment of Gratuity Act, 1972.

9) The Contract Labour (Regulation and Abolition) Act, 1970

10) The Employment Exchanges(Compulsory Notification Of Vacancies) Act, 1959

11) The Trade Unions Act, 1926

12) The Maharashtra Recognition of Trade Unions & Prevention of Unfair Labour Practices Act, 1971

13) The Child Labour (Prohibition And Regulation) Act, 1986 And Rules

14) The Bombay Labour Welfare Fund Act, 1953

15) The Payment of Bonus Act, 1965

16) The Maharashtra Workmen's Minimum House-Rent Allowance Act, 1983

17) The Workmen's' Compensation Act, 1923

18) The Apprentice Act, 1973

19) The Maternity Benefit Act, 1961

4. Acts, Rules, Regulation relating to Restaurant Division:

1) Bombay Police Act, 1951
2) The Water (Prevention & Control of Pollution) Act, 1974
3) The Air (Prevention & Control of Pollution) Act, 1981
4) The Environment (Protection) Act, 1986
5) Food Safety and Standards Act, 2006

5. Acts, Rules, Regulation relating to Legal Department:

Sr. No.	Name of the Acts/rules/regulations	Details of Compliances
1)	Bombay Shops & Establishments Act, 1948	-
2)	Police Licenses	• Section 394 for i) Restaurant, ii) Lodging, iii)Gradation • Section 328 for Neon Sign • Section 279 for Water supply • Sections 206 etc for Property Tax • Covering of Terrace in Monsoon for specific period under • Development Control Rules, 1991 • Water Fountain permission • Swimming Pool • Testing of water
3)	Police Licenses	• Place of Public Entertainment License(PPEL) • Bombay Police Act, 1951 • Place of Licensing & Controlling for Amusement, Public • Amusement Act (including Tamasha and Melas excluding Cinemas) 1960
4)	Rangabhu,PrayugParinirishak Board, Government of Maharashtra	• For playing music inside the premises Section 138(1) of Place of Amusement and Controlling Act, 1960
5.	Bombay Prohibition Act, 1949	• FL III License, Fl IV License (One day License)
6	Maharashtra Fire Prevention and Life Safety Measures Act, 200	-
7	Food Safety & Standard Authority of India (FSSAI) (Earlier Prevention of Food Adulteration Act, 1954)	-
8	Standard of Weights and Measures Act, 1976	• Stamping of Peg Measure
9	Copy Right Acts, 1957	• Indian Performing Right Society(IPRS) for playing Live music of owners of music viz the composers, lyricists, authors and publishers of music Phonographic Performance License(PPL) for Sound Recordings of its • ember music labels. Novex Communication for members other than ina) & b) for sound recordings as well as owners • Cable TV • From all existing TV Broadcasters
10	Cable Television Network (Regulation) Act, 1995	-
11	Maharashtra Land Revenue Code, 1966	• Payment of Non Agricultural Tax every year.
12	Bombay Entertainments Duty Act, 1923	• For faithful compliance/deposit for showing TV channels in hotels • For deposit of taxes for any type of entertainment program while serving liquor
13	Maharashtra Pollution Control Board (MPCB)	• Consent to Operate under Water Act, 1974 & under Air ct, 1981 • Environmental Statement Report under Environment Protection) Act, 1992
14	The Water (Prevention & Control of Pollution) Cess Act,1977	• Payment of cess quarterly as demanded by MPCB

15	Bombay Electricity Duty Act, 1958	• Payment of duty quarterly for generation of electricity by DG • Faithful compliances of Electrical Installation prior to • annual inspection by Electrical Inspector from Public Works • Department • Testing of all electrical fittings including lights inside the • swimming pool
16	The Bombay Lift Act, 1939 with Bombay Lift Rules, 1958	• Faithful compliances of Lifts Installation prior to annual inspection by Electrical Inspector from Public Works Department
17.	The Sexual Harassment of Women at Workplace. (Prevention, Prohibition and Redressal) Act, 2013	-

During the year, Company Secretary was appointed on 29th June, 2021.

We have also examined compliance with the applicable clauses of the following:

i) Secretarial Standards issued by the Institute of Company Secretaries of India.

ii) The Listing Regulations entered into by the company with the stock exchange regulations, guidelines, standard etc mentioned above subject to the following observations.

During the under review the company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. as mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non -executive Directors and Independent Directors. The changes in composition of the board of directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the board meeting and agenda and detailed notes on agenda were sent at least seven days in advance and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for them meaningful participation at the meeting.

Majority decision is carried through while the dissenting members views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

FOR V. V. CHAKRADEO & CO
COMPANY SECRETARIES

V. V. Chakradeo
COP 1705.
FCS 3382
UDIN: F003382D000872514

Place : Mumbai
Date :19th May, 2022

To,
The Members,
Orchid Hotels Pune Private Limited
Mumbai

My report of even date is to be read along with this letter:

1. Maintenance of secretarial record is responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of the Corporate and other laws, rules, regulations, norms and standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR V. V. CHAKRADEO & CO
COMPANY SECRETARIES

Place : Mumbai
Date : 19th May, 2022
UDIN: F003382D000872514

V. V. Chakradeo
COP 1705.
FCS 3382

ANNEXURE "B" TO THE BOARD'S REPORT

DETAILS AS PER SECTION 197(12) READ WITH RULE 5(1) OF COMPANIES

(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED 31 MARCH 2022.

Remuneration to Directors and Key Managerial Personnel:

i. The percentage increase in remuneration of Chairman, Managing Director, Chief Financial Officer and Company Secretary during the financial year 2021-22 is as under:

Sr. No.	Name of KMP	Designation	% increase remuneration during FY 2021-22
1	Dr. Vithal V. Kamat	Executive Chairman and Managing Director	NA
2	Ms. Smita Nanda	Chief Financial officer	NA
3	Mr. Hemal Sagalia	Company Secretary & Compliance Officer	NA

Notes:

i. Ratio of remuneration of each Director to median remuneration of employees – Independent Directors and Non- Executive Director do not receive any remuneration other than sitting fees for attending Board and Committee Meetings. Details of sitting fees paid to Independent Directors are given in the Report on Corporate Governance forming part of the Annual Report and hence, are not included in the above table. The Non-Independent Director receives only sitting fees not any other remuneration. Therefore, providing details relating to ratio of remuneration of each Director to median remuneration of employees would not be meaningful.

ii. There were 689 permanent employees on the rolls of the Company during FY 2021-22.

iii. Average percentage increase made in the remuneration of employees other than the managerial personnel in the last financial year i.e. FY 2021-22 was NIL.

iv. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees

ANNEXURE "C" TO THE BOARD'S REPORT- ANNUAL REPORT ON CSR ACTIVITIES

1. **Corporate Social Responsibility (CSR) policy and its web link, projects proposed to be undertaken:**

   The CSR policy was recommended by the CSR Committee and adopted by the Board of Directors of the Company held on 22nd March, 2014.

   The CSR policy can be accessed on the website of the Company www.khil.com and the web link is http://www.khil.com/investors/policies.html

2. Composition of CSR Committee:

   At the Meeting of the Board of Directors of the Company held on 29th June, 2021 the CSR Committee was reconstituted. At present the following is the composition of CSR Committee:

   Mr. Ramnath P. Sarang

   Ms. Harinder Pal Kaur

   Mr. Sanjeev B. Rajgarhia

   Mr. Vilas R. Koranne

3. Average net profit for the last three financial years: Rs. -23.32 Crores

4 Details of CSR spent during the financial year: NIL

   Amount required to be spent for FY 2021-22: NIL

   Amount unspent, if any: NIL

   During year under review Company has incurred losses, Hence, the Company is not required incur expenditure on CSR activities. .

ANNEXURE ‘D’ TO THE BOARD’S REPORT

Management Discussion and Analysis

Prologue:

While the dust of COVID was yet to settle down with less severe variant – omicron of the pandemic coupled with getting better off with daily restricted number of covid cases across the globe and the world was recovering from the irreparable damage of COVID, the clash of two titans has acted as second jolt across the globe as the Russia – Ukraine crisis has aggravated the perils of high inflation driven by galloping brent crude oil prices from 50 USD per barrel on the onset of 2021 to 77 USD per barrel by the end of the calendar year 2021, exhibiting an upsurge of 53% in span of just one year on account of locking the horns by these two nations. While on covid 19 pandemic, the world wide economies have exhibited sharp recovery despite of the resurgence of new variant of the covid-19. Many nations have adopted a perspective of zero endurance policies to check the virus spread. The government has encouraged COVID appropriate behavior, boosting the healthcare system, increased the testing sweep and wide vaccination drive and booster dose impetus has successfully controlled the subsequent waves of the pandemic.

The Global Economy

According to IMF, the global economy bounced back at 6.1 % in 2021 after the contraction of 3.1 % in calendar year 2020 as against the projection of 4.9% in later part of 2021 on account of upsurge in inflation and commodity prices being at stature of many decades in early 2022 backed by the rift between Russia and Ukraine. The growth projection for advanced economies is 5.2% in 2021. The emerging economies are poised in slight better positions to show growth rate of 6.8%. Nation wise, in 2021, the growth projection for US is at 5.7%, UK - 7.4%, Emerging Asian economies -7.3% under the leadership of India at 8.9, China at 8.1% Maldives at whopping 33.4%, South Africa and Nepal is moderately poised at 4.9% and 2.7% in order with Bhutan having degrowth of 3.7%. The world bank has forecasted expansion of global economic output at 4.1 % in 2022 to 3.2% in 2023 being attributed to the timid growth rate in 2022 as an unceasingly impact of COVID 19 infections, subdued fiscal stimulations, soaring inflation due to short supply of key inputs and lingering supply paucity. The global economy is expected to hit hard on account of inflation at the end of this year.

Indian Economy

After the degrowth of 7.3% in 2020-21, the indian economy has bounced back with estimated growth rate of 8.6% in 2021-22. By the close of 2021-22, India was amongst the six largest global economies, posting fastest pace of economic growth with market size of 1.40 billion the second largest populous nation after china with under consumed rural population, certainly being the largest in the world. In terms of economic fronts, India has witnessed largest receipts of global remittances of 87 billion USD in 2021 with highest ever forex reserves of 642 billion USD. While the indian rupee has witnessed fall of 3.6 % from Rs 73.28 to Rs 75.91 against USD in 21-22. The CPI stood at estimate of 5.3% in 21-22. The monthly GST collections are breaching all past levels standing at 1.5 lakh crores. The country ranked fifth amongst the world’s leading stock markets with market capitalization of 3.21 trillion USD in March 22. The fiscal deficit stands at around Rs 16 trillion for year ended March 2022 predominantly on account of high government expenditure. The per capita income in India has estimated to be at Rs 1.5 lakhs (21-22) from Rs 1.3 lakhs (20-21) attributed to relaxation in lockdown coupled with increased roll out of vaccines. India’s tax collections have been increased to Rs 27 lakh crores in 21-22 breaking it further down to direct tax collections increased 49% as against 30% in case of indirect taxes. Above the RBI tolerance level of 6% of retail inflation, the same was at 6.95% in March 2022- 17 months high and that too for consecutive three months in raw breaching 6% comfort level mark.

Travel & Tourism:

The global tourism has witnessed negative impact in 2021 on account of repeated waves of pandemic as consequence of re introduction of travel constraints. The silver line in dark cloud however is the same is expected to bounce back in 2022 and 23 slowly as the travel restrictions are to be uplifted and normalcy would return. The cause of concern for world wide traveling is the conflict of Russia and Ukraine, inflation led savings, high energy and commodity pricing. The international tourist arrival across the globe stood at 421 million in 2021 witnessing meager upsurge of 4.6% in compare to 2020 but lower by mammoth 71.3% compared to 2019 - the pre covid levels, a difference of almost a billion travelers than the pre pandemic levels of 2019. The Asia pacific region has seen decline in international arrivals by 64.7% in 2021 over 2020. In south Asia, international tourist arrival was 5.7 million in 2021 as against 33.7 million in 2019. In 2023, however the global travel is expected to be at pre pandemic level as the pandemic is not acute anymore. In monetary terms, The Asia pacific hospitality sector will likely to reach 3.4 trillion USD in 2023 above 3.3 trillion USD in 2019. In long term, the travel and tourism segment is expected to post growth rate of 5.8 % from 2022 to 2032 as against the GDP growth of 2.7% globally.

The rich and diversified Indian culture makes it a preferred travel destination and favourite amongst international tourists. The industry is one of the largest service industries amongst all service sectors in India apportioning almost 7% in India’s GDP. In 2020, the industry accounted for almost 40 million jobs and the same is projected to be around 55 million by 2027. In terms of the report of Horwath HTL Market, the occupancy for calendar year 2021 was 43.5% as against 32% in 2020 –the pandemic peak year and almost 25% during the initial pandemic period of March to December 2020. The total air passenger traffic within India for 2021 was 182 million higher than 2020 by 27% still lower by 48% in 2019. Of this, 164 million or 90% was attributed to domestic air passenger traffic. On the contrary, foreign tourist arrivals were 1.41 million for calendar year 2021 as against 2.74 million in 2020 and 10.93 million in 2019. As per the STR tracking, 13 Indian holiday destinies have registered occupancy of 50% in Q4FY2021-22 in compare to 46% for FY2020-21 with improvement of almost 40% in RevPAR. Led by Goa with 63.3% occupancy, Mumbai has stood second with 62.6% occupancy.

Outlook:

After two abysmal years effected by covid, the year 2023 is expected to see the normalcy of tour and travel and hospitality segment in line with 2019. Low fatality of omicron variant, controlled number of daily covid infection and low death numbers with well-equipped health care facilities, the consumer confidence has boosted significantly to see improvements in travel and tourism activities. Various state governments have already lifted travel constraints and resuming of international flights has paved out the way of greater inflow on international tourists visiting India. With end of work from home scenario in most of the corporates, the business travel activities would also see revamp as a measure of client acquisitions, relationship building, industry conferences, exhibitions and tradeshows. With increase in international travelling for leisurely indulgence coupled with domestic travel for social gathering and events, conferences which would further improve the occupancies with improvement in average room rate. This would act as boon for branded hotels to have fillip in serving its customers with cynosure of the industry to exploit other arena of generating revenues by maximizing and extracting out of the each square feet of real estate as a measure to generate more revenues. The governments core focus on infrastructure development of road, metro rails, airports and port development to act as an aid for hotel industry.

Financial and Operating Performance

The total revenue from operations of the Company for the year was recorded at Rs. 10,818.68 lakhs (of which the turnover of Rs. 4,849.04 lakhs pertains to The Orchid, Mumbai, Rs. 2,409.43 lakhs pertains to VITS Mumbai and Rs. 3,560.21 lakhs pertains to other units) as against Rs. 5,162.26 lakhs in the previous year, an increase of around 109.57% over the last year. The Company's loss after tax is Rs. 2,234.40 lakhs as compared to Loss of Rs. 2,757.20 lakhs of previous year (excluding other comprehensive income) The key financial ratios are given in the financial statements of the Company with reason for variation in the same over the previous year.

Internal Control Systems and Their Adequacy

Adequate internal controls have been laid down by the Company to safeguard and protect its assets as well as to improve the overall productivity of its operations. The Internal Audit Department of the Company together with Internal Auditors, Mazars India LLP Chartered Accountants, Mumbai, ensures compliance with the prescribed internal control procedures. Internal audits are carried out at regular intervals and the audit reports are periodically laid before the Audit Committee fore view. The Company's internal controls are in line with the requirements of the Company, however, in view of achieving excellence the systems are regularly updated as per the changing needs of the business.

Internal Financial Controls (IFC)

The Directors have devised a framework for Internal Financial Controls to be followed by the Company that conforms to the requirements of Section 134(5)(e) of the Companies Act, 2013 and incorporates measures that ensure adequate and continuing operating effectiveness of

internal financial controls.

Furthermore, in accordance with Section 149(8), read with the Code for Independent Directors laid down under Schedule IV, Clause II (4) of the Companies Act, 2013, the Independent Directors have satisfied themselves on the integrity of financial information and have ensured that Financial Controls and systems are robust and secure.

In order to enable the Directors to meet these responsibilities, the Board has devised the necessary systems, frameworks and mechanisms within the Company. The Board has empowered the Audit Committee to periodically review and confirm that the mechanism remains effective and fulfil the objectives for which they have been created.

Human Resources and Industrial Relations

Given the highly specialized nature of the Company's business and the large number of locations where it operates, attracting and nurturing the right talent is at the core of your Company's strategy for success and growth. The company's believe in employing the right talent and nurture and polish them vis-à-vis to Company's vision and mission, significant improvements were made in the recruitment process in the form of standardized pre-employment evaluation as well as interview and assessment processes across locations based on the job profile.

Towards this end, it also institutionalized internal job postings to provide employees opportunities to grow with the organisation. During the year there were 689 employees on the pay roll of the Company. Constant efforts are being made to motivate the employees for coming with innovative ideas which may result into improving the operational efficiency, cost rationalization etc. All efforts are made to retain the right talent and also to recognize the talent of employees.

Cautionary Statement

Statements contained in the Management Discussion and Analysis describing the Company's estimates, projections and expectations are forward looking statements and based upon certain assumptions and expectations of future events over which the Company has no control and which could cause actual results to differ materially from those reflected in such statements. Readers should carefully review other information in this Annual Report and in the Company's periodic reports. The Company undertakes no obligation to update or revise any of these futuristic statements, whether as a result of new information, future events, or otherwise.

ANNEXURE 'E' TO THE BOARD'S REPORT

REPORT ON CORPORATE GOVERNANCE

A report on Corporate Governance framework at Kamat Hotels (India) Limited ('KHIL') for the financial year ended 31st March, 2022 on the compliance by the Company with the Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), is furnished below.

COMPANY'S PHILOSOPHY:

At KHIL, Corporate Governance is not only a set of processes to be complied with but is an integral part of our core values which drives us towards enhancing the interests of all our stakeholders. Your Company strongly believes in adopting and adhering to good corporate governance practices which are even embedded into the culture of the Organisation which helps us to work in more responsible manner.

1. BOARD OF DIRECTORS:

a. Composition of Board of Directors

The Composition of the Board of Directors is in conformity with Regulation 17 of the Listing Regulations and Companies Act, 2013. The Board has an optimum combination of Executive and Non-Executive Independent Directors including women Directors. Dr. Vithal V. Kamat is the Executive Chairman and Managing Director of the Company. The Board of your company is a replica of finest blend of eminent personalities in their respective fields like hoteliering, business management, environment and general administration.

This combination has helped the Company to take the benefit of rich experience and expertise of the directors in their core areas of competence like strategic management, general administration, commerce and economy.. The following table gives information about the composition of the Board, category of directors, membership of the directors in the Board and Board committees of other public limited companies and attendance of each director at the Board meetings and last Annual General Meeting ('AGM') of the Company:

Name	Designation and category	Board Membership in other companies	Chairmanship of Companies in other Companies	Membership (including chairmanship) of Companies in other Companies	Last AGM Attended (Yes/No)
Dr. Vithal V. Kamat	Executive Chairman & Managing Director	2	0	0	Yes
Mr. Vilas R. Koranne	Independent Non Executive Director	0	0	0	Yes
Ms. Harinder Pal Kaur	Independent Non Executive Director	0	0	0	Yes
Mr. Ramnath P. Sarang	Independent Non Executive Director	0	0	0	Yes
Mr. Sanjeev B. Rajgarhia	Non Independent Non Executive Director	0	0	0	Yes
Ms. Vidita V. Kamat	Non Independent Non Executive Director	0	0	0	Yes

Notes:

1. It excludes private limited company which is neither a subsidiary nor a holding company of a public company, non – profit companies registered under section 8 of the Companies Act, 2013 (Section 25 of the Companies Act, 1956), unlimited companies.
2. It includes Chairmanship/ Membership in those committees which are prescribed under Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 viz; Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited companies.
3. No independent director of the Company is serving as independent director in more than seven listed companies and is not a whole time director in any listed company.
4. None of the directors on the Board of the Company is a member of more than ten committees or acts as chairman of more than five committees across all public limited companies, whether listed or not.

b. Board Meetings

During the financial year under review, your Board of Directors met seven times which is in conformity with the statutory requirement.

The maximum time gap between any two board meetings was not more than 120 days. Leave of absence was granted to Directors on the request of the Director who could not attend the Board meetings. None of the directors remained absent from all the Board Meetings during a period of twelve months with or without leave of absence of the board

Date of Board Meetings	Number of Directors present at the meeting
13th May, 2021	5
29th June, 2021	6
14th August, 2021	6
12thNovember, 2021	6
7th February, 2022	6

c. Board Meeting Procedure and Decision Making

A list of pre-scheduled Board Meeting is circulated in advance, the date of which is decided in consensus of all the Board Members.

In case of the matters requiring utmost priority and which can't be further postponed till the next scheduled meeting, additional Board Meetings are convened to address such important matters. Agenda with respect to the meetings are circulated in advance along with the presentation, if any, to be made at the Board Meeting. Agenda comprises of the routine and non-routine matters.

Any matter requiring the approval of the Board is included in agenda of the Board Meeting on the request made by the functional head to the Company Secretary. A detailed presentation is made at the Board meeting and after detailed analysis and deliberation on the presented agenda item the Board takes well informed decisions.

d. Matters dealt/reviewed at Board Meetings:

The Board of Directors in its meetings inter-alia focuses mainly on following aspects viz. reviewing and guiding the Corporate Strategy, Risk Policy, Annual Budgets and Business Plans, Setting Performance Objectives, Monitoring Implementation and Corporate Performance, overseeing major capital expenditure, monitoring the effectiveness of governance practices and also deals with important issues relating to business development, internal controls, regulatory compliances, board remuneration with the long term interest of the Company and its shareholders, ensuring a transparent board nomination process with diversity of thought, experience, knowledge, perspective and gender in the board, monitoring and managing potential conflicts of interest of management, board members and shareholders etc.

e. Board Evaluation

Performance evaluation of all the Directors, Board as a whole, and of its committee is undertaken annually as prescribed under the Act and Listing Regulations.

Separate sets of detailed questionnaires is circulated to all the Directors comprising various different questions in order to assess the quality, quantity and efficiency of the Board Committees and Directors.

Evaluation of Board is broadly based on factors like quality of discussion, transparency and timeliness of the information, adhering to good corporate governance practices etc.

The individual Directors are evaluated on factors like leadership quality, attitude, initiatives and responsibility undertaken, decision making, commitment and achievements during the financial year.

f. Disclosure of relationship between Directors:

There is no inter relationship between Directors, except Ms. Vidita V. Kamat who is daughter of Dr. Vithal V. Kamat.

2. FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS:

The Company constantly endeavours to familiarize its Independent Director on the functioning of the Company, so that their expertise can be utilized for the good of the Company. In this view the Company has conducted Familiarization Programmes to familiarize the Independent Directors of the Company. Details of the same are disclosed on the website of the Company and the web link of the same is http://www.khil.com/investors/policies.html.

3. COMMITTEES OF THE BOARD:

The Board has constituted the following committees in conformity with the applicable statutory requirements and the Listing Regulations applicable to the Company.

a) AUDIT COMMITTEE

The Company has set up a qualified and independent Audit Committee. The present Chairman of the Committee is Mr. Ramnath P. Sarang, Non- Executive Independent Director.

Mr. Vilas R. Koranne: Non- Executive Independent Director

Mr. Ramnath P. Sarang: Non- Executive Independent Director

Ms. Harinder Pal Kaur: Non- Executive Independent Director

Mr. Sanjeev B. Rajgarhia Non- Executive Non Independent Director

Out of 5 members 4 members of the Audit Committee are independent directors. The members of the committee are financially literate and at least one member of the committee has accounting and related financial management expertise.

The composition and terms of reference of this Committee is in compliance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company Secretary acts as a Secretary to the Audit Committee.

During the year under review four meetings of the Audit Committee were held on 13th May, 2021, 29th June, 2021, 14th August, 2021, 12th November, 2021 and 7th February, 2022

Attendance of the committee members at its meetings are as follows:

Sr. No	Name of the Member	Category	Meetings attended
1	Mr. Ramnath P. Sarang	Chairman	5
2	Ms. Harinder Pal Kaur	Member	5
3	Mr. Vilas R. Koranne	Member	4
4	Mr. Sanjeev B. Rajgarhia	Member	4

The maximum time gap between any two committee meetings was not more than 120 days.

There has been no instance where the Board of Directors of the Company had not accepted any recommendation of the Audit Committee.

The Statutory Auditors, Internal Auditors and Chief Financial Officer attend the meetings of the Audit Committee upon invitation.

Mr. Ramnath P. Sarang, Chairman of Audit Committee was present at the 34th Annual General Meeting.

b) NOMINATION AND REMUNERATION COMMITTEE

The Company has through its Board of Directors, constituted a Nomination and Remuneration Committee comprising of four directors.

The present Chairman of the Committee is Mr. Ramnath P. Sarang, Non-Executive Independent Director.

The other Members of Nomination and Remuneration Committee comprises:

1. Mr. Ramnath P. Sarang: Non- Executive Independent Director
2. Ms. Harinder Pal Kaur: Non- Executive Independent Director
3. Mr. Sanjeev B. Rajgarhia: Non- Executive Non Independent Director
4. Mr. Vilas R. Koranne- Non- Executive Independent Director
5. Ms. Vidita V. Kamat- Non- Executive Non Independent Director*

*Ceased Member on 12th November, 2021

Out of 5 members 3 members of the Nomination & Remuneration Committee are Independent Directors.

The composition and terms of reference of this Committee is in compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Company Secretary acts as Secretary to the Nomination and Remuneration Committee.

During the year under review meeting of the Nomination and Remuneration Committee was held on 29th June, 2021.

Attendance of the Committee members at its meetings are as follows:

Sr. No.	Name of the Member	Category	Meetings attended
1	Mr. Ramnath P. Sarang	Chairman	1
2	Ms. Harinder Pal Kaur	Member	1
3	Mr. Sanjeev B. Rajgarhia	Member	1
4	Mr. Vilas R. Koranne	Member	1
5	Ms. Vidita V. Kamat*	Member	1

*Ceased Member on 12th November, 2021

c) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has through its Board of Directors, constituted a Stakeholders Relationship Committee comprising of Three Directors.

The present Chairman of the Committee is Mr. Vilas R. Koranne, Non- Executive Independent Director.

The other Member of Stakeholders Relationship Committee comprises:

a) Mr. Sanjeev B. Rajgarhia, Non- Executive Non Independent Director

b) Mr. Ramnath P. Sarang- Non-Executive Independent Director

The composition and terms of reference of this Committee is in compliance with the requirements of Section 178 of the Companies Act, 2013 and Listing Regulations. The Company Secretary acts as Secretary to the Stakeholders Relationship Committee.

All share related issues are handled and resolved by the Share Transfer Committee. However, exceptional cases, if any, are referred to the Stakeholders Relationship Committee.

During the year, all the complaints received from the shareholders are redressed to satisfaction. There were no complaints outstanding as on 31st March, 2022. No request for transfer and dematerialization were pending for approval as on 31st March, 2022.

The Registrar and Share Transfer Agents (RTA), M/s. Link Intime India Private Limited, attend to all grievances of shareholders received directly or through Securities and Exchange Board of India, Stock Exchanges or the Ministry of Corporate Affairs.

The Company maintains continuous interaction with the RTA and takes proactive steps and actions for resolving shareholder complaints/ queries.

During the year under review meeting of the Stakeholders Relationship Committee was held on 29th June, 2021.

Attendance of the committee members at its meetings are as follows:

Sr. No.	Name of the Member	Category	Meetings attended
1	Mr. Vilas R. Koranne	Chairman	1
2	Mr. Ramnath P. Sarang	Member	1
3	Mr. Sanjeev B. Rajgarhia	Member	1

d) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The composition of Corporate Social Responsibility Committee (CSR) is as per the requirement of the Act.

The terms of reference of the CSR Committee are in compliance with the terms of reference provided under Section 135 of the Companies Act, 2013.

The meeting of the Corporate Social Responsibility Committee was held on 29th June, 2021 during the financial year 2021-22.

The composition of the CSR Committee and attendance of the members at its Meeting are as under:

Sr. No.	Name of the Member	Category	Meetings attended
1	Mr. Vilas R. Koranne	Chairman	1
2	Mr. Ramnath P. Sarang	Member	1
3	Ms. Harinder Pal Kaur	Member	1
4	Mr. Sanjeev B. Rajgarhia	Member	1
5	Ms. Vidita V. Kamat*	Member	1

*Ceased Member on 12th November, 2021

The Company Secretary act as secretary of the CSR Committee

e) **MEETING OF INDEPENDENT DIRECTORS**

The Company's Independent Directors met once during the financial year 2021-22 without the presence of Executive directors. Such meeting were conducted to enable the Independent Directors to discuss matters pertaining to the Company's affairs.

f) **PERFORMANCE EVALUATION CRITERIA FOR DIRECTORS**

Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provides certain parameters like attendance, acquaintance with business, communicate interse board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers etc., which is in compliance with applicable laws, regulations and guidelines.

4. **DETAILS OF REMUNERATION PAID/TO BE PAID TO THE EXECUTIVE DIRECTOR DURING THE FINANCIAL YEAR 2021-22:**

Remuneration paid/to be paid to the Executive Director is recommended by the Nomination and Remuneration Committee, approved by the Board and is subject to the overall limits as approved by the Shareholders.

Name of the Director and designation	Salary (Rs)	Perquisites(including club fees	Tenure/Notices period/Severance fees
Dr. Vithal V. Kamat	-	-	Tenure: 1st October, 2019 to 30th September, 2022

- No payment of commission to the Executive and Non-Executive Directors was made for the period from 1st April, 2021 to 31st March, 2022
- The Company do not have any Stock Option plan.
- Notice period six months.
- There is no separate provision for severance fees.
- None of the non executive Directors have any pecuniary relationship with the Company other than sitting fees.

5. **DETAILS OF SITTING FEES PAID, SHARES AND CONVERTIBLE INSTRUMENTS HELD BY/TO NON-EXECUTIVE DIRECTOR**

Name of the Director	**Amount in Rs.**	**Number of shares and Non-convertible instruments**
Mr. Ramnath P. Sarang	1,00,000	NIL
Ms. Harinder Pal Kaur	1,00,000	11,600
Mr. Vilas R. Koranne	75,000	NIL
Mr. Sanjeev B Rajgarhia	1,00,000	NIL
Ms. Vidita V. Kamat	1,00,000	NIL
Total	4,75,000	500

Notes:

a) No Bonus, stock options, or performance linked incentives were provided to any of the Directors of the Company during the period from 1st April, 2021 to 31st March, 2022.

6. **FEE TO STATUTORY AUDITORS**

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which statutory auditor is a part during the financial year ended 31st March, 2022 is given in the financial section.

7. **ANNUAL GENERAL MEETINGS AND OTHER GENERAL MEETINGS HELD FOR THE LAST 3 FINANCIAL YEARS:**

Particulars	**FY 2018-19 AGM**	**FY 2019-20 AGM**	**FY 2020-21 AGM**
Date	18th September, 2019	29th September, 2020	28th September, 2021
Location	Vishal Hall", Hotel Highway Inn, Sir M. V. Road (Andheri Kurla Road), Near Railway Station, Andheri (East), Mumbai – 400 069.	Through Video Conferencing (VC)	Through Video Conferencing (VC)
Time	11.30 a.m	11.00 a.m.	11.30 a.m.

One special resolution was passed at the Annual General Meeting held on 18th September, 2019

Re-appointment of Dr. Vithal V. Kamat as an Executive Chairman and Managing Director of the Company for a period of three years w.e.f. 1st October 2019 to 30th September, 2022.

No Special Resolutions were passed at the Annual General Meeting held on 29th September, 2020.

Postal Ballot

As on date this report, no Special Resolution is proposed to be through Postal Ballot.

SUBSIDIARY COMPANIES:

Mr. Vilas R. Koranne an Independent Director of the Company was appointed as a Director on the Board of Directors of the non listed Indian subsidiary of the Company i.e Orchid Hotels Pune Private Limited with effect from June 29, 2021.

Mr. Vilas R. Koranne, Independent Director of the Company continues to be Director on the Board of Directors of Orchid Hotels Pune Private Limited besides Mr. Ramnath P. Sarang.

The Audit Committee reviews the financial statements of the Subsidiary Companies.

The minutes of the Board meetings of all the subsidiary companies are periodically placed before the meetings of the Board of Directors of the Company. All significant transactions and arrangements by the unlisted subsidiaries of the Company are brought to the attention of the Board of the Company.

1. Financial statements, in particular investments made by subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
2. Minutes of Board meetings of subsidiary companies are placed before the Company's Board regularly.
3. A statement containing all significant transactions and arrangements entered into by subsidiary companies is placed before the Company's Board.

The Company has formulated a policy for determining 'material' subsidiaries of the Company and the policy is disclosed on the website of the Company and its web link is http://www.khil.com/investors/policies.html

DISCLOSURES:

CEO and CFO Certification:

The Executive Chairman and Managing Director and Chief Financial Officer (CFO) have given a certificate to the Board contemplated with Regulation 17(8) of Listing Regulations as enclosed as ***"Annexure F".***

RELATED PARTY TRANSACTIONS:

During the year under review, the Company had entered into transaction of material nature with its related parties, however, the same may not have potential conflict with the interest of the Company. The Company had formulated a policy for Related Party Transactions and the same is disclosed on the website of the Company and its web link is http://www.khil.com/investors/policies.html

Compliance:

Compliance with Mandatory Requirements:

Your Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

Compliance with Non- Mandatory Requirements:

The Company has also adopted the non mandatory requirement as specified in the Listing Regulations regarding unmodified financial statements.

The Company has complied with various rules and regulations prescribed by SEBI or any the statutory authorities relating to the capital market.

Whistle Blower/Vigil Mechanism:

The Company has established a Vigil Mechanism for directors and employees to report genuine concerns. The Vigil Mechanism enable the Directors, employees and all stakeholders of the Company to report genuine concerns and adequate safeguards against victimization of person who use Vigil Mechanism and make provision for direct access to the Chairman of the Audit Committee.

There are no instance where personnel has been denied access to the Audit Committee.

The details of Vigil Mechanism is displayed on the website of the Company www.khil.com and its web link is http://www.khil.com/investors/policies.html

Code of conduct and other mandatory policies :

The Board of Directors has laid down a "Code of Conduct" (Code) for all the Board members and the senior management personnel of the Company with adoption of all mandatory policies, and these codes and policies are posted on the website of the Company. at its web link: https://www.khil.com/investors/policies.html Annual compliance declaration is obtained from every person covered by the Code.

Risk Management:

The Company has a well-defined Risk Management Policy which helps to identify, manage and mitigate business risks. The Board and Audit Committee periodically discusses the significant business risk identified by Management and reviews the measures taken for mitigation.

A note on identification and mitigation of risks is included in Management Discussion and Analysis annexed to the Board's Report.

Reconciliation of Share Capital Audit Report

In terms of the provisions of Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018,Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary with a view to reconcile the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and those held in physical form with the total issued, paid up and listed capital of the Company. The audit report, inter alia, confirms that the Register of Members is duly updated and that demat/remat requests were confirmed within stipulated time etc. The said report is also submitted to BSE Limited and National Stock Exchange of India Limited.

Prohibition of Insider Trading:

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading. (inserted by SEBI (Prohibition of Insider Trading) (amendment) Regulations, 2018 (w.e.f. 1 April, 2019)

9. MEANS OF COMMUNICATION:

The Company believes in disseminating the crucial information to its shareholders at earliest either by way of Stock Exchange communication or by posting it on the website of the Company. This highlights the importance of two-way communication.

Quarterly Results:

Quarterly, half-yearly and annual financial results of the Company are published in English Daily Free Press Journal, "Financial Express" Mumbai and Marathi Daily Loksatta and Navshakti (Maharashtra edition). The results are submitted to the Stock Exchanges and are simultaneously posted on the website of the Company.

Website:

The Company's website (www.khil.com) maintains a dedicated section pertaining to 'Investors' which serves as one stop station for all the shareholders information. The website is maintained and regularly updated in compliance with Regulation 46 of the Listing Regulations.

Annual Reports:

The Company's Annual Report is circulated to the members either in physical form or through e-mail (whose e-mail id is registered). The Annual Report of the Company is also made available on website of the Company i.e. www.khil.com. Any shareholder who intends to obtain the physical copy of Annual Report or requires any necessary information can contact the Company Secretarial Department for necessary information through the following routes:

Telephone No.: 022 26164000, **Email id**: cs@khil.com ,**Website:** www.khil.com.

10. GENERAL SHAREHOLDERS INFORMATION

a. Company Registration details: The Company is registers in the State of Maharashtra, India. The Corporate Identification Number (CIN) of the Company is L55101MH1986PLC039307.

b. Annual General Meeting Date: Wednesday, 28th September, 2022 at 11.30 a.m. (OAVM) through "Video Conferencing (VC) or other Audio Visual Means.

c. Tentative Financial Calendar

Audited Annual Accounts for the year 2021-22	May, 2022
Unaudited First quarter Results (30th June, 2022)	Second week of August, 2022
Annual General Meeting	before 30th September, 2022
Unaudited 2nd Quarter Results (30th September, 2022)	Second week of November, 2022
Unaudited 3rd Quarter Results (31st December, 2022)	Second week of February, 2023
For the year ended 31st March, 2023	before 30th May, 2023

The above schedule is subject to change pursuant to unforeseen circumstances.

d. Dates of book closure: from Wednesday, 21st September, 2022 to Wednesday, 28th September, 2022 (both days inclusive).

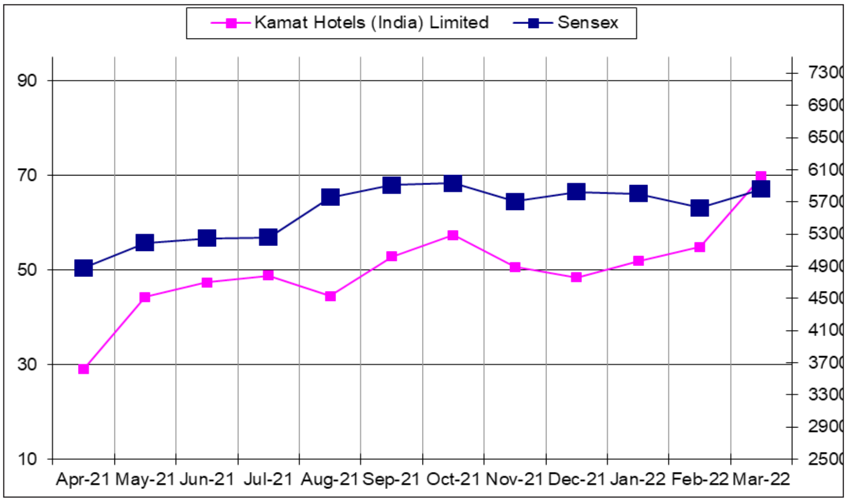
e. Dividend payment date for Dividend 2021-22: -N.A.

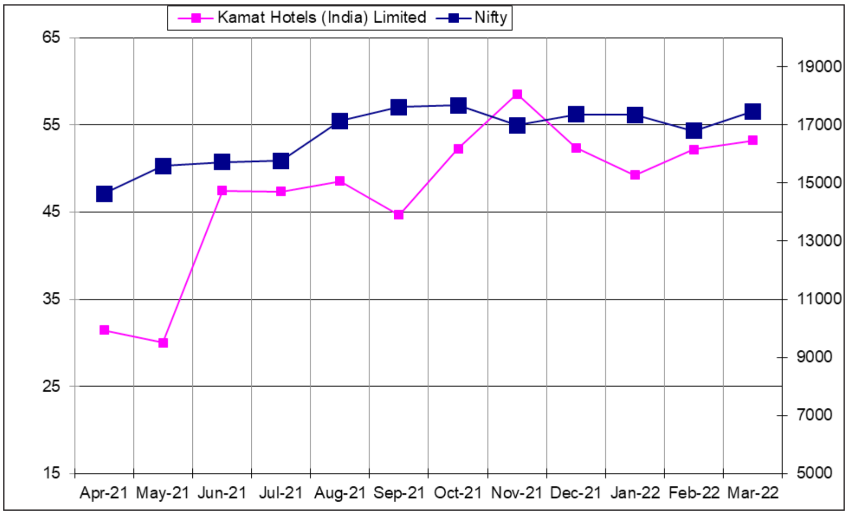
f. Listing of Equity Shares on Stock Exchanges and Market Price Data Name of the Stock Exchange(s) Stock Code/Symbol Bombay Stock Exchange Limited: 526668 at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 and National Stock Exchange of India Limited: KAMATHOTEL at Exchange Plaza, C-1, Block G, Bandra –Kurla Complex, Bandra (E), Mumbai – 400 051.

g. The Company has paid listing fee to all the Stock Exchanges for the financial year 2021-22.

h. Stock Market Price Data

Month	Bombay Stock Exchange Limited			National Stock Exchange of India Limited		
	High	Low	Monthly volume	High	Low	Monthly volume
April 21	32.05	27	1,00,656	31.85	27.50	7,43,522
May 21	47.95	28.25	6,82,492	47.80	28.10	63,16,898
June 21	57.10	44.05	7,04,782	52	46	21,92,614
July 21	52.15	46.80	2,46,802	50.40	47.10	4,09,136
August 21	50.55	40.40	1,73,250	50.70	40.25	12,70,441
Sept 21	57.75	43	4,25,204	57.75	43.15	40,48,305
Oct 21	75.75	48	9,21,075	75.45	49.15	81,50,753
Nov 21	64.40	48.40	1,84,157	64.90	48.15	15,05,061
Dec 21	55.75	45	99,105	56	45	8,04,142
Jan 22	53.50	46.75	1,65,735	53.60	46.85	13,32,187
Feb 22	67.40	46.25	6,98,457	67.40	46.25	76,30,699
March 22	75.95	52.65	8,82,617	75.95	52.50	82,50,621





i. Liquidity

As seen from the above table the shares of the Company are actively traded on the BSE and NSE.

j. Registrars and Share Transfer Agents

Link Intime India Pvt. Ltd.,
C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai-400083,
Tel No. 022 49186270 and Fax No. 022 49186060
Email : rnt.helpdesk@linkintime.co.in
Website :www.linkintime.co.in

For any queries, investors are requested to get in touch with the Registrars and Share Transfer Agents at the address mentioned above or office of the Company Secretary at the Registered Office of the Company.

k. Transfer Committee constituted by the Board considers and approves all physical form shares related issues, transfers, transmission,transposition, remat of shares, deletion of name of deceased shareholder(s) from share certificates, issue of duplicate/ renewed/subdivided/ consolidated/replaced share certificate(s) etc. The transfer formalities are attended to on fortnightly basis by the nominated Registrars & Share Transfer Agents.

The shares are transferred and returned within the minimum stipulated period provided all the necessary documents are found in order.

l. SEBI Complaints Redress System (SCORES):

SCORES is a system implemented by SEBI which enables investors to lodge their complaints electronically on the SEBI website.

The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are centralised database of all complaints, online uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. All complaints received through SCORES are resolved in a timely manner by the Company, similar to other complaints.

m. NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (BSE Listing Centre) NEAPS and BSE Listing Centre are web based application systems for enabling corporates to undertake electronic filing of various periodic compliance related filings like shareholding pattern, results, press releases, etc.

n. Distribution of shareholdings as on 31st March, 2022

Shareholding of Nominal Shares (INR)			Number Of Shareholders	Percentage of Total	Total Shares	% of total of Share
1	to	5,000	16,567	88.73	1,84,60,230	7.83
5,001	to	10,000	1,058	5.67	88,23,310	3.74
10,001	to	20,000	510	2.73	79,32,030	3.36
20,001	to	30,000	182	0.97	46,70,590	1.98
30,001	to	40,000	66	0.35	23,78,130	1.01
40,001	to	50,000	79	0.42	37,45,840	1.59
50,001	to	1,00,000	101	0.54	76,78,790	3.26
1,00,001	to	**********	108	0.58	1,821,51,660	77.24
			18,671	100	23,58,40,580	7.83

Category of Shareholders as on 31st March, 2022.

Category	No. of Equity Shares	% of total paid up capital
Promoter and Promoter Group	1,43,61,960	60.90
Directors and their relatives (other than promoter)	11,600	0.05
Mutual Fund	1,000	0.00
Public:		
Corporate Bodies	4,51,984	1.92
Individual and other	87,57,514	37.13
Total	2,35,84,058	100

o. Dematerialisation of Shares:

As on 31st March, 2022, 2,32,98,947 equity shares (98.78% of total equity capital) were held in dematerialised form. The relative ISIN allotted to the company is INE967C01018.

p. Outstanding GDRs/ ADRs / Warrants or convertible instruments:

Currently, there are no outstanding FCCB/GDRs/ADRs/Warrants and Convertible instruments.

q. Location of Hotels / Restaurants:

The details of location of Hotels and Restaurants are forming part of this Annual Report.

r. Address for Correspondence

Any query on Annual Report- Secretarial Department, Kamat Hotels (India) Limited, 70-C, Nehru Road, Near Santacruz Airport, Vile Parle (East), Mumbai - 400099, e-mail id- cs@khil.com

For and on behalf of Board of Directors
KAMAT HOTELS (INDIA) LIMITED

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

Place : Mumbai
Date : 19th May, 2022

KAMAT HOTELS (INDIA) LIMITED

Declaration on Code of Conduct:

It is confirmed that the Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company.

The Code of Conduct has been posted on the website of the Company. It is further confirmed that all the Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on 31st March, 2022 as envisaged in Listing Regulations.

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the Codes of Conduct and Ethics for Directors and Senior Management of the Company in respect of the financial year 2021-22.

For and behalf of the Board of Directors
KAMAT HOTELS (INDIA) LIMITED

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

Place: Mumbai
Date: 19th May, 2022

CERTIFICATE OF PRACTICING COMPANY SECRETARY REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

(Pursuant to para E of Schedule V of the SEBI (LODR) Regulations, 2015)

The Members of
Kamat Hotels (India) Ltd.
Mumbai

We have examined the compliance of conditions of Corporate Governance by Kamat Hotels (India) Limited ('the Company'), for the year ended 31st March, 2022, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI (LODR) Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For V. V. Chakradeo & Co.,
Company Secretaries

V. V. Chakradeo
COP 1705

Date: 25th July, 2022
Place: Mumbai
UDIN F003382D000682005

ANNEXURE "F" TO THE BOARD'S REPORT
MD AND CFO CERTIFICATION

The Executive Chairman and Managing Director and Chief Financial Officer (CFO) have given a following certificate to the Board as contemplated with Regulation 17(8) of Listing Regulations:

Financial Statements and cash flow statement for the year ended on 31st March, 2022.

Pursuant to Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), we certify that:

A. "We have reviewed the financial statements and the cash flow statement for the year ended 31 March, 2022 and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:

(1) significant changes in internal control over financial reporting during the year;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

This certificate is given by the undersigned with full knowledge that, on its faith and strength, full reliance is placed by the Board of Directors of the Company".

For and on behalf of Board of Directors
of KAMAT HOTELS (INDIA) LIMITED

SMITA NANDA
CHIEF FINANCIAL OFFICER

Dr. VITHAL V. KAMAT
(DIN 00195341)
Executive Chairman & Managing Director

Place: Mumbai
Date: 19th May, 2022

CERTIFICATE OF PRACTICING COMPANY SECRETARY

(Pursuant to Schedule V(C)(10)(i) of the SEBI (LODR) Regulations, 2015)

To
The Members of
Kamat Hotels (India) Ltd.

We, V.V. Chakradeo & Co., Practicing Company Secretaries, have examined the Company and Registrar of Companies records, books and papers of Kamat Hotels (India) Ltd. (CIN: L55101MH1986PLC039307) having its Registered Office at 70-C, Nehru Road, Near Santacruz Airport, Vile Parle (East), Mumbai - 400 099, India (the Company) as required to be maintained under the Companies Act, 2013, SEBI Regulations, other applicable rules and regulations made thereunder for the financial year ended on March 31, 2022.

In our opinion and to the best of our information and according to the examinations carried out by us and explanations and representation furnished to us by the Company, its officers and agents, we certify that none of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority as on March 31, 2022

Sr. No.	Name of the Director	Designation	DIN
1	Dr. Vithal V. Kamat	Executive Chairman and Managing Director	00195341
2	Mr. Vilas R. Koranne	Independent Director	09151665
3	Ms. Harinder Pal Kaur	Independent Director	02306410
4	Mr. Ramnath P. Sarang	Independent Director	02544807
5	Mr. Sanjeev B. Rajgarhia	Non-Executive Non Independent Director	07857384
6	Ms. Vidita V. Kamat	Non-Executive Non Independent Director	03043066

For V. V. Chakradeo & Co.,
Company Secretaries

V. V. Chakradeo
COP 1705

Place: Mumbai
Date: 25th July, 2022
UDIN F003382D000682005

Independent Auditors' Report

To,

The Members of
Kamat Hotels (India) Limited
Report on the standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of **Kamat Hotels (India) Limited** ('the Company') which comprise the standalone balance sheet as at 31st March 2022, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of Act read with the Companies (Indian Accounting Standards) Rule, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

Reference is invited to note 56 of the standalone financial statements. Company's accumulated losses are in excess of its paid up capital and reserves as at 31st March 2022 and its current liabilities are significantly greater than the current assets as on 31st March 2022. Further, in respect of loans, there are non-payment of stipulated instalments comprising of principal and interest and instalment of Rs.24,718 Lakhs which are due and unpaid as at 31st March 2022. In the opinion of the management, considering management's action to mitigate the impact of COVID-19 as described in note 57 of the standalone financial statements which is also demonstrated through positive earnings before interest, taxes and depreciation (EBITDA), application/ in-principle approvals of OTS as stated in note 26.4(d) of the standalone financial statements (also refer para (a) in emphasis of matter paragraph 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 statements have been prepared on a going concern basis which contemplates realization of assets and settlement of liabilities in the normal course of Company's business.

Our opinion is not modified in respect of this matter. Further, the material uncertainty related to going concern para was also reported in our independent auditor's report for earlier financial years and our opinion was not modified in the earlier years also.

Emphasis of matter

(a) Attention is invited to note 26.4(d) of the standalone financial statements. As on 31st March 2022, there are non-payment of stipulated instalments comprising of principal and interest due to the lenders except one bank. The cumulative unpaid instalments amounts to Rs. 24,718.00 lakhs. Continuing regular discussions with the lenders, during the quarter, the Company has applied for One Time Settlement (seeking partial relief in settlement amount) in the nature of cash payment or partially in cash and partially by converting debt into equity as narrated below:

i) During the quarter ended 30th September 2021, one of the lenders had reminded about the outstanding amount payable, to which the company replied stating its inability to make payments on account of severe impact on the business caused by COVID-19 pandemic as well as Government restrictions imposed through various notifications and had further requested for extension upto 30th June 2022. During the quarter ended 31st March, 2022, the Company submitted application for One Time Settlement (OTS) to the lender, and the lender response thereon is awaited.

ii) During the year, the Company received guarantee revocation notice from one lender. However, subsequent to 31st March, 2022, Company's OTS application was approved in-principle by the said lender and the Company has deposited upfront amount after the close of financial year as per the terms of the said settlement.

iii) The Company submitted applications for OTS during the year to two lenders, who have communicated in-principle approval for OTS and the Company has deposited the upfront amount with one lender after the close of the financial year as per the terms of the said settlement.

iv) Approval is also awaited in respect of application for OTS made by the Company in respect of remaining lender.

The accounting impact of OTS by way of changes in liabilities (including derecognition, if any) and classification changes will be given effect upon execution of OTS arrangement.

Further, based on all the above arrangements, discussions with the lenders and COVID-19 related notifications, management is of the view that reporting for event of default is not warranted. Loan balance confirmations from three lenders for balance instalment amounting to Rs. 26,336.29 lakhs are awaited.

b) Reference is invited to note 57 of the standalone financial statements, 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 above matters. In respect of above matters, we had also reported the emphasis of matter in independent auditor's report for earlier financial years and our opinion was not modified in the earlier years also.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Material Uncertainty Related to Going Concern' and 'Emphasis of matter' paragraph section above, we have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	How our audit addressed the Key Audit Matter
Corporate guarantee given on behalf of wholly owned subsidiary and joint venture entity - accounting treatment Refer note 2.5(x) and note 10.1 and 10.2 of notes to standalone financial statement. The Company has given corporate guarantee on behalf of subsidiary and joint venture entity towards loan facilities from banks. Due to past losses, net-worth of the subsidiary company is fully eroded and joint venture entity has been incurring losses in recent years. Assessment of obligation towards the corporate guarantee and consequential recoverability has been identified as a key audit matter due to: - Significance of the carrying amount of balances. - The assessment requires management to make significant estimates concerning the estimated future cash flows, qualitative assessments of the viability of the business carried out by the subsidiary and joint venture including any possible impact arising out of the COVID-19 pandemic on these estimates. - Changes to any of these assumptions could lead to material changes in the estimated obligation and recoverable amounts.	This matter is discussed with the management. We have relied on the explanations given by the management that - with respect to wholly owned subsidiary company, in view of the financial condition of the Company, based on settlement arrangement between the subsidiary, lender and holding company, the modalities of which are being worked out and pending outcome of the specific performance suit filed by the Company, in view of the management estimate, no liability would arise on the Company on account of this guarantee. - with respect to the joint venture entity (JV), considering proposed settlement of loan with the lender and expected improvement in financial position of the JV, it would be able to refinance the outstanding debt and meet the debt obligations as and when they fall due out of its own operations. We assessed the conclusions reached by management and those charged with governance on account of various estimates and judgements including possible impact of COVID-19 pandemic as well as the disclosures made in the financial statements as per Ind AS 109 Financial Instruments.

Information other than the standalone financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and make other appropriate reporting as prescribed.

Management's Responsibilities for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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 management 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 responsibilities for the audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 these standalone financial statements.

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 standalone financial statements, 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 Act, 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 standalone financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements 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 standalone financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that,

a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS prescribed under section 133 of the Act read with relevant Rules made thereunder.

e) The matter described in 'Material uncertainty related to going concern' and matters described in para (a) and (b) in 'Emphasis of matter paragraph, in our opinion may have an adverse impact on the functioning of the Company.

f) On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2022, from being appointed as a director in terms of Section 164(2) of the Act.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations, if any, on its financial position in its standalone financial statements - Refer note 15.1 and 45.3(i) of the standalone financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. The management has represented, as stated in note 58 of the financial statements that,

      a) no funds have been advanced or loaned or invested by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

      b) no funds have been received by the Company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

         Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the above representations given by the management contain any material mis-statement.

   v. The Company has not declared or paid dividend during the year. Hence our comments on compliance with section 123 of the Companies Act 2013 does not arise.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No.: 116560W/W100149

Sandeep Shah
Partner
Membership No. 37381
UDIN: 22037381AJGAGD7690

Place: Mumbai
Date: 19th May, 2022

Annexure A to the Independent Auditor's Report for the year ended 31st March 2022

[Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date]

i. In respect of Property, Plant and Equipment and intangible assets:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has also maintained proper records showing full particulars of Intangible assets.

b) The Property, Plant and Equipment were physically verified by the management at reasonable intervals, which, in our opinion, is reasonable. According to the information and explanation given to us, discrepancies noticed on such physical verification were not material and have been appropriately dealt in the books of accounts.

c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed and conveyance deed, we report that, the title deeds, comprising all the immovable properties of land and building (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) which are free hold, are held in the name of the Company as at the balance sheet except:

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company
Land (Investment Property)	Rs. 71.69 lakhs	Dr. Vithal Kamat	Executive Chairman and Managing Director	Since 29th September, 2006	Pending due to change in use of land
Land (Investment Property)	Rs. 62.70 lakhs	Mr. Vishal Kamat	Son of KMP and also Chief Executive Officer of Fort Jadhav Gadh, a unit of the Company	Since 7th June, 2007	Pending due to change in use of land
Building	Rs. 1.96 lakhs	(Refer reason column)	(Refer reason column)	Since 1st April 1994	Insufficient legal documentation

In respect of title deeds which are deposited with lenders, we have verified the title from photocopies of those agreements and we have relied on the certificate provided by the trustees/lenders.

d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Therefore, clause (i) (d) of paragraph 3 of the Order is not applicable to the Company.

e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, clause (i) (e) of paragraph 3 of the Order is not applicable to the Company.

ii. In respect of inventories:

a) In our opinion, physical verification of inventories has been conducted by the management at reasonable intervals and the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on such verification by the management, were less than 10% for each class of inventory and have been appropriately dealt in the books of accounts.

b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. Therefore, clause (ii) (b) of paragraph 3 of the Order is not applicable to the Company

iii. In respect of investments made in, Guarantee or security provided or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties by the Company:

a) According to the information and explanation given to us, during the year the Company has not provided loans or provided any advances in nature of loans, or stood guarantee, or provided security to any other entity. Therefore, clause (iii) (a) (A), (iii) (a) (B) of paragraph 3 of the Order is not applicable.

b) According to the information and explanations given to us and based on the audit procedures performed by us, with respect to loans granted to wholly owned subsidiary companies (Orchid Hotels Pune Private Limited (OHPPL) (Also refer note 10.1) and Mahodadhi Palace Private Limited (MPPL) (Also refer note 12.1)) whose financial position have been affected due to adverse factors, interest is waived off by the Company till the financial position of these subsidiary companies improve. Further, in view of these developments, the aforesaid loans and outstanding interest thereon had been classified by the Company as doubtful of recovery and provision had been made in the accounts in earlier years.

Similarly, in respect of investments made by the Company, investments in wholly owned subsidiary company (OHPPL) and in joint venture namely Ilex Developers and Resorts Limited have been fully provided on account of erosion of net worth and / or losses in the past. Further, the Company has also provided guarantee for loans taken by wholly owned subsidiary company (OHPPL) and joint venture namely Ilex Developers and Resorts Limited.

In our opinion, the above is prejudicial to the interest of the Company. (Also refer our comment under Key Audit Matter which highlights the accounting implications as regards the guarantee provided).

c) Reporting under clause (iii)(c) of paragraph 3 of the Order and for overdue amount beyond 90 days as per clause (iii)(d) of paragraph 3 of the Order:

As mentioned above, interest is waived off by the Company. As regards the repayment of principal, as mentioned above, the provision of the loan amount has been fully made. Considering various factors, recovery of principal and interest is unlikely and specific steps have not been initiated.

d) According to the information and explanation given to us, during the year there is no renewal or extension or fresh loans granted to settle the overdues of existing loans given to the same parties.

e) According to the information and explanations given to us, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. According to the information and explanation given to us, the Company has not granted any loan or given any guarantee or provided any security to any of its directors or any person connected to directors which attracts the provisions of section 185 of the Act from the date when it became effective. The Company has not granted any loan, made investment, given any guarantee or provided securities from the date when this section become effective for which compliance under section 186 of the Act is required. In view of the above, our comment on compliance of Section 185 and 186 of the Act is not required.

v. In our opinion and according to the information and explanation given to us, the Company has not accepteds any deposits or amounts which are deemed to be deposits from the public within the meaning of directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the rules framed there under. We have been informed that no order relating to Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

vi. The Central Government has not prescribed maintenance of cost records under section 148(1) of the Act for the goods and services rendered by the Company. Accordingly, clause (vi) of paragraph 3 the Order is not applicable to the Company.

vii. In respect of statutory dues:

a) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of accounts, the Company has been generally regular in depositing undisputed statutory dues including employees' state insurance, income tax, duty of customs, duty of excise, cess and any other statutory dues, as applicable to the Company, during the period with the appropriate authorities except minor delays in payment of provident fund, tax deducted at source, Maharashtra Value Added Tax (MVAT) , professional tax and significant delays in Goods and Services Tax (GST). According to the information and explanation given to us and based on our examination, there are no undisputed amounts payable in respect of statutory dues outstanding for more than six months from the date they become payable except interest on ineligible input tax credit availed for which estimated provision is made and the reconciliation of which is in progress.

b) According to the records of the Company and information and explanations given to us, there are no statutory dues referred in clause (vii) (a) above which have not been deposited with appropriate authorities on account of any dispute, except as tabulated under:

Name of the Statute	Nature of the dues	Amount (Rupees in lakhs)*	Period to which it pertains	Forum where dispute is pending
Maharashtra Value Added Tax Act, 2002	MVAT	15.64	2006-07	Joint Commissioner of Sales Tax (Appeals)
	MVAT	12.42	2007-08	Joint Commissioner of Sales Tax (Appeals)
	MVAT	13.95	2008-09	Joint Commissioner of Sales Tax (Appeals)
	MVAT	6.91	2010-11	Joint Commissioner of Sales Tax (Appeals)
	MVAT	274.97	2011-12	Joint Commissioner of Sales Tax (Appeals)
	MVAT	37.09	2012-13	Joint Commissioner of Sales Tax (Appeals)
	MVAT	5.01	2013-14	Joint Commissioner of Sales Tax (Appeals)
Maharashtra Tax on Luxuries Act 1987	Luxury Tax	1.11	2011-12	Joint Commissioner of Sales Tax (Appeals)
	Luxury Tax	13.90	2012-13	Joint Commissioner of Sales Tax (LTU 4)
	Luxury Tax	14.58	2013-14	Joint Commissioner of Sales Tax (LTU 4)
Finance Act, 1994	Service Tax	0.67	2012-13	Commissioner of Service Tax (Appeals)
	Service Tax	0.43	2013-14	Commissioner of Service Tax (Appeals)
	Service Tax	77.54	2014-15	CESTAT, West Zonal Bench – Mumbai
	Service Tax	2.68	2014-15	CESTAT, West Zonal Bench – Mumbai
	Service Tax	28.98	2015-16	Deputy Commissioner Service Tax
	Service Tax	30.40	2016-17	Assistant Commissioner Service Tax
	Service Tax	3.41	2017-18	Assistant Commissioner Service Tax
Income-tax Act, 1961	Income Tax	214.74	2012-13	Commissioner of Income Tax – Appeal
	Income Tax	4772.54	2016-17	Commissioner of Income Tax – Appeal

* Net of amount paid under protest of Rs. 22.22 lakhs.

viii. According to the information and explanations given to us and based on the procedures carried out during the course of our audit, we have not come across any transactions not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. In respect of Borrowing-

a) In our opinion and according to the information and explanations given to us, the Company has defaulted in payment of interest and repayment of various landers during the year (before considering the restructuring / extensions/ OTS) as tabulated below:

(Amount in Lakhs)

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Secured	Phoenix ARC Private Limited (assigned by Allahabad Bank)	2,080.00	Principal	1 to 761 Days	Refer below note
		1,275.65	Interest		
Secured	Assets Care & Reconstruction Enterprise Limited (Assigned by State Bank of India)	10,338.77	Principal	1 to 822 Days	
		3,936.10	Interest	1 to 822 Days	
Secured	Assets Care & Reconstruction Enterprise Limited (Assigned by Tourism Finance Corporation of India)	2,840.79	Principal	1 to 822 Days	
		1,018.71	Interest	1 to 822 Days	
Secured	Assets Care & Reconstruction Enterprise Limited (Assigned by Andhra bank)	2,922.33	Principal	1 to 822 Days	
		1,079.76	Interest		
Secured	India SME Asset Reconstruction Company Limited (Assigned by Syndicate Bank)	594.50	Principal	1 to 723 Days	
		124.29	Interest		
Secured	India SME Asset Reconstruction Company Limited (Assigned by Dena Bank)	203.50	Principal	1 to 723 Days	
		66.21	Interest	1 to 723 Days	
Secured	Edelweiss Asset Reconstruction Limited (Assigned by Larsen & Toubro Infrastructure Finance Company Limited)	1,620.00	Principal	1 to 730 Days	
		175.09	Interest		
Secured	Invent Assets Securitization & Reconstruction Private Limited (Assigned by Vijaya Bank)	140.00	Principal	1 to 89 Days	
		10.20	Interest		
Secured	Kotak Bank	2.76	Interest	1 Day	-

Note: The Company has requested all the above lenders for extension/ OTS of the dues considering the impact on account of COVID-19. Refer para (a) in emphasis of matter section above.

b) According to information and explanations given to us, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender and the confirmation from lenders are awaited. Therefore, clause (ix)(b) of paragraph 3 the Order is not applicable to the Company.

c) In our opinion and according to the information and explanations given to us, the term loans obtained during the year have been applied for the purposes for which those were obtained.

d) According to the information and explanations given to us, and the procedures performed by us, no funds have been raised on short-term basis. Therefore, clause (ix)(d) of paragraph 3 of the Order is not applicable to the Company.

- **e)** The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Therefore, question of us commenting upon details thereof along with the nature of such transactions and the amount does not arise.
- **f)** The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Therefore, question of us commenting upon details thereof and also report if the company has defaulted in repayment of such loans raised does not arise.

x. In respect of issue of shares:

- **a)** According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year ended 31st March, 2022. Therefore, clause (x)(a) of paragraph 3 the Order is not applicable to the Company.
- **b)** According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, clause (x)(b) of paragraph 3 the Order is not applicable to the Company.

xi. In respect of Fraud:

- a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company has been noticed or reported during the year.
- b) No report under section 143(12) of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the management, there has been no whistle blower complaints received by the company during the year.

xii. In our opinion, the Company is not a Nidhi company. Therefore, clause (xii) (a), (xii) (b) and (xii) (c) of paragraph 3 the Order is not applicable.

xiii. According to the information and explanations given to us and on the basis of our examination of records of the Company, transaction with related parties are in compliance with Section 177 and 188 of the Act and details have been disclosed in the standalone financial statements as required under Ind AS 24, Related Party Disclosure specified under section 133 of the Act [Also refer note 47 of standalone financial statements], read with Rule 7 of the Companies (Accounts) Rules 2014.

xiv. In respect of Internal Audit:

- a) In our opinion, the Company has internal audit system and the same needs to be strengthened by widening the scope of internal audit.
- a) We have considered the internal audit reports of the company issued till date, for the period under audit.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or person connected with director. Therefore, question of our comment on compliance with provisions of Section 192 of the Act does not arise.

xvi. In respect of registration under section 45-IA of the Reserve Bank of India Act, 1934:

- a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, clause (xvi)(a) of paragraph 3 of the Order is not applicable to the Company.
- b) During the year, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Therefore, clause (xvi)(b) of paragraph 3 of the Order is not applicable to the Company.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, clause (xvi)(c) of paragraph 3 of the Order is not applicable to the Company.
- d) As per information & explanation given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Therefore, clause (xvi)(d) of paragraph 3 of the Order is not applicable to the Company.

xvii. According to the information and explanations given to us, the Company has incurred cash losses in the financial year amounting to Rs. 1,966.83 lakhs and in the immediately preceding financial year amounting to Rs. 2,713.90 lakhs.

xviii. There has not been any resignation of the statutory auditors during the year. Therefore, clause (xviii) of paragraph 3 of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, and based on our comment in paragraph "material uncertainty related to going concern", the material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. However, the financial statements are continued to be prepared on going concern basis.

xx. In respect of CSR Compliance:

a) In our opinion, according to information and explanation given to us and examination done by us, in respect of other than ongoing projects, there is no unspent amount to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013. Therefore, question of commenting on compliance with second proviso to sub-section (5) of section 135 of the Act does not arise.

b) In our opinion and according to information and explanation given to us and examination done by us, the Company has no amount which has remained unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project. Therefore, question of commenting on compliance with sub-section (6) of section 135 of the Act does not arise.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No.: 116560W/W100149

Sandeep Shah
Partner
Membership No. 37381
UDIN: 22037381AJGAGD7690

Place: Mumbai
Date: 19th May, 2022

Annexure B to the Independent Auditor's Report for the year ended 31st March 2022

[Referred to in paragraph 2(g) under the heading "Report on other legal and regulatory requirements" of our report of even date]

Report on internal Financial control under section 143(3)(i) of the Companies Act, 2013 ('the Act')

Opinion

We have audited the internal financial controls over financial reporting of **Kamat Hotels (India) Limited** ("the Company") as of 31st March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Operating effectiveness of certain processes for current year have been tested and complied by the internal auditors based on transaction audit on data extracted from the systems (excel format), using Data Analytics and Remote Auditing Techniques considering COVID-19 based mobility limitations. In this respect, we have performed alternate procedures for the purpose of our assertions and opinion.

In our opinion, read with our comments above, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No.: 116560W/W100149

Sandeep Shah
Partner
Membership No. 37381
UDIN: 22037381AJGAGD7690

Place: Mumbai
Date: 19th May, 2022

KAMAT HOTELS (INDIA) LIMITED

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

	Particulars	Note no.	As at 31st March 2022	As at 31st March 2021
	ASSETS			
A	**Non-current assets**			
	a) Property, plant and equipment	5	24,997.95	25,129.25
	b) Capital work-in-progress	6	23.62	617.65
	c) Right of use assets	7	405.95	420.25
	d) Investment property	8	992.56	1,016.28
	e) Other intangible assets	9	64.69	75.42
	f) Financial assets			
	i) Investments in subsidiaries & joint venture	10	4.00	4.00
	ii) Investments	11	17.72	19.66
	iii) Loans	12	-	-
	iv) Other financial assets	13	2,182.28	2,063.30
	g) Income tax assets (net)	14	1,124.64	1,015.91
	h) Other non current assets	15	3,349.35	3,514.62
	(A)		**33,162.76**	**33,876.34**
B	**Current assets**			
	a) Inventories	16	181.93	156.77
	b) Financial assets			
	i) Investments	17	6.61	5.28
	ii) Trade receivables	18	861.70	607.55
	iii) Cash and cash equivalents	19	860.38	659.19
	iv) Bank balances other than (iii) above	20	71.57	57.68
	v) Loans	21	0.04	58.75
	vi) Other financial assets	22	36.76	36.10
	c) Other current assets	23	409.76	381.04
	(B)		**2,428.75**	**1,962.36**
	TOTAL (A + B)		**35,591.51**	**35,838.70**
	EQUITY AND LIABILITIES			
A	**Equity**			
	a) Equity share capital	24	2,417.26	2,417.26
	b) Other equity	25	(6,508.95)	(4,293.24)
	(A)		**(4,091.69)**	**(1,875.98)**
	Liabilities			
B	**Non-current liabilities**			
	a) Financial liabilities			
	i) Borrowings	26	1,947.96	4,480.79
	ia) Lease liabilities	27	100.66	100.21
	iii) Other financial liabilities	28	97.20	107.96
	b) Provisions	29	376.05	388.23
	c) Deferred tax liabilities (net)	30	640.60	1,370.07
	d) Other non-current liabilities	31	304.37	378.84
	(B)		**3,466.84**	**6,826.10**
C	**Current liabilities**			
	a) Financial liabilities			
	i) Borrowings	32	22,709.58	21,222.09
	ia) Lease liabilities	33	12.23	14.11
	ii) Trade payables	34		
	- Amount due to Micro and small enterprises		141.21	243.68
	- Amount due to other than Micro and small enterprises		1,693.96	1,938.82
	iii) Other financial liabilities	35	9,591.95	5,826.30
	b) Other current liabilities	36	1,959.67	1,541.49
	c) Provisions	37	107.76	102.09
	(C)		**36,216.36**	**30,888.58**
	TOTAL (A+B+C)		**35,591.51**	**35,838.70**
	Significant accounting policies and notes to financial statements	**1 to 62**		

The notes referred to above form an integral part of the standalone financial statements
As per our audit report of even date

For N.A.Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

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

Sandeep Shah
Partner
Membership No. 37381

Place: Mumbai
Date: 19th May, 2022

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

Ramnath P. Sarang
Director
(DIN : 02544807)

Smita Nanda
Chief Financial Officer

Hemal Sagalia
Company Secretary

Place: Mumbai
Date: 19th May, 2022

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

	Particulars	Note no.	Year ended 31st March 2022	Year ended 31st March 2021
A	**Income**			
	Revenue from operations	38	10,818.68	5,162.26
	Other income	39	60.59	100.49
	Total income (A)		**10,879.27**	**5,262.75**
B	**Expenses**			
	Consumption of food and beverages	40	1,085.25	508.82
	Employee benefits expense	41	2,415.74	1,191.44
	Finance costs	42	4,752.76	3,890.77
	Depreciation and amortisation expenses	5, 7, 8 & 9	1,003.33	1,000.86
	Other expenses	43	4,592.35	2,758.79
	Total expenses (B)		**13,849.43**	**9,350.68**
C	**(Loss) before exceptional items & tax (A - B) (C)**		**(2,970.16)**	**(4,087.93)**
	Exceptional item - Income	44	-	373.17
D	**(Loss) before tax (D)**		**(2,970.16)**	**(3,714.76)**
E	**Tax expense:**			
	- Current tax	14	-	-
	- Deferred tax (credit) (net)	30	(736.49)	(946.71)
	- Short / (excess) provision for current tax / deferred tax (net)		0.73	(10.85)
	Total tax expense (E)		**(735.76)**	**(957.56)**
F	**(Loss) after tax (D - E)(F)**		**(2,234.40)**	**(2,757.20)**
G	**Other comprehensive income**			
	a) (i) Items not to be reclassified subsequently to Statement of Profit and Loss			
	- Remeasurement of defined benefit plans - gain/(loss)		24.98	45.64
	(ii) Income tax relating to items that will be not be reclassified to Statement of Profit and Loss		(6.29)	(11.49)
	b) (i) Items that will be reclassified subsequently to Statement of Profit and Loss		-	-
	(ii) Income tax relating to items that will be reclassified to Statement of Profit and Loss		-	-
	Other comprehensive income for the year (G)		**18.69**	**34.15**
H	**Total comprehensive income for the year (F + G)**		**(2,215.71)**	**(2,723.05)**
	Basic and diluted earnings per share	49	(9.47)	(11.69)
	Equity shares [Face value of Rs. 10 each]			
	Significant accounting policies and notes to financial statement	**1 to 62**		

The notes referred to above form an integral part of the standalone financial statements
As per our audit report of even date

For N.A.Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

Sandeep Shah
Partner
Membership No. 37381

Place: Mumbai
Date: 19th May, 2022

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

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

Ramnath P. Sarang
Director
(DIN : 02544807)

Smita Nanda
Chief Financial Officer

Hemal Sagalia
Company Secretary

Place: Mumbai
Date: 19th May, 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(a) Equity share capital

Current Reporting Period - 31st March, 2022

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
2,417.26	-	2,417.26

Previous Reporting Period - 31st March, 2021

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
2,417.26	-	2,417.26

(b) Other equity

Particulars	Reserves & surplus					OCI*	Total other equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Amalgamation Reserve	Retained Earnings	Remeasurement gain of defined benefit plan	
Balance as at 1st April, 2020	**13.87**	**266.50**	**14,986.74**	**280.06**	**(17,141.68)**	**24.32**	**(1,570.19)**
Loss for the year - 2020 - 2021	-	-	-	-	(2,757.20)	-	**(2,757.20)**
Other comprehensive income for the year - 2020 - 2021	-	-	-	-	-	34.15	**34.15**
Balance as at 31st March 2021	**13.87**	**266.50**	**14,986.74**	**280.06**	**(19,898.88)**	**58.47**	**(4,293.24)**
Loss for the year - 2021 - 2022	-	-	-	-	(2,234.40)	-	**(2,234.40)**
Other comprehensive income for the year - 2021-2022	-	-	-	-	-	18.69	**18.69**
Balance as at 31st March 2022	**13.87**	**266.50**	**14,986.74**	**280.06**	**(22,133.28)**	**77.16**	**(6,508.95)**

(Refer note 25)

*Other comprehensive income

Notes referred to herein above form an integral part of standalone financial statements.

As per our audit report of even date

For N.A.Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

Sandeep Shah
Partner
Membership No. 37381

Place: Mumbai
Date: 19th May, 2022

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

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

Ramnath P. Sarang
Director
(DIN : 02544807)

Smita Nanda
Chief Financial Officer

Hemal Sagalia
Company Secretary

Place: Mumbai
Date: 19th May, 2022

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

	Particulars	Year ended 31st March 2022	Year ended 31st March 2021
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	(Loss) before taxes and other comprehensive income	(2,970.16)	(3,714.76)
	Adjustments for:		
	Finance cost	4,752.76	3,890.77
	Interest income	(18.41)	(23.77)
	Depreciation and amortization	1,003.33	1,000.86
	Liabilities and Provisions written back	(97.49)	(50.50)
	Bad debts written off	-	8.65
	Provision for expected credit loss and doubtful advances	126.96	91.96
	Loss / (gain) on sale / discard of property, plant and equipment	3.88	(25.19)
	Rent income	(41.00)	(44.09)
	Insurance claim - (exceptional item)	-	(373.17)
	Loss / (gain) on fair value of investments	0.61	(5.81)
	Operating profit before working capital changes	**2,760.48**	**754.95**
	Movements in working capital : [Including Current and Non-current]		
	(Increase) / decrease in loans, trade receivable and other assets	(302.36)	305.85
	(Increase) / decrease in inventories	(25.16)	101.70
	Increase / (decrease) in trade payable, other liabilities and provisions	(279.36)	(1,451.60)
		2,153.60	**(289.10)**
	Adjustment for:		
	Direct taxes (paid) (including tax deducted at source) / refund (net)	(106.89)	146.70
	Net cash generated/ (used in) from operating activities…(A)	**2,046.71**	**(142.40)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment (Including capital work in progress and capital advances)	(275.37)	(140.37)
	Sale of property, plant and equipment	4.10	43.00
	Insurance claim received	-	148.17
	Temporary refund received of loan given to wholly owned subsidiary	270.00	660.00
	Repayment of temporary refund of loan given to wholly owned subsidiary	(270.00)	(660.00)
	Rent income received	48.85	44.09
	Interest income	13.48	21.40
	(Increase)/decrease in bank balance [Current and non-current] (other than cash and cash equivalent)	(24.04)	11.19
		(232.98)	**127.48**
	Adjustment for:		
	Direct taxes (paid) (including tax deducted at source) - (Net)	(1.84)	(1.78)
	Net cash (used in) from investing activities… (B)	**(234.82)**	**125.70**

KAMAT HOTELS (INDIA) LIMITED

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

	Particulars		Year ended 31st March 2022	Year ended 31st March 2021
C.	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds from long term borrowings		422.76	1,020.34
	Repayment of long term borrowings		(1,478.72)	(255.28)
	Payment of lease liabilities (Refer note 52)		(25.62)	(24.66)
	Interest paid (Including other borrowing cost)		(529.12)	(112.70)
	Net cash (used in) / generated from financing activities… (C)		**(1,610.70)**	**627.70**
	Net increase in cash and cash equivalents (A+ B+C)		**201.19**	**610.99**
	Cash and cash equivalents at beginning of the year		659.19	48.20
	Cash and cash equivalents at end of the year		860.38	659.19
	Net increase in cash and cash equivalents		**201.19**	**610.99**
	Significant accounting policies and notes to financial statement	**1 to 62**		

Notes referred to above form an integral part of the standalone financial statements

Notes:

(i) Cash flow statement has been prepared under "indirect method" as set out in Ind AS 7 - "Statement of Cash Flows".

(ii) Refer note 54 for other Statement of Cash Flows related notes.

As per our audit report of even date

For N.A.Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

Sandeep Shah
Partner
Membership No. 37381

Place: Mumbai
Date: 19th May, 2022

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

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

Ramnath P. Sarang
Director
(DIN : 02544807)

Smita Nanda
Chief Financial Officer

Hemal Sagalia
Company Secretary

Place: Mumbai
Date: 19th May, 2022

Notes on Standalone financial statements for the year ended 31st March 2022

1. **Background**

The Company was incorporated on 21st March, 1986 under Companies Act, 1956 and is domiciled in India. The registered office of the Company is located at 70 – C, Nehru Road, Near Santacruz Airport, Vile Parle (E), Mumbai – 400 099, India. Its shares are listed and traded on the Bombay Stock Exchange and National Stock Exchange in India.The Company is in the hospitality business. Currently, it has hotels in the states of Maharashtra (Mumbai, Pune, Nashik, Murud), Goa (Benaulim) and Orissa (Puri, Konark).

The financial statements of the Company for the year ended 31stMarch,2022 were approved and adopted by board of directors of the Company in their meeting held on 19thMay,2022.

2. **Basis of preparation**

2.1. Statement of compliance with Ind AS

The financial statements (on standalone basis) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2. Basis of preparation and presentation

These standalone financial statements have been prepared on the historical cost convention and on accrual basis except for the following assets and liabilities which have been measured at fair value:

i) Certain financial assets and liabilities (including derivative instruments);

ii) Defined benefit plans – plan assets;

The financial statements are in accordance with Division II of Schedule III to the Act, as applicable to the Company.

2.3. Functional and presentation of currency

The financial statements are prepared in Indian Rupees which is also the Company's functional currency. All amounts are rounded to the nearest rupees in lakhs.

2.4. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 – Unadjusted quoted price in active markets for identical asset and liability.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purpose using methods as prescribed in "Ind AS 113 Fair Value Measurement".

2.5. Use of significant accounting estimates, judgements and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses for the periods presented. The Company based its assumptions and estimates on parameters available when the financial statements were prepared.Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Significant estimates and critical judgement in applying these accounting policies are described below:

i) Property, plant & equipment, investment property and Intangible assets:

The Company has estimated the useful life, residual value and method of depreciation / amortisation of property, plant & equipment, investment property and intangible assets based on its internal technical assessment. Property, plant & equipment, investment property and intangible assets represent a significant proportion of the asset base of the Company. Further, the Company has estimated that scrap value of property, plant & equipment and investment property would be able to cover the residual value & decommissioning costs of property, plant & equipment and investment property.

Therefore, the estimates and assumptions made to determine useful life, residual value, method of depreciation / amortisation and decommissioning costs are critical to the Company’s financial position and performance.

ii) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on industry practice, Company’s past historyand existing market conditions as well as forward looking estimates at the end of each reporting period.

iii) Contingencies:

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

iv) Income taxes:

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit and loss.

v) Measurement of defined benefit plan & other long-term benefits:

The cost of the defined benefit gratuity plan / other long term benefits and the present value of the gratuity obligation / other long term benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation / other long term benefits is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

vi) Loyalty program:

The Company estimates the fair value of points awarded under the Loyalty Programme based on past experience of use of points by customers and expected usage in future.

vii) Impairment of investment in subsidiaries and joint venture entity:

In the opinion of the management, investments/ advances in subsidiaries are considered long term and strategic in nature and in view of future business growth / asset base, the value of long term investments and loan & advances given are considered good except in case of a subsidiary and joint venture, considering adverse factors which have severely affected its financial position and expansion plans, on a consideration of prudence, provision has been made for impairment of investment/ advances.

viii) Going concern:

The Company’s accumulated losses are in excess of its paid up capital and reserves as at 31st March, 2022 and its current liabilities are significantly greater than the current assets as on 31st March, 2022 and 31st March, 2021. Further, in respect of most of the 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 56 of the standalone financial statements which is also demonstrated through positive earning before interest, taxes and depreciation (EBITDA) for the year ended 31st March, 2022 and for the year ended 31st March, 2021, application / in-principle approvals of One Time Settlements (OTS), 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.

ix) Impairment of non-financial assets:

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of a) fair value of assets less cost of disposal and b) its value in use. Value in use is the present value of future cash flows expected to derive from an assets or Cash-Generating Unit (CGU).

Based on the assessment done at each balance sheet date, recognised impairment loss is further provided or reversed depending on changes in circumstances. After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognised are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation / amortisation had no impairment loss been recognised in earlier years.

x) Corporate guarantee:

The Company has given corporate guarantee on behalf of subsidiary and joint venture entity towards loan facilities from banks. This subsidiary and joint venture entity has also given corporate guarantee on behalf of the Company for loan facilities taken by the Company. With respect to subsidiary company, in view of the financial condition of the Company, based on settlement arrangement entered by the subsidiary with the lenderand ongoing discussion with the lenders of the subsidiary, in view of the management estimate, no liability would arise on the Company on account of this guarantee. With respect to the joint venture entity (JV), considering settlement of loan of the lender and expected improvement in financial position of the JV, it would be able to refinance the outstanding debt and meet the debt obligations as and when they fall due.

Hence the financial guarantee obligation is not required to be recognized in financial statements. [Also refer note 60(e)].

3. **Significant Accounting Policies**

3.1. Presentation and disclosure of standalone financial statement

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013 for a company whose financial statements are made in compliance with the Companies (India Accounting Standards) Rules, 2015.

Based on the nature of service i.e. hospitality and the time between rendering of services and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current / non-current classification of assets and liabilities.

3.2. Property, Plant and Equipment (Tangible Assets)and Depreciation

Recognition and measurement

Properties plant and equipment are stated at their cost of acquisition. Cost of an item of property, plant and equipment includes purchase price including non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/ decommissioning of the asset.

Parts (major components) of an item of property, plant and equipments having different useful livesare accounted as separate items of property, plant and equipments.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under "Other non-current assets". Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date.

Depreciation and useful lives

Depreciation on the property, plant and equipment (other than freehold land and capital work in progress) is provided on a straight-line method (SLM) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013.

Building on leasehold lands and improvements to building on leasehold land / premises are amortized over the period of lease or useful life whichever is lower.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is de-recognised.

3.3. Intangible assets and amortisation

Recognition and measurement

Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the Company and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortization and accumulated impairment loss if any.

Cost of an intangible asset includes purchase price including non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.

Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.

Amortization and useful lives

Computer softwares are amortized in 10 years on straight line basis. Amortisation methods and useful lives are reviewed at each financial year end and adjusted prospectively. In case of assets purchased during the year, amortization on such assets is calculated on pro-rata basis from the date of such addition.

Balance useful life of intangible are reviewed periodically, including at each financial year end.

3.4. Investment property and depreciation

Investment Property is property (land or a building – or a part of a building – or both) held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods and services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Any gain or loss on disposal of investment property calculated as the difference between net proceeds from disposal and the carrying amount of Investment Property is recognized in Statement of Profit and Loss.

Depreciation and useful lives

Depreciation on the investment property (other than freehold land) is provided on a straight-line method (SLM) over their useful lives which are in consonance of useful life mentioned in Schedule II to the Companies Act, 2013.

Building on leasehold lands and improvements to building on leasehold land / premises are amortized over the period of lease or useful life whichever is lower.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

3.5. Inventories

Inventories comprises of stock of food, beverages, stores and operating supplies and are valued at lower of cost (computed on weighted average basis) or net realizable value. Purchase of operating supplies (other than initial acquisition during the pre-commencement of the hotel and commencement of new restaurants / outlets) is charged to statement of profit and loss in the year of consumptions. The cost comprises of cost of purchases, duties and taxes (other than those subsequently recoverable) and other costs incurred in bringing them to their present location and condition. Cost of inventories is arrived at after providing for cost of obsolescence.

3.6. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and discounts given to the customers.

(i) Revenue comprises of sale of rooms, banquets, food & beverages and allied services relating to hotel operations. Revenue is recognised upon rendering of service. Sales and services net of indirect taxes and discounts. Revenue yet to be billed is recognised as unbilled revenue.

(ii) Initial non-refundable membership fee is recognised as income over the period of validity of membership which reflects the expected utilization of membership benefits.

(iii) Annual membership fees collected from members [in respect of both under refundable and non-refundable membership scheme] are recognised as income on time proportion basis.

(iv) Management fees under hotel management arrangement are recognised in accordance with terms of the arrangement.

(v) The Company operates loyalty programme, which allows its eligible customers to earn points based on their spending at the hotels. The points so earned by such customers are accumulated. The revenues allocated to award points is deferred and revenue is recognised on redemption of the award points towards the services utilized.

(vi) Dividend income on investments is accounted for in the year in which the right to receive is established, which is generally when shareholders approve the dividend.

(vii) For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

(viii) Income from rentals are recognized as an income in the statement of profit and loss on a straight-line basis over the lease term.

(ix) Export incentives / benefits are recognised as income in Standalone Statement of Profit and Loss when the right to receive payment/ credit is established and no significant uncertainty as to measurability or collectability exists.

3.7. Investment in subsidiaries, associates and jointly controlled entities

The Company's investment in instruments of subsidiaries, associates and jointly controlled entities are accounted for at cost.

3.8. Government grants

Government grants are recognized in the period to which they relate when there is reasonable assurance that the grant will be received and that the Company will comply with the attached conditions. Government grants are recognized in the statement of profit and loss on systematic basis over a period in which the Company recognizes as expenses the related costs for which the grants are intended to compensate.

3.9. Foreign currency transaction

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. As at the Balance Sheet date, foreign currency monetary items are translated at closing exchange rate. Exchange difference arising on settlement or translation of foreign currency monetary items are recognised as income or expense in the year in which they arise.

Foreign currency non-monetary items which are carried at historical cost are reported using the exchange rate at the date of transactions.

3.10. Employee benefits

- Short-term employee benefits

  All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the employee renders the related service.

- Post-employment benefits& other long-term benefits

  a. Defined contribution plan

     The defined contribution plan is a post-employment benefit plan under which the Company contributes fixed contribution to a Government Administered Fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Labour Welfare Fund and Employee State Insurance Scheme. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

  b. Post-employment benefitand other long term benefits

     The Company has defined benefit plans comprising of gratuity and other long term benefits in the form of leave benefits and long service rewards. Company's obligation towards gratuity liability is funded plan and is managed by Life Insurance Corporation of India (LIC). The present value of the defined benefit obligations and certain other long term employee benefits [privilege leave and sick leave] is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

  For gratuity plan, re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the post-employment benefits liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Such re-measurements are not reclassified to statement of profit and loss in subsequent periods.

  The expected return on plan assets is the Company's expectation of average long-term rate of return on the investment of the fund over the entire life of the related obligation. Plan assets are measured at fair value as at the Balance Sheet date.

Gains or losses on the curtailment or settlement of defined benefit plan are recognised when the curtailment or settlement occurs.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions for other employee benefit plan [other than gratuity] are recognized immediately in the Statement of Profit and Loss as income or expense.

The cost of providing benefit under long service awards scheme is determined on the basis of estimated average cost of providing service and calculated arithmetically considering materiality.

3.11. Borrowing costs

Borrowing costs (net of interest income on temporary investments) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Ancillary cost of borrowings in respect of loans not disbursed are carried forward and accounted as borrowing cost in the year of disbursement of loan. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

3.12. Leases

The Company had adopted Ind AS 116 'Leases' effective from 1st April, 2019, as notified by the Ministry of Corporate Affairs in the Companies (Indian Accounting Standard) Amendment Rules, 2019.

Where the Company is lessee

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease and non-lease component on the basis of their relative standalone prices

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprise of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date net of lease incentive received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurementof the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term of right-of-use asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method.

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Right-of-use assets and lease liability balances are adjusted on partial / full termination of lease and corresponding gain / loss on such partial / full termination is charged to other income / other expenses in the Statement of Profit and Loss.

Where the Company is the lessor

Lease income from operating leases where the Company is a lessor is recognised (net of GST) in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

3.13. Taxes on income

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Provision for current tax is made as per the provisions of Income Tax Act, 1961.Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Company has unused tax losses and unused tax credits, deferred tax assets are recognised only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit allow deferred tax assets to be recovered.

3.14. Cash and cash equivalent

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalent as calculated above also includes outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.15. Cashflow statement

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

3.16. Provisions, contingent liabilities,contingent assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

3.17. **Non-Current assets held for sale and discontinued operations**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Non-current assets and liabilities classified as held for sale are presented separately from the other assets and liabilities in the balance sheet.

3.18. Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.19. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.19.1.**Financial assets**

All regular way purchases or sales of financial assets are recognized and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee. Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the ‘Other income’ line item. Dividend on financial assets at FVTPL is recognised when the Company’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model based on ‘simplified approach’ for the financial assets which are not fair valuedthrough profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equalto lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unlessthere has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amountof expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required tobe recognized is recognized as an impairment gain or loss in statement of profit and loss.

De-recognition of financial asset

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.19.2.**Financial liability and equity instrument**

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company’s own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company’s own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

  A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Commitments to provide a loan at a below-market interest rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Compound financial instruments

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Reclassification

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carryingamount of the financial liability de-recognised and the consideration paid and payable is recognised in profit or loss.

4. **New Ind AS & amendments to existing Ind AS issued but not effective as at 31st March, 2022 and changes in Schedule III**

Ministry of Corporate Affairs has notified new standards or amendments to the existing standards which would be effective from 1st April, 2022.

Ind AS 16 – Proceeds before intended use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual period beginning on or after 1st April, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Onerous Contracts – Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10%' test of Ind AS 109 in assessing whether to de-recognize a financial liability. The Company has evaluated the amendment and there is no impact on its financial statements.

Changes in Schedule III Division II of Companies Act, 2013 notified and adopted by the Company:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013 to be effective from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

In Balance Sheet:

i) Lease liabilities should be separately disclosed under the head duly distinguished as current or non-current.

ii) Certain additional disclosures in the statement of changes in equity.

iii) Specified format for disclosure of shareholding of promoters.

iv) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

v) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

vi) Specific disclosure under regulatory such as compliance with approved schemes of arrangements, compliancewith number of layers of companies, title deeds of immovable property not held in name of company, loans andAdvances to Promoters, Directors, Key Managerial Personnel (KMP) and related parties, details of benami propertyheld, relationship with struck-off companies, financial ratios, etc.

In Statement of Profit and Loss:

i) Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtualcurrency specified under the head “additional information” in the notes forming part of financial statements.

The amendments are extensive, and the Company has given effect to them as required by law in the current year financialstatements to the extent applicable.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

5	Property, plant and equipment	Freehold Land	Leasehold Land (Refer Note 5.3)	Building	Leasehold Improvements (Refer note 5.2)	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Total
	Gross carrying value as at 1st April, 2020	**2,561.08**	**-**	**6,515.30**	**18,660.55**	**2,152.35**	**281.45**	**36.45**	**86.33**	**30,293.51**
	Additions during the year 2020-21	-	-	-	0.60	15.27	16.57	-	1.54	33.98
	Deletions during the year 2020-21	-	-	-	-	0.03	0.86	-	0.18	1.07
	Balance as at 31st March 2021	**2,561.08**	**-**	**6,515.30**	**18,661.15**	**2,167.59**	**297.16**	**36.45**	**87.69**	**30,326.42**
	Additions during the year 2021-22	-	-	-	670.63	113.22	28.01	11.99	4.92	828.77
	Deletions during the year 2021-22	-	-	-	0.03	16.21	0.03	0.67	0.57	17.51
	Balance as at 31st March 2022	**2,561.08**	**-**	**6,515.30**	**19,331.75**	**2,264.60**	**325.14**	**47.77**	**92.04**	**31,137.68**
	Accumulated depreciation									
	Balance as at 1st April 2020	**-**	**-**	**550.72**	**2,587.35**	**906.88**	**136.00**	**13.31**	**53.28**	**4,247.54**
	Additions during the year 2020-21	-	-	130.76	614.87	164.50	21.91	4.73	13.81	950.58
	Deletions during the year 2020-21	-	-	-	-	0.02	0.78	-	0.15	0.95
	Balance as at 31st March 2021	**-**	**-**	**681.48**	**3,202.22**	**1,071.36**	**157.13**	**18.04**	**66.94**	**5,197.17**
	Additions during the year 2021-22	-	-	131.64	623.16	155.69	20.27	5.12	16.99	952.87
	Deletions during the year 2021-22	-	-	-	-	9.75	-	0.05	0.50	10.30
	Balance as at 31st March 2022	**-**	**-**	**813.12**	**3,825.38**	**1,217.30**	**177.40**	**23.11**	**83.43**	**6,139.74**
	Net carrying amount									
	Balance as at 31st March, 2021	**2,561.08**	**-**	**5,833.82**	**15,458.93**	**1,096.23**	**140.03**	**18.41**	**20.75**	**25,129.25**
	Balance as at 31st March, 2022	**2,561.08**	**-**	**5,702.18**	**15,506.37**	**1,047.30**	**147.74**	**24.66**	**8.61**	**24,997.95**

Notes:

5.1 For details of assets given as security, refer note 26.1 .

5.2 The leasehold improvements are constructed on land taken under operating lease.

5.3 The amount of capital commitment disclosed in note 45.1(a)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

5.4 Title deeds of Immovable Property not held in the name of the Company:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Building	1.96	(Refer reason column)	(Refer reason column)	01st April,1994	Issues surrounding legal documentation
Investment Property	Land	62.70	Mr Vishal V.Kamat	Relative of Promoter / Director	07th June, 2007	Pending due to change in use of land to non-agricultural
Investment Property	Land	71.70	Dr Vithal V.Kamat	Promoter / Director	29th September, 2006	Pending due to change in use of land to non-agricultural

6	Capital work in progress (CWIP)	As at 31st March 2022	As at 31st March 2021
	Opening balance	617.65	521.22
	Add: Additions during the year	343.35	154.52
	Less: Capitalised during the year	830.48	58.09
	Less: Transferred to Expenses	106.90	-
	Closing balance	**23.62**	**617.65**

6.1 (A) CWIP / Intangible assets under development ageing schedule:

Project Type	Amount in CWIP for a period as on 31st March, 2022				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress					
New Swimming Pool at Lotus Konark	2.20	-	-	-	2.20
Electrical Work at VITS Mumbai	2.41	-	-	-	2.41
Furniture Work at The Orchid	0.23	-	-	-	0.23
New Software Installation at The Orchid	0.20	-	-	-	0.20
Kitchen Equipments at The Orchid	-	-	18.58	-	18.58
Projects temporarily suspended	-	-	-	-	-
Total	**5.04**	**-**	**18.58**	**-**	**23.62**

Project Type	Amount in CWIP for a period as on 31st March, 2021				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress					
Room Renovation Work at Fort Jadhav Gadh	16.45	3.77	-	-	20.22
Kitchen Equipments at The Orchid	0.59	18.58	-	-	19.17
Addition of Room & Conference Hall at Lotus Konark	101.56	475.87	-	-	577.43
Room Renovation Work at Mahodadhi Puri	0.83	-	-	-	0.83
Projects temporarily suspended	-	-	-	-	-
Total	**119.43**	**498.22**	**-**	**-**	**617.65**

6.2 (B) Details of Capital-work-in progress whose completion is overdue compared to its original plan:

Current Reporting Period - 31st March, 2022

Project Type	To be completed in				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

KAMAT HOTELS (INDIA) LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Previous Reporting Period - 31st March, 2021

Project Type	To be completed in				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Addition of Room & Conference Hall at Lotus Konark*	577.43	-	-	-	577.43
Total	**577.43**	**-**	**-**	**-**	**577.43**

*** There are no assets / projects forming part of CWIP where cost is exceeded compared to their original plans, however project of Lotus konark had been delayed by 1 year due to ristriction of COVID- 19.**

7

Right of use assets	Land & building	Total
Gross carrying value as at 1st April, 2020	**448.89**	**448.89**
Additions during the year 2020-21	-	-
Deletions during the year 2020-21	-	-
Balance as at 31st March, 2021	**448.89**	**448.89**
Additions during the year 2021-22	-	-
Deletions during the year 2021-22	-	-
Balance as at 31st March, 2022	**448.89**	**448.89**
Accumulated depreciation		
Balance as at 1st April, 2020	**14.34**	**14.34**
Charge for the year 2020-21	14.30	14.30
Deletions during the year 2020-21	-	-
Balance as at 31st March, 2021	**28.64**	**28.64**
Charge for the year 2021-22	14.30	14.30
Deletions during the year 2021-22	-	-
Balance as at 31st March, 2022	**42.94**	**42.94**
Net carrying amount		
Balance as at 31st March, 2021	**420.25**	**420.25**
Balance as at 31st March, 2022	**405.95**	**405.95**

(Also refer note 52)

8

Investment property	Freehold land	Building	Building on leasehold land (Refer note 8.4)	Total
Gross carrying value as at 1st April, 2020	**178.09**	**28.34**	**950.85**	**1,157.28**
Additions during the year 2020-21	-	-	-	-
Deletions during the year 2020-21	-	19.40	-	19.40
Balance as at 31st March, 2021	**178.09**	**8.94**	**950.85**	**1,137.88**
Additions during the year 2021-22	-	-	-	-
Deletions during the year 2021-22	-	-	-	-
Balance as at 31st March, 2022	**178.09**	**8.94**	**950.85**	**1,137.88**
Accumulated depreciation				
Balance as at 1st April, 2020	**-**	**2.05**	**97.04**	**99.09**
Additions during the year 2020-21	-	0.48	23.74	24.22
Deletions during the year 2020-21	-	1.71	-	1.71
Balance as at 31st March, 2021	**-**	**0.82**	**120.78**	**121.60**
Additions during the year 2021-22	-	0.16	23.56	23.72
Deletions during the year 2021-22	-	-	-	-
Balance as at 31st March, 2022	**-**	**0.98**	**144.34**	**145.32**
Net carrying amount				
Balance as at 31st March, 2021	**178.09**	**8.12**	**830.07**	**1,016.28**
Balance as at 31st March, 2022	**178.09**	**7.96**	**806.51**	**992.56**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

8.1 Depreciation is provided on investment property based on useful life on Straight Line Method [Also refer note 3.4].

8.2 Cost of freehold land includes Rs. 136.37 lakhs as at 31st March 2022 (Previous year: Rs. 136.37 lakhs) which is in the name of the ' Executive Chairman and Managing Director' (ECMD) of the Company and includes Rs 64.67 lakhs as at 31st March 2022 (Previous year Rs 64.67 lakhs) which is in the name of a relative of the ECMD.

8.3 For details of assets given as security, refer note 26.1.

8.4 The leasehold improvements are constructed on land taken under cancellable operating lease.

8.5 Amount recognized in Statement of Profit and Loss for investment properties:

Particulars	31st March 2022	31st March 2021
Rental income derived from investment property (Refer note 8.6)	34.75	42.25
Direct operating expenses (including repairs and maintenance) generating rental income	18.21	17.39
Direct operating expenses (including repairs and maintenance) that did not generate rental income	2.40	2.31
Profit from leasing of investment properties before depreciation	**14.14**	**22.55**
Less: Depreciation expenses	23.56	23.74
(Loss) from leasing of investment properties after depreciation	**(9.42)**	**(1.19)**

8.6 Leasing arrangement

Certain investment properties are leased to tenants under cancellable / non-cancellable operating leases with rentals payable monthly.

8.7 Fair value

Particulars	As at 31st March 2022	As at 31st March 2021
Fair value of investment properties	1,372.25	1,372.37

The fair value of the property is not readily available and the above fair valuation has been done based on valuation by Ready Recknor.

8.8 The Company's investment properties consist of land situated at Nagpur, Kottayam (Kerala), Baddi (Himachal Pradesh) and office building in Mumbai. The best evidence of fair value is current prices in an active market for similar properties. As mentioned above, the Company has considered ready reckoner rates as the main input for valuation of these investment properties. All resulting fair value estimates for investment properties are included in Level 2.

9

Other intangible assets	Software	Total
Gross carrying value as at 1st April, 2020	105.34	105.34
Additions during the year 2020-21	9.96	9.96
Deletions during the year 2020-21	0.07	0.07
Balance as at 31st March, 2021	**115.23**	**115.23**
Additions during the year 2021-22	1.71	1.71
Deletions during the year 2021-22	-	-
Balance as at 31st March, 2022	**116.94**	**116.94**
Accumulated amortization		
Balance as at 1st April, 2020	**28.12**	**28.12**
Amortization for the year 2020-21	11.76	11.76
Deletions during the year 2020-21	0.07	0.07
Balance as at 31st March, 2021	**39.81**	**39.81**
Amortization for the year 2021-22	12.44	12.44
Deletions during the year 2021-22	-	-
Balance as at 31st March, 2022	**52.25**	**52.25**
Net carrying amount		
Balance as at 31st March, 2021	**75.42**	**75.42**
Balance as at 31st March, 2022	**64.69**	**64.69**

9.1 Software is other than internally generated software.

9.2 Balance useful life of intangible assets as at 31st March 2022 is 1 to 9 years (Previous year: 1 to 9 years).

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

10

Investments in subsidiaries and joint ventures (At cost)	**As at 31st March 2022**	**As at 31st March 2021**
Investment in equity instruments (fully paid)		
Unquoted		
Investment in wholly owned subsidiaries		
Orchid Hotels Pune Private Limited (OHPPL) 1,17,64,706 equity shares (31st March, 2021 1,17,64,706) of Rs. 10 each	9,327.75	9,327.75
Less: Impairment in value of investment (Refer note 10.1 and 10.3)	9,327.75	9,327.75
	-	-
Fort Jadhavgadh Hotels Private Limited 10,000 equity shares (31st March, 2021: 10,000) of Rs. 10 each	1.00	1.00
Orchid Hotels Eastern (India) Private Limited 10,000 equity shares (31st March, 2021: 10,000) of Rs. 10 each	1.00	1.00
Mahodadhi Palace Private Limited 10,000 equity shares (31st March, 2021: 10,000) of Rs. 10 each	1.00	1.00
Kamat Restaurants (India) Private Limited 10,000 equity shares (31st March, 2021: 10,000) of Rs. 10 each	1.00	1.00
Investments in Joint Venture		
Ilex Developers and Resorts Limited 2,66,500 equity shares (31st March, 2021: 2,66,500) of Rs. 10 each	533.00	533.00
Less: Impairment in value of investment (Refer note 10.2)	533.00	533.00
	-	-
Total	**4.00**	**4.00**
Aggregate cost of unquoted investment	9,864.75	9,864.75
Aggregate amount of impairment in value of investments	9,860.75	9,860.75

10.1 The Company has made a strategic and long term investment of Rs.9,327.75 lakhs in the shares of Orchid Hotels Pune Private Limited (OHPPL), a wholly owned subsidiary of the Company in earlier years. Further, a loan of Rs. 19,646.40 lakhs was granted to OHPPL in earlier years. This subsidiary has been declared as non-performing asset by its lender due to defaults in paying the loan dues. This subsidiary is also facing other adverse factors which have severely affected its financial position. Considering these adverse factors, in the earlier years, the Company had made a provision for impairment of investment and loan outstanding from the subsidiary.

In view of various adverse factors and request made to the Company by the subsidiary for waiver of interest on the loan, Company had waived off interest on this unsecured loan granted until there is improvement in the financial position of this entity. This waiver is effective from 1st January, 2014 and continued in current financial year.

In respect of loan taken by the subsidiary company, as per the legal opinion obtained and in accordance with the settlement arrangement between company, the subsidiary company and lender of subsidiary company, the loan liability shown in financial statement of the subsidiary company as well as loan advanced by the Company to subsidiary and guarantees in the financial statement of the Company (i.e. Guarantors) would get extinguished. Further, the Company has agreed to transfer 100% equity shares of the subsidiary company to IARC for a consideration of Rs. 1/- and in turn thereof lender 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. The settlement arrangement has been agreed in principle and the terms of settlement and the modalities are being worked out.

10.2 The Company has made a strategic and long term investment of Rs. 533.00 lakhs (Previous year: Rs.533.00 lakhs) in earlier years in the equity shares of Ilex Developers & Resorts Limited (Ilex), a 32.92% joint venture of the Company. In the earlier years, the Company had made full provision for impairment of investment based on assessment carried out by the management.

10.3 Out of Company's investment in equity shares of OHPPL, 57,64,701 (Previous year: 57,64,701) equity shares as on 31st March 2022 have been pledged by the Company to lenders as a security for loans taken by the Company and 35,29,411 equity shares have been pledged by the Company to lenders as a security for loan taken by the Subsidiary Company.

10.4 Company's investment in equity shares of wholly owned subsidiaries [Kamats Restaurants (India) Private Limited, Fort Jadhavgadh Hotels Private Limited and Mahodadhi Palace Private Limited] and equity shares held in joint venture entity [ILEX Developers and Resorts Limited] is given as security for loan facilities availed by the Company [Also refer note 26.1(a)].

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

11

Investments	**As at 31st March 2022**	**As at 31st March 2021**
Non-current		
Investment measured at Fair Value Through Profit or Loss (FVTPL)		
Investment in equity instruments		
Quoted		
Royal Orchid Hotels Limited 50 equity shares (31st March 2021: 50) of Rs 10 each	0.06	0.03
Unquoted		
The Satara Sahakari Bank Limited 10,010 equity shares (31st March, 2021: 10,010) of Rs. 50 each	17.66	19.63
Total FVTPL investments	**17.72**	**19.66**
Total	**17.72**	**19.66**
Aggregate cost of quoted investments	0.03	0.03
Aggregate amount of unquoted investments	17.66	19.63
Market value of quoted investments	0.06	0.03
Aggregate amount of impairment in value of investments	-	-

12

Loans (Unsecured, considered good unless otherwise stated)	**As at 31st March 2022**	**As at 31st March 2021**
Non-current		
Loans to subsidiaries (considered doubtful)	20,065.14	20,065.14
Less: Impairment of advance given (Refer note 10.1 and 12.1)	20,065.14	20,065.14
	-	-
Inter corporate deposit (considered doubtful)	200.00	200.00
Less: Impairment of advance given (Refer note 10.2)	200.00	200.00
	-	-
Total	**-**	**-**

12.1 Loan to subsidiaries include outstanding loan of Rs. 418.74 lakhs as at 31st March 2022 (Previous year: Rs. 418.74 lakhs) given to Mahodadhi Palace Private Limited (MPPL). This subsidiary is facing adverse factors which have severely affected its financial position. Considering these adverse factors, in the earlier years the Company had made a provision of Rs. 418.74 lakhs for doubtful of recovery from this subsidiary.

Further, in view of various adverse factors and request made to holding company by MPPL for waiver of interest, Company has waived off interest on this unsecured loan granted until there is improvement in the financial position of this entity. Considering there is no improvement in current year also, interest is continued to be waived in current year. This waiver is effective from 28th February 2017. Accordingly, no interest is charged by the Company on the outstanding loan.

13

Other financial assets	**As at 31st March 2022**	**As at 31st March 2021**
Non-current		
Security deposits		
- Related Party (Refer note 13.2 and 47)	2,026.73	1,919.27
- Others	139.89	138.52
Bank deposits with more than 12 months maturity	15.66	5.51
Total	**2,182.28**	**2,063.30**

13.1 Fixed deposit is given as margin money to the Bank for guarantee given by bank to Government and other authorities on behalf of the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

13.2 Security deposit paid having carrying value of Rs. 8,000 lakhs as at 31st March 2022 (Previous year: Rs.8,000 lakhs) is interest free and is given for leasehold land taken from Plaza Hotels Private Limited in which director of the Company is also member. This deposit has been fair valued under Ind AS 109 - Financial Instrument. Deferred lease asset arising out of the said fair valuation is being amortised on straight line basis (Refer note 15).

14	**Income tax assets (net)**	**As at 31st March 2022**	**As at 31st March 2021**
	Non current		
	Income tax (net)	1,124.64	1,015.91
	Total	**1,124.64**	**1,015.91**

15	**Other non current assets** (Unsecured, considered good unless otherwise stated)	**As at 31st March 2022**	**As at 31st March 2021**
	Capital advances	201.81	205.91
	Less: Impairment of advance given	188.65	188.65
		13.16	**17.26**
	Others advances (Refer Note 15.1)	488.62	488.62
	Less: Impairment of advance given	488.62	488.62
		-	-
	Deferred advance rentals (Refer Note 13.2)	3,324.89	3,487.58
	Prepaid expenses	11.30	9.78
	Total	**3,349.35**	**3,514.62**

15.1 In terms of the Memorandum of Understanding with a Public Trust owning a plot of land in Mumbai, the Company had paid Rs. 488.62 lakhs as security deposit and incurred expenditure of Rs. 207.93 lakhs for a proposed hospitality project on the said land in earlier years. The owner did not fulfil his obligation to complete the infrastructure for the aforesaid project despite follow up by the Company. In view of inordinate delay in the projects, the expenditure incurred on the said incomplete project had been written off in earlier years and a provision had been made in the earlier years for the deposit paid to the said party. Company has initiated legal proceedings against the party and other party has also made counter claim for compensation and interest thereon. The matter is pending to be resolved. Adjustments, if any, to the expenditure written off and provision made as above, will be made on disposal / conclusion of the above matter in the year in which matter is settled.

16	**Inventories** (At lower of cost or net realisable value)	**As at 31st March 2022**	**As at 31st March 2021**
	Food and beverages	114.00	80.92
	Stores and operating supplies (Refer Note 16.1)	67.93	75.85
	Total	**181.93**	**156.77**

16.1 The cost of inventories recognised as an expense amounted to Rs.1,680.76 lakhs (Previous year Rs. 759.51 lakhs). Refer note 3.5 for accounting policy for inventory valuation.

17	**Investments**	**As at 31st March 2022**	**As at 31st March 2021**
	Current		
	Investment measured at Fair Value Through Profit or Loss		
	Quoted		
	50,000 (Previous year: 50,000) units of SBI PSU FUND- of Rs.10 each (Refer Note 17.1)	6.61	5.28
	Total	**6.61**	**5.28**
	Aggregate cost of quoted investments	5.00	5.00
	Market value of quoted investments	6.61	5.28
	Aggregate amount of impairment in value of investments	-	-

17.1 The fair value hierarchy and classificatIon are disclosed in note 60.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

18

Trade receivables (Unsecured considered good, unless otherwise stated)	**As at 31st March 2022**	**As at 31st March 2021**
-Considered good (Refer Note 18.3)	845.36	550.52
-Trade receivables which have significant increase in credit risk	1,639.19	1,563.08
-Trade receivables - Credit impaired	-	-
Sub-total	**2,484.55**	**2,113.60**
Less: Allowance for expected credit loss* (Refer note 18.4)	1,622.85	1,506.05
Total	**861.70**	**607.55**

* The Company recognizes loss allowances using the expected credit loss (ECL) model based on 'simplified approach'. Considering same, there are trade receivables having significant credit risk [Also refer note 61(a)(ii)].

18.1 Trade receivables ageing schedule as at 31st March, 2022:

	Particulars	**Unbilled (grouped under trade receivable)**	**Not Due**	**Outstanding for following periods from due date of payment**					
				Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
i)	Undisputed Trade Receivables - Considered good	57.20	459.26	328.90	-	-	-	-	**845.36**
ii)	Undisputed Trade Receivables - which has significant increase in credit risk	-	-	-	102.07	75.41	60.99	1,351.97	**1,590.44**
iii)	Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	**-**
iv)	Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	**-**
v)	Disputed Trade Receivables - which has significant increase in credit risk	-	-	-	-	32.20	-	16.55	**48.75**
vi)	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	**-**
	Total	**57.20**	**459.26**	**328.90**	**102.07**	**107.61**	**60.99**	**1,368.52**	**2,484.55**

18.2 Trade receivables ageing schedule as at 31st March, 2021:

	Particulars	**Unbilled (grouped under trade receivable)**	**Not Due**	**Outstanding for following periods from due date of payment**					
				Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
i)	Undisputed Trade Receivables - Considered good	15.39	342.78	192.35	-	-	-	-	**550.52**
ii)	Undisputed Trade Receivables - which has significant increase in credit risk	-	-	-	62.65	124.97	1,345.68	13.23	**1,546.53**
iii)	Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	**-**
iv)	Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	**-**
v)	Disputed Trade Receivables - which has significant increase in credit risk	-	-	-	-	-	-	16.55	**16.55**
vi)	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	**-**
	Total	**15.39**	**342.78**	**192.35**	**62.65**	**124.97**	**1,345.68**	**29.78**	**2,113.60**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

18.3 Trade receivable includes receivable from related parties as given below. This included amount of Rs. 64.70 lakhs (Previous year: Rs. 106.26 lakhs) from entitities in which director of the Company is also director.

Particulars	As at 31st March 2022	As at 31st March 2021
From related parties (Refer note 47)		
Orchid Hotel Pune Private Limited	62.52	91.30
Ilex Developers & Resorts Limited	2.18	13.70
Envotel Hotels Himachal Private Limited (Formerly known as Orchid Hotels Himachal Private Limited)	-	1.26
Total	**64.70**	**106.26**

18.4

Movement of allowance for expected credit loss	Year ended 31st March 2022	Year ended 31st March 2021
Opening balance	**1,506.05**	**1,414.09**
Add: allowance during the year	126.96	100.61
Sub-total	1,633.01	1,514.70
Less: Bad debts written off	-	8.65
Closing balance	**1,633.01**	**1,506.05**

19

Cash and cash equivalent	As at 31st March 2022	As at 31st March 2021
Balances with bank		
- In current accounts	220.20	187.41
- Cash in hand	14.64	12.74
- Fixed deposits (maturity less than 12 months)	625.54	459.04
Total	**860.38**	**659.19**

20

Other bank balance	As at 31st March 2022	As at 31st March 2021
Margin money in fixed deposits with banks (Refer note 20.1)	59.99	57.63
Balance in Bank - Escrow Account (Refer note 20.2)	11.58	0.05
Total	**71.57**	**57.68**

20.1 Fixed deposit is given as margin money to the Bank for guarantee given by bank to Government and other authorities on behalf of the Company.

20.2 Balance with bank (escrow account) is maintained for servicing monthly installments of term loan taken.

21

Loans (Unsecured considered good, unless otherwise stated)	As at 31st March 2022	As at 31st March 2021
Current		
Loans and advances to employees	0.04	58.75
Total	**0.04**	**58.75**

21.1 Including Rs Nil (Previous year Rs 58.75 lakhs) due from ECMD (Refer note 47)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

22	**Other financial assets** (Unsecured, considered good unless otherwise stated)	**As at 31st March 2022**	**As at 31st March 2021**
	Current		
	Interest receivable from:		
	- Wholly owned subsidiary on loans and advances (Refer note 47.3)	3.62	3.62
	Less: Provision for doubtful Loans and advances	3.62	-
		-	3.62
	- on bank deposits and Investments	24.21	19.28
	Security deposit	12.55	13.20
	Total	**36.76**	**36.10**

23	**Other current assets** (Unsecured, considered good unless otherwise stated)	**As at 31st March 2022**	**As at 31st March 2021**
	Advances to vendors	84.09	65.56
	GST receivable on vendor payment	17.60	5.46
	Balances with Government authorities (Refer note 23.1)	132.66	137.96
	Less: Provision for doubtful export benefit receivable	(6.55)	-
		126.11	137.96
	Prepaid expenses	181.96	172.06
	Total	**409.76**	**381.04**

23.1 Balance of authorities includes input tax credit (ITC) of Rs.12.88 lakhs (Previous year: Rs. 12.88 lakhs) of Goods and service tax (GST) taken based on legal interpretation.

24	**Share capital**	**As at 31st March 2022**	**As at 31st March 2021**
	Authorised capital		
	3,42,50,000 (Previous year: 3,42,50,000) Equity Shares of Rs. 10 each.	3,425.00	3,425.00
	Total	**3,425.00**	**3,425.00**
	Issued, subscribed and paid-up		
	2,35,84,058 (Previous year: 2,35,84,058) Equity Shares of Rs. 10 each, fully paid up	2,358.41	2,358.41
	Add: 8,62,500 Forfeited equity shares (Previous year: 8,62,500) (amounts originally paid up).	58.85	58.85
	Total	**2,417.26**	**2,417.26**

24.1 Terms/ rights attached to equity shares :

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, there are no preferential amounts inter se equity shareholders. The distribution will be in proportion to the number of equity shares held by the shareholders (after due adjustment in case shares are not fully paid up).

24.2 Reconciliation of the number of shares outstanding is set out below:

Particulars	**FY 2021-22**		**FY 2020-21**	
	Number of Shares	**Amount**	**Number of Shares**	**Amount**
Number of shares at the beginning of the year	2,35,84,058	2,358.41	2,35,84,058	2,358.41
Add: Shares issued during the year	-	-	-	-
Less: Buyback during the year	-	-	-	-
Number of shares at the year end	2,35,84,058	2,358.41	2,35,84,058	2,358.41

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

24.3 Details of shareholders holding more than 5 % shares

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number of shares	% held	Number of shares	% held
Kamat Holdings Private Limited *	15,00,000	6.36	15,00,000	6.36
Plaza Hotels Private Limited	35,35,545	14.99	35,35,545	14.99
Indira Investments Private Limited *	15,63,794	6.63	15,63,794	6.63
Dr. Vithal V. Kamat	32,54,990	13.80	32,54,990	13.80
Vishal Amusements Limited	18,88,526	8.01	18,88,526	8.01

* These entities have merged with Vishal Amusement Limited with effect from 16th May, 2018. Transfer formalities are in progress.

24.4 Shares held by promoters at the end of the year

Promoters Name	As as 31st March, 2022		As as 31st March, 2021		% of changes during the year
	Number of shares held	% of total shares	Number of shares held	% of total shares	
Vithal V. Kamat (HUF)	1,49,864	0.64	1,49,864	0.64	0.00%
Dr.Vithal V. Kamat	23,76,473	10.08	23,76,473	10.08	0.00%
Vithal V. Kamat/Vidhya V. Kamat	7,28,653	3.09	7,28,653	3.09	0.00%
Vishal V. Kamat	15,127	0.06	15,127	0.06	0.00%
Vishal V. Kamat/Vidhya V. Kamat	500	0.00	500	0.00	0.00%
Vidhya Vithal Kamat	95,621	0.41	95,621	0.41	0.00%
Vidhya V. Kamat/Vithal.V. Kamat	1,000	0.00	1,000	0.00	0.00%
Vidita V. Kamat/Vidhya V. Kamat	500	0.00	500	0.00	0.00%
Vikram V. Kamat/Vidhya V. Kamat	500	0.00	500	0.00	0.00%
Kamat Holdings Pvt Ltd	15,00,000	6.36	15,00,000	6.36	0.00%
Indira Investments Pvt Ltd	15,63,794	6.63	15,63,794	6.63	0.00%
Plaza Hotels Pvt Ltd	35,35,545	14.99	35,35,545	14.99	0.00%
Kamat Development Pvt Ltd	8,39,272	3.56	8,39,272	3.56	0.00%
Sangli Rubber Agro Pvt Ltd	7,57,000	3.21	7,57,000	3.21	0.00%
Kamats Club Pvt Ltd	4,900	0.02	4,900	0.02	0.00%
Kamburger Foods Pvt Ltd	40,551	0.17	40,551	0.17	0.00%
Kamats Super Snacks Pvt Ltd	1,82,445	0.77	1,82,445	0.77	0.00%
Karaoke Amusements Pvt Ltd	80,877	0.34	80,877	0.34	0.00%
Vishal Amusements Ltd	18,88,526	8.01	18,88,526	8.01	0.00%
Kamat Holiday Resorts (Silvassa) Ltd	2,76,439	1.17	2,76,439	1.17	0.00%
Kamat Eateries Pvt Ltd	1,19,245	0.51	1,19,245	0.51	0.00%
Savarwadi Rubber Agro Pvt Ltd	2,05,128	0.87	2,05,128	0.87	0.00%
	1,43,61,960	**60.90**	**1,43,61,960**	**60.90**	

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

25	Other equity	As at 31st March 2022	As at 31st March 2021
	Capital reserve (Refer note 25.1)		
	As per last Balance sheet	13.87	13.87
	Capital redemption reserve (Refer note 25.2)		
	As per last Balance sheet	266.50	266.50
	Securities premium (Refer note 25.3)		
	As per last Balance sheet	14,986.74	14,986.74
	Amalgmation reserve (Refer note 25.4)		
	As per last Balance sheet	280.06	280.06
	(Deficit) in the Statement of Profit and loss		
	As per last balance sheet	(19,898.88)	(17,141.68)
	Add: (Loss) for the year	(2,234.40)	(2,757.20)
	Closing balance	**(22,133.28)**	**(19,898.88)**
	Other comprehensive income		
	As per last balance sheet	58.47	24.32
	Add: Other comprehensive income for the year	18.69	34.15
	Closing balance	**77.16**	**58.47**
	Total	**(6,508.95)**	**(4,293.24)**

25.1 Capital reserve represent profit on sale of Property,plant and equipment related to an entity amalgamated with Company in the earlier years.

25.2 Capital redemption reserve is credited by amount set aside for redemption of preference shares in earlier years.

25.3 Securities premium account is used to record the premium on issue of equity shares. The same will be utilised in accordance with the provisions of the Companies Act, 2013.

25.4 In terms of the Bombay High Court Order dated 13th January, 2012, the amalgamation reserve is not available for distribution as dividend by the Company.

26	Borrowings	As at 31st March 2022	As at 31st March 2021
	Non-current borrowings		
	Secured		
	Term loans (Refer note 26.1&26.4)		
	- From banks (Refer note 26.1(a), 26.1, (c) and 26.5)	2,145.29	2,513.23
	- From others (Refer note 26.1(a), 26.1(b) and 26.5)	30,047.66	26,550.17
	Unsecured		
	- Inter-corporate loan (Refer note 26.2)	211.09	612.69
		32,404.04	29,676.09
	Less: Current maturities of long term loans (Refer note 32)	22,709.58	21,222.09
	Less: Interest accrued and due (Refer note 35)	7,736.77	3,955.62
	Less: Interest accrued but not due (Refer note 35)	9.73	17.59
	Total	**1,947.96**	**4,480.79**

26.1 Details of security provided and terms of repayment

(a) Term loan from banks and others [loans assigned by banks to ARC's on settlement] aggregating to Rs. 28,646.95 lakhs (Previous year: Rs. 25,049.81 lakhs) are secured by (i) First ranking pari-passu charge on lands at "The Orchid" at Vile Parle (East) (owned

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

by Plaza Hotels Private Limited) together with hotel buildings and all appurtenances thereon; (ii) First / second ranking pari-passu mortgage on Company's immovable property being Hotel "VITS" at Andheri (East); (iii) First/ second charge by way of hypothecation of movable fixed assets and current assets of the Company; (iv) Credit card receivables on pari-passu basis; (v) Equitable mortgage of hotel property at Lotus Goa [exclusive to one lender]; (vi) Pledge of equity shares of the Company held by promoters and promoter companies, pledge of certain equity shares of Orchid Hotels Pune Private Limited (subsidiary) and Plaza Hotels Private Limited (related party) and entire equity shares of Kamats Restaurants (India) Private Limited, Fort Jadhavgadh Hotels Private Limited, Mahodadhi Palace Private Limited and Ilex Developers and Resorts Limited, Kamat Holiday Resorts (Silvassa) Limited; and (vii) Corporate guarantee of subsidiaries, joint venture entity and Plaza Hotels Private Limited and personal guarantee of Dr. Vithal V. Kamat and Mr. Vikram V. Kamat.

(b) Term loans from others [loans assigned by Bank to ARC's and NBFC on settlement] aggregating to Rs.1,400.71 lakhs (Previous year: Rs. 1,500.36 lakhs) is secured by (i) First ranking pari-passu charge on lands at "The Orchid" at Vile Parle (East) (owned by Plaza Hotels Private Limited) together with hotel buildings (245 rooms) and all appurtenances thereon; (ii) Credit card receivables of Orchid (245 rooms) and VITS, Mumbai; (iii) Personal guarantees of Dr. Vithal V. Kamat and Mr. Vikram V. Kamat; and (iv) Post dates cheques and undertaking to pay 50% of sale proceeds of certain assets in case of sale of those assets.

(c) Term loans from bank having carrying value of Rs. 2,135.56 lakhs (Previous year: 2,495.64 lakhs) is secured by way of (i) Exclusive charge on all present and future current assests including receivables of four hotel properties and subservient charge on all property, plant and equipments of the Company; (ii) Equitable mortgage over the land situated at Nagpur, owned by the Company and directors/ relative of directors; (iii) Pledge of 34 lakh shares held by Vishal Amusement Limited and Dr. Vithal V. Kamat; (iv) Personal guarantees of Dr. Vithal V. Kamat, and Mr. Vishal V. Kamat (v) Post dates cheques; and (vi) Corporate guarantees of Plaza Hotels Private Limited and Vishal Amusement Limited. The sanctioned terms and the loan agreements do no mandate submission of periodic statement of current assets, hence the disclosure about the same is not applicable.

26.2 Above intercorporate loan is repayable by 31st March, 2025 [as extended] or earlier on availability of funds with the Company. As per the terms of the agreement it is not payable in next 12 months as at balance sheet date, hence same is classified under long term borrowing.

26.3 Based on repayment schedules for borrowings [including as per settlement agreement or following is maturity profile of term loans from banks and others [assigned loans].

Particulars	Maturity Profile as on 31st March 2022		Maturity Profile as on 31st March 2021	
	Next 1 year	2-5 Years	Next 1 year	2-5 Years
Term loan from banks	409.70	1,723.10	238.37	2,237.72
Term loan from others	22,299.88	224.86	20,983.72	2,243.07
Total	**22,709.58**	**1,947.96**	**21,222.09**	**4,480.79**

26.4 Settlement of outstanding loan with ARC's and one time settlement with banks

(a) The Company had borrowed funds in earlier years from banks, financial institutions and NBFCs. Due to financial crisis faced by economic slowdown and other factors, a Corporate Debt Restructuring (CDR) Scheme was sanctioned by the Corporate Debt Restructuring Empowered Group vide sanction letter dated 12th March, 2013. In respect of some of the restructured debts from some of the lenders, despite best efforts taken by the Company, the stipulated assets of the Company could not be sold and consequently the debts agreed to be repaid out of the above debts could not be repaid by 31st March, 2014 and hence CDR scheme failed and Company exited from the CDR scheme. Subsequently, most of the lenders have initiated recovery proceeding including under SARFAESI Act and the Negotiable Instrument Act,1881. One of the lender also filed recovery proceedings with Hon'ble Bombay High Court in which another lender having rights on escrow of credit card receivable intervened and finally the case was disposed off by consent.

Subsequently, most of these loans were assigned by the lenders to the Asset Reconstruction Companies (ARC). Company had negotiated with the Banks and ARC's and restructured the above debts through settlement agreements or one time settlements (OTS) of outstanding dues in earlier years.

(b) With respect to above settled loans, Company is discharging its obligations in terms of the settlement with the respective assignees. In the event of default of terms and conditions of the settlements, the Company may be liable to pay additional amounts and penal interest and charges which are estimated to be Rs.35,243.55 lakhs (Previous year: Rs. 32,286.79 lakhs).

(c) With respect to cases filed in earlier years under Negotiable Instrument Act, 1881, since the relevant loan has been fully assigned, the Company was advised that the proceedings under the said Act will not survive. In the previous year, the case was disposed off by the court upon amicable settlement of the matter.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(d) As on 31st March, 2022, in respect of most of the loans (other than bank), there are non-payment of stipulated instalments comprising of principal and interest due to the lenders. The cumulative unpaid instalments amounts to Rs. 24,718.00 lakhs. Continuing regular discussions with the lenders, during the year, the Company has applied for One Time Settlement (seeking partial relief in settlement amount) in the nature of cash payment or partially in cash and partially by converting debt into equity as narrated below:

(i) During the quarter ended 30th September 2021, one of the lenders had reminded about the outstanding amount payable, to which the company replied stating its inability to make payments on account of severe impact on the business caused by COVID-19 pandemic as well as Government restrictions imposed through various notifications and had further requested for extension upto 30th June 2022. During the quarter ended 31st March, 2022, the Company submitted application for One Time Settlement (OTS) to the lender, and the lender response thereon is awaited.

(ii) During the year, the Company received guarantee revocation notice from one lender. However, subsequent to 31st March, 2022, Company's OTS application was approved in principle by the said lender and the Company has deposited upfront amount after the close of financial year as per the terms of the said settlement.

(iii) The Company submitted applications for OTS during the year to two lenders, who have communicated in principle approval for OTS and the Company has deposited the upfront amount with one lender after the close of the financial year as per the terms of the said settlement.

(iv) Approval is also awaited in respect of application for OTS made by the Company in respect of remaining lender.

The accounting impact of OTS by way of changes in liabilities (including derecognition, if any) and classification changes will be given effect upon execution of OTS arrangement.

Further, based on all the above arrangements, discussions with the lenders and COVID-19 related notifications, management is of the view that reporting for event of default is not warranted. Loan balance confirmations from three lenders for balance installment amounting to Rs. 26,336.29 lakhs are awaited.

Considering above and in continuation of the view taken in the earlier years, in the opinion of the management, no periodic intimation is required to be given to the stock exchange for unpaid loan installments as required by SEBI circular dated 21st November, 2019..

26.5 (a) During the year ended 31st March, 2020, an Asset Reconstruction Company (ARC) to whom the bank had assigned its loan have permitted extension of repayment tenor of the respective secured debt till 28th February, 2023, on the payment of interest at 12.5% p.a. payable as per the repayment schedule w.e.f 1st October, 2019. Extension of loan along with interest is accounted in accordance with the requirement of Ind AS 109 - Financial Instruments.

(b) During the year ended 31st March,2020, an ARC (to which two banks and one financial institution had assigned their secured debts) has 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) has been recomputed based on the revised principal amount. The management is of the view that the de-recognition and consequent the write back of loan and re-computation of EIR has been done in accordance with the qualitative parameters permitted in Ind AS 109- 'Financial Instrument' on the basis of opinion obtained from an expert and its ability to make prepayment of loan. Consequently, the Company had written back the principal amount of Rs. 2,369.28 lakhs outstanding as on 1st April 2019.

26.6 Loans guaranteed by executive chariman and managing director and his relatives

Particulars*	As at 31st March 2022	As at 31st March 2021
Term loan from banks	2,145.29	2,513.23
Term loan from others	30,047.66	26,550.17
Total	**32,192.95**	**29,063.40**

*Including interest outstanding.

26.7 Delay in repayment of loan and interest [without considering in-principle / verbal approvals from lenders as elaborated in note 26.4(d) above] at the year end is as given below:

Particulars	As at 31st March 2022		As at 31st March 2021	
	Amount*	Period defaults	Amount*	Period defaults
Principal	20,739.89	1 to 822 days	6,519.44	1 to 457 days
Interest	7,688.77	1 to 822 days	3,926.48	1 to 457 days
Total	**28,428.66**		**10,445.92**	

* Amount of Rs.1,228.13 has been repaid subsequent to year before approval of accounts (Previous year: Amount of Rs. Nil repaid subsequent to previous year before approval of accounts).

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

27	Lease liabilities	As at 31st March 2022	As at 31st March 2021
	Non current		
	Lease rent (Refer note 52)	100.66	100.21
	Total	**100.66**	**100.21**

28	Other financial liabilities	As at 31st March 2022	As at 31st March 2021
	Non current		
	Outstanding club membership deposit	14.66	19.19
	Security deposits	52.35	62.82
	Deposit from related party (Refer note 28.1)	30.19	25.95
	Total	**97.20**	**107.96**

28.1 Security deposit received having carrying value of Rs. 80.00 lakhs as at 31st March 2022 (Previous year: Rs. 80.00 lakhs) is interest free and is received against hotel property given by the Company under operation and management agreement. This deposit is fair valued in accordance with Ind AS 109 - Financial Instrument. Unwinding of deferred lease liability arising out of the said fair valuation is being recognised on straight line basis. (Refer Note 36)

29	Provisions	As at 31st March 2022	As at 31st March 2021
	Non current		
	Provision for gratuity (Refer note 51(ii)(a))	243.69	223.80
	Provision for leave benefit (Refer note 51(ii)(b))	132.36	164.43
	Total	**376.05**	**388.23**

30	Deferred tax assets / (liabilities)		As at 31st March 2022	As at 31st March 2021
	Significant components of net deferred tax assets and liabilities			
	Deferred tax liabilities		-	
	Difference in net carrying value of property, plant and equipment, intangible assets and investment properties as per income tax and books		3,623.41	3,648.66
	Sales tax deposit paid under protest claimed as allowable expenses		2.52	2.52
		Sub-total (A)	**3,625.93**	**3,651.18**
	Deferred tax assets			
	Carried forward losses as per Income Tax Act, 1961		1,569.12	964.60
	Expense allowed on payment basis as per Income tax act, 1961		405.86	450.23
	Provision for doubtful debts and advances		419.16	384.85
	Lease expenses under IND AS 116		0.69	0.43
	Fair value measurement of financial assets and liabilities (net)		590.50	481.00
		Sub-total (B)	**2,985.33**	**2,281.11**
	Deferred tax assets/(liability)	**(A-B)**	**(640.60)**	**(1,370.07)**

30.1 Reconciliation of tax expenses and the accounting profit multiplied by applicable tax rate for 31st March 2022 and 31st March 2021:

Particulars	As at 31st March 2022	As at 31st March 2021
(Loss) before tax (a)	(2,970.16)	(3,714.76)
Income tax rate as applicable (b)	25.17%	25.17%
Income tax liability/(asset) as per applicable tax rate (a X b)	(747.53)	(934.94)
(i) Tax impact of expenses disallowed/ income not taxable (net)	11.04	(11.77)
(ii) Tax expenses of earlier years	0.73	(10.85)
Tax expense reported in the Statement of Profit and Loss	**(735.76)**	**(957.56)**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Particulars	As at 31st March 2022	As at 31st March 2021
Other comprehensive income (a)	24.98	45.64
Income tax rate as applicable (b)	25.17%	25.17%
Income tax liability/(asset) as per applicable tax rate (a X b)	6.29	11.49
Tax expense/(credit) reported in Other comprehensive income	**6.29**	**11.49**

Note:

(a) The Company offsets tax assets and liabilities in and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same authority.

(b) Effective from 1st April, 2020, the Company has opted for lower tax rate under Section 115BAA of the Income Tax Act, 1961. Current tax upto 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.

30.2 Income tax recognised in the Statement of Profit and Loss:

Particulars	As at 31st March 2022	As at 31st March 2021
Current tax		
In respect of the current year	-	-
In respect of the earlier years	-	11.03
	-	**11.03**
Deferred tax		
Deferred tax charge in respect of current year	(736.49)	(946.71)
Deferred tax charge in respect of previous year	0.73	(21.88)
	(735.76)	**(968.59)**
Total tax expense recognized in current year	**(735.76)**	**(957.56)**

31	Other non-current liabilities	As at 31st March 2022	As at 31st March 2021
	Unamortized non-refundable membership deposit	304.37	378.84
	Total	**304.37**	**378.84**

32	Borrowings	As at 31st March 2022	As at 31st March 2021
	Current		
	Current maturities of long term borrowings	22,709.58	21,222.09
	Total	**22,709.58**	**21,222.09**

33	Lease liabilities	As at 31st March 2022	As at 31st March 2021
	Current		
	Lease rent (Refer note 52)	12.23	14.11
	Total	**12.23**	**14.11**

34	Trade payables	As at 31st March 2022	As at 31st March 2021
	Outstanding dues of micro enterprises and small enterprises (Refer note 34.3).	141.21	243.68
	Outstanding dues of creditors other than micro enterprises and small enterprises		
	- Others	1,602.59	1,800.56
	- Related parties (Refer note 47)	91.37	138.26
	Total	**1,835.17**	**2,182.50**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

34.1 Trade payables ageing schedule as at 31st March, 2022:

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	35.66	24.52	13.20	67.82	-	141.21
ii) Others	397.32	749.97	232.93	127.10	186.64	1,693.96
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	**432.98**	**774.49**	**246.13**	**194.92**	**186.64**	**1,835.17**

34.2 Trade payables ageing schedule as at 31st March, 2021:

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	49.17	33.86	160.65	-	-	243.68
ii) Others	316.66	830.84	604.43	118.90	67.99	1,938.82
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	**365.83**	**864.70**	**765.08**	**118.90**	**67.99**	**2,182.50**

34.3 The amount due to Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act (MSMED Act), 2006 has been determined to the extent such parties have been identified on the basis of information collected by the management. The disclosure relating to Micro, Small and Medium Enterprises is as under:

Particulars	As at 31st March 2022	As at 31st March 2021
Dues remaining unpaid at the year end:		
(a) The principle amount remaining unpaid to supplier as at the end of the accounting year	141.21	243.68
(b) The interest thereon remaining unpaid to supplier as at the end of the accounting year	108.70	86.91
(c) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the year	21.79	20.69
(e) Amount of interest accrued and remaining unpaid at the end of the accounting year	108.70	86.91
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid	4.24	7.31

35	Other financial liabilities	As at 31st March 2022	As at 31st March 2021
	Current		
	Interest accrued but not due	9.73	17.59
	Interest accrued and due:		
	- To banks and others	7,736.77	3,955.62
	- On bond deposit	106.76	112.63
	Current maturity of outstanding membership deposit	1,187.74	1,198.31
	Interest payable to MSME creditors (Refer note 34.3)	108.70	86.91
	Creditors for capital expenditure	47.01	89.26
	Security deposit	45.94	40.82
	Other payables *	349.30	325.16
	Total	**9,591.95**	**5,826.30**

*Other payables mainly consist of employee related dues and other accrued expenses.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

36

Other current liabilities	As at 31st March 2022	As at 31st March 2021
Advance from customers	214.36	267.24
Unamortized non-refundable membership deposit	74.47	74.47
Income received in advance (others)	4.54	7.70
Deferred income on club deposits	2.05	3.07
Deferred advance rentals on security deposits	28.81	33.32
Statutory dues	1,635.44	1,155.69
Total	**1,959.67**	**1,541.49**

37

Provisions	As at 31st March 2022	As at 31st March 2021
Current		
Provision for gratuity (Refer note 51(ii)(a))	41.77	43.13
Provision for leave benefit (Refer note 51(ii)(b))	65.99	58.96
Total	**107.76**	**102.09**

38

Revenue from operations	Year ended 31st March 2022	Year ended 31st March 2021
Sale of services		
Room income	5,719.30	2,625.21
Food and beverage income	4,041.40	1,744.32
Sub-total	**9,760.70**	**4,369.53**
Other operating revenue		
Income from time share business	185.59	173.76
Management and consultancy fees	224.90	74.99
Swimming and health club	30.33	20.02
Conference and banqueting services	326.57	122.96
Internet and telephone	0.62	0.52
Laundry services	22.86	9.30
Car rental and transportation	16.90	14.42
Membership fees	22.87	51.72
Miscellaneous services	44.91	26.38
License fees - Shops and offices	84.94	83.73
Subsidy recevied from MTDC (Incentive Scheme) (Refer Note 38.1)	-	150.94
Liabilities and provisions written back	97.49	63.99
Sub-total	**1,057.98**	**792.73**
Total	**10,818.68**	**5,162.26**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

38.1 Revenue from Operations for the year ended 31st March 2021 includes Rs. 150.94 lakhs being grant indirect taxes refund accrued based on application made by the Company during the previous year under Maharashtra Package Scheme of Incentives for a hotel unit. The Company has received Rs. 92.68 lakhs towards partial grant amount during the previous year and Rs 16.36 lakhs after the close of the year before approval of accounts. Also refer note 45.5.

39	**Other income**	**Year ended 31st March 2022**	**Year ended 31st March 2021**
	Interest income on financial assets at amortised cost		
	- on fixed deposit with bank	13.21	18.57
	- on others	5.20	5.20
	License fees - other properties	41.00	44.09
	Exchange gain (net)	-	0.10
	Net gain on fair value changes of financial assets measured at amortised cost	-	6.66
	Gain on sale of property, plant and equipment (net)	-	25.19
	Miscellaneous income	1.18	0.68
	Total	**60.59**	**100.49**

40	**Consumption of food and beverages**	**Year ended 31st March 2022**	**Year ended 31st March 2021**
	Opening stock	80.92	148.18
	Add: Purchases	1,118.33	441.56
		1,199.25	589.74
	Less: Closing stock	114.00	80.92
	Total	**1,085.25**	**508.82**

41	**Employee benefits expense**	**Year ended 31st March 2022**	**Year ended 31st March 2021**
	Salaries, wages and bonus	2,084.22	960.51
	Contribution to provident and other funds	123.96	66.73
	Gratuity expense (Refer note 51(ii)(a))	55.64	63.80
	Leave benefit expense (Refer note 51(ii)(b))	9.37	6.62
	Staff welfare expenses	142.55	93.78
	Total	**2,415.74**	**1,191.44**

42	**Finance costs**	**Year ended 31st March 2022**	**Year ended 31st March 2021**
	Interest expense at effective interest rate on borrowings which are measured at amortized cost	4,304.05	3,422.22
	Other borrowing costs	423.32	441.24
	Fair value changes in financial liabilities (measured at amortized cost)	1.20	1.42
	Interest expense on lease liabilities (Refer note 52)	24.19	25.89
	Total	**4,752.76**	**3,890.77**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

43	**Other expenses**	**Year ended 31st March 2022**	**Year ended 31st March 2021**
	Operating expenses		
	Heat, light and power	818.73	487.04
	Rent (Refer note 52)	118.47	73.46
	Licenses, rates and taxes	406.38	376.50
	Repairs expenses for		
	- Buildings	146.74	145.97
	- Plant and Machinery	287.70	176.88
	- Others	125.96	44.65
	Expenses on apartments and boards	574.78	297.89
	Replacements of crockery, cutlery, linen, etc.	117.19	18.61
	Washing and laundry expenses	84.37	40.10
	Water charges	106.09	70.89
	Band and music expenses	90.01	61.62
	Management license fees and royalty	181.66	124.99
	Sub-total(A)	**3,058.08**	**1,918.60**
	Sales and marketing expenses		
	Advertisement, publicity and sales promotion	139.56	66.43
	Travel agents' commission	464.86	160.86
	Other commission and charges	58.02	25.41
	Sub total(B)	**662.44**	**252.70**
	Administrative and general expenses		
	Communication expenses	110.68	100.59
	Printing and stationery	49.47	20.00
	Legal, professional and consultancy charges	142.89	78.54
	Directors' sitting fees	4.75	6.00
	Travelling and conveyance	193.89	102.17
	Insurance	72.86	81.16
	Bad debts (net)	-	8.65
	Less: Provision for expected credit loss	-	(8.65)
		-	-
	Provision for expected credit loss	126.96	100.61
	Expenditure on Corporate Social Responsibility (Refer Note 43.1)	-	12.57
	Net loss on fair value changes of financial assets measured at amortised cost	0.35	-
	Auditors' remuneration (Refer note 43.2)	22.75	22.75
	Sales Tax / Vat / Luxury Tax etc. including assessment dues	1.87	2.70
	Loss on sale / discard of property, plant and equipment (net)	3.88	-
	Miscellaneous expenses	141.48	60.40
	Sub total(C)	**871.83**	**587.49**
	Total(A+B+C)	**4,592.35**	**2,758.79**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

43.1 During the year the Company is not required to spend any amount towards Corporate Social Responsibility, In the previous year the Company was required to spend Rs.12.51 lakhs which were fully spent on projects other than construction/acquisition of assets as per details given below. .

Details of expenditure on Corporate Social Responsibility	**Year ended 31st March 2022**	**Year ended 31st March 2021**
(i) Gross amount required to be spent by the Company during the year	-	12.51
(ii) Amount of expenditure incurred	-	12.57
(iii) Shortfall at the end of the year.	-	-
(iv) Total of previous year shortfall.	-	-
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities.*		
(vii) Details of related party transactions.	Nil	Nil
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Nil	Nil
*Nature of CSR activities during the year:		
(a) Environment	-	5.80
(b) Preventive health care and sanitation	-	6.52
(c) Other administrative overheads	-	0.25
Total	**-**	**12.57**

Financial year	**Amount Required to be spent**	**Amount spent**	**Excess**	**Cumulative Balance**
2020-2021	12.51	12.57	0.06	0.06
2021-2022	**-**	-	-	-
Total	**12.51**	**12.57**	**0.06**	**0.06**

43.2 Auditors' remuneration	**Year ended 31st March 2022**	**Year ended 31st March 2021**
Statutory audit fees	20.00	20.00
Tax audit fees	2.75	2.75
Total	**22.75**	**22.75**

Note: Above fees are excluding of goods and service tax (GST) of Rs.4.10 lakhs (Previous year: Rs. 4.10 lakhs).

44 Exceptional items - Income	**Year ended 31st March 2022**	**Year ended 31st March 2021**
Income:		
Insurance claim income (Refer note 44.1)	-	373.17
Sub-total	**-**	**373.17**
Total income / (expense)	**-**	**373.17**

44.1 During the year ended 31st March 2020, Company's one hotel property in Orissa was affected due to ‘Cyclone Fani’. Net block of assets destroyed was Rs. Nil. During the previous year final claim has been settled by the insurance company and consequently, amount of Rs. 373.17 lakhs has been accounted as revenue in previous year.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

45 Capital commitments, other commitments, contingent liabilities and contingent assets

45.1 Capital Commitments.

(a) Estimated amount of capital commitments to be executed on capital accounts and not provided for Rs. 1.64 lakhs as at 31st March 2022 (Previous year: Rs. 4.62 lakhs) (Net of advances).

45.2 Other significant commitments.

(a) The Company had put up Sewage Treatment Plant ("STP") on an adjacent immovable property owned by Savarwadi Rubber Agro Private Limited (previously known as Kamats Amusements Private Limited) in earlier years for its Orchid Hotel, Mumbai and continues to use the same. The Company is obliged to compensate appropriately to the owner for such use of the property. The modalities of the same being worked out.

(b) Undertaking given by the Company in favour of a lender to repay the loan to the extent of 50% of sale proceeds from certain specified assets (in case sold) - Expected obligation of Rs. 1,036.82 lakhs (Previous year: Rs. 1,036.82 lakhs) as per management estimate.

45.3 Contingent liability (to the extent not provided for)

Particulars	As at 31st March 2022	As at 31st March 2021
(i) Claims against the Company / disputed liabilities not acknowledged as debts		
Disputed indirect tax demands (Including amount paid under protest of Rs. 22.22 lakhs) (Previous year: Rs. 22.22 lakhs)	539.66	539.33
Disputed direct tax demand	4,830.78	5,511.51
Claims against the Company not acknowledged as debts (including employee claims)	627.83	109.59
(ii) Other money for which the Company is contingently liable		
Contingencies in respect of assigned loan (Also refer note 26.4(b))	35,243.55	32,286.79
Open import license	53.68	51.66

In respect of (i) above, future cash outflows (including interest / penalty if any) are determinable on receipt of judgement from tax authorities / labour court / settlement of claims or non-fulfilment of contractual obligations. Further, the Company does not expect any reimbursement in respect of above.

45.4 Other litigations

(a) Refer note 15.1 in respect of dispute regarding Bandra Kurla Project.

45.5 Contingent asset (to the extent not recognised)

Particulars	As at 31st March 2022	As at 31st March 2021
Tax subsidy receivable from MTDC under Package Scheme of Incentives	26.97	26.97

46 Subsidiaries (where control exist) and joint venture entity [Disclosure as per Ind AS 112]

Sr. No.	Name of the entity	Principal place of business	Proportion of ownership (%)	
			As at 31st March 2022	As at 31st March 2021
	Wholly owned subsidiaries			
(i)	Orchid Hotels Pune Private Limited	India	100%	100%
(ii)	Fort Jadhav Gadh Hotels Private Limited	India	100%	100%
(iii)	Mahodadhi Palace Private Limited	India	100%	100%
(iv)	Kamats Restaurant (India) Private Limited	India	100%	100%
(v)	Orchid Hotels Eastern (India) Private Limited	India	100%	100%
	Joint venture entity			
(vi)	Ilex Developers & Resorts Limited	India	32.92%	32.92%

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

47 Disclosures as required by Indian Accounting Standard (Ind AS) 24 - Related Party Disclosures

47.1 Name and relationships of related parties:

(a)	Subsidiaries and joint ventures		Refer note 46 above
(b)	Entities in which Director/ KMP and relatives have significant influence (Only where there are transactions/ balances)		**Part I** Vithal Kamat (Huf), Kamat Holdings Private Limited, Indira Investments Private Limited^, Plaza Hotels Private Limited, Kamat Development Private Limited, Sangli Rubber Agro Private Limited, Kamats Club Private Limited^, Kamburger Foods Private Limited^, Kamats Super Snacks Private Limited^, Karaoke Amusements Private Limited^, Vishal Amusments Limited, Kamat Holiday Resorts (S) Limited, Kamat Eateries Private Limited^, Savarwadi Rubber Agro Private Limited, Kamats Development Private Limited, Talent Hotels Private Limited, Treeo Resort Private Limited, Nagpur Ecohotel Private Limited^, VITS Hotels (Bhubaneshwar) Private Limited^ **Part II** Envotel Hotels Himachal Private Ltd (Formerly known as Orchid Hotels Himachal Private Limited) (up to 5th October 2021)
(c)	Key Management Personnel [KMP & director]:	Executive Chairman & Managing Director	Dr. Vithal V. Kamat
		Non Executive Director	Ms. Vidita V.Kamat (w.e.f. 29th September, 2020) Mr. Sanjeev Rajgarhia (w.e.f. 28th August, 2020) Mr. Bipinchandra C. Kamdar (upto 30th September, 2020)
		Independent Director	Mr. Vilas R. Koranne (w.e.f. 29th June 2021) Ms. Harinder Pal Kaur (w.e.f. 15th May, 2020) Mr. Ramnath P. Sarang (w.e.f. 27th May, 2019) Mr. Dinkar D. Jadhav (upto 19th February, 2021)
(d)	Relatives of KMP (Only where there are transactions)		Mrs. Vidhya V. Kamat [Wife of KMP] Mr. Vikram V. Kamat [Son of KMP] Ms. Vidita V.Kamat [Daughter of KMP] Mr. Vishal V. Kamat - [Son of KMP and also Chief Executive Officer of Fort Jadhav Gadh, a unit of the Company]
(e)	Post employment benefit plans		Kamat Hotels (India) Limited - Employees Gratuity Trust
(f)	Key management personnel as per Companies Act, 2013.	Chief Financial Officer	Mrs. Smita Nanda
		Company Secretary	Mr. Hemal Sagalia (from 29th June 2021) Ms. Ruchita Shah (from 8th February 2021 to 13th May 2021) Mrs Shruti Shrivastava (from 24th July 2020 to 15th December, 2020) Mr Shailesh Bhaskar (from 27th May 2019 to 10th June, 2020)

^ These entities are merged with Vishal Amusements Private Limited w.e.f. 16th May 2018.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

47.2 Transactions with related parties

Nature of transaction	Name of the party	Year ended 31st March 2022	Year ended 31st March 2021
Management fees - income	Orchid Hotels Pune Private Limited	115.07	44.71
Supply of guest items		0.20	-
Incentive fees		59.93	12.91
Reimbursement of staff deputation expenses received		74.24	48.16
Amount recovered towards services		314.08	126.97
Temporary refund received of loan given		270.00	660.00
Repayment of temporary refund of loan taken		270.00	660.00
Taxes recovered on corporate guarantee commission		7.84	7.84
Amount payable towards tax on Commission related Corporate Guarantee		9.67	8.26
Reimbursement of expenses (net)		8.18	3.41
Management fees - expense	Mahodadhi Palace Private Limited	23.18	22.10
Provision for interest receivable		3.62	-
Management fees - income	Ilex Developers & Resorts Limited	6.24	3.22
Laundry service expense		2.15	3.42
Amount recovered towards services (net of payments)		22.26	2.73
Taxes recovered on corporate guarantee commission		0.24	0.25
Amount payable towards tax on commission related corporate guarantee		0.35	0.44
Reimbursement of expenses (net)		6.61	7.84
Rent expense for leasehold land	Plaza Hotels Private Limited	95.30	37.09
Transfer of materials		-	0.89
Amount payable towards tax on Commission related Corporate Guarantee		2.29	2.28
Transfer of materials	Envotels Hotels Himachal Private Limited	0.03	1.07
Management fees - income		2.06	-
Reimbursement of expenses (net)		0.04	-
Amount payable towards tax on Commission related Corporate Guarantee	Vishal Amusements Limited	0.20	0.22
Amount recovered towards services	Tree O Resort Private Limited	-	2.05
Remuneration paid (Also refer note 47.3(c) below)	Dr.Vithal V.Kamat	-	30.61
Remuneration Recovered		-	72.55
Royalty expenses		4.34	2.20
Remuneration paid	Mr.Vishal V.Kamat	48.16	21.64
Directors sitting fees	Mr. Dinkar D.Jadhav	-	1.50
	Mr. Ramnath Sarang	1.00	1.50
	Mrs. Harinder Pal Kaur	1.00	1.50
	Mr. Sanjeev B. Rajgarhia	1.00	1.00
	Ms. Vidita Kamat	1.00	0.50
	Mr.Vilas Ramchandra Koranne	0.75	-
Contribution to post employment benefit plan	Kamat Hotels (India) Limited - employees gratuity trust	12.13	29.07

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

47.3 Related party outstanding balances:

Nature of transaction	Name of the party	As at 31st March 2022	As at 31st March 2021
Investment in equity shares	Orchid Hotels Pune Private Limited	9,327.75	9,327.75
Provision for impairment of investment		9,327.75	9,327.75
Advance given		19,646.40	19,646.40
Provision for impairment of advance given		19,646.40	19,646.40
Trade Receivable		53.10	91.30
Corporate guarantee given on behalf of subsidiary		21,500.00	21,500.00
Corporate guarantee provided by subsidiary company on behalf of Company		24,755.00	24,755.00
Advance given	Mahodadhi Palace Private Limited	418.74	418.74
Provision for impairment of advance given		418.74	418.74
Interest receivable on above advance		3.62	3.62
Provision for doubtful debts on above interest receivable		3.62	-
Trade payable		8.38	47.34
Investment in equity shares		1.00	1.00
Investment in equity shares	Ilex Developers & Resorts Limited	533.00	533.00
Provision for impairment of investment		533.00	533.00
Security deposits taken (Gross carrying value)		80.00	80.00
Trade receivable (net)		2.18	13.70
Corporate guarantee given by Company on behalf of Joint Venture		1,000.00	1,000.00
Security given for loan taken by Related Party (to the extent of outstanding loan)		799.68	799.68
Deposit given under business contract agreements	Plaza Hotels Private Limited	8,000.00	8,000.00
Trade payable		85.08	90.28
Undertaking given towards repayment of loan taken by the Company		1,837.92	1,837.92
Undertaking given towards repayment of loan taken by the Company	Talent Hotels Private Limited	2,375.26	2,375.26
Amount receivable	Envotel Hotels Himachal Private Limited	-	1.26
Investment in equity shares	Fort Jadhav Gadh Hotels Private Limited	1.00	1.00
Investment in equity shares	Kamats Restaurant (India) Private Limited	1.00	1.00
Investment in equity shares	Orchid Hotels Eastern (India) Private Limited	1.00	1.00
Royalty payable	Dr. Vithal V. Kamat	1.10	6.01
Pledge of shares for term loan taken by the Company		1,527.37	358.43
Remuneration recoverable		-	58.75
Pledge of shares for term loan taken by the Company	Vishal Amusements Limited	848.68	645.05
Amount payable		0.20	1.01

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Notes:

(a) Entities as mentioned in 47.1(b) have pledged their shares held in the Company for loans taken by the Company

(b) Managerial remuneration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation for the Company's liability to all its employees.

(c) (i) 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. 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 audited accounts for the year ended 31st March, 2021.

(ii) 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 audited accounts results for the year ended 31st March, 2021.

(d) Transactions with related parties and outstanding balances at the year end are disclosed at transaction value/ carrying value.

(e) In addition to above transactions,

(i) Mahodadhi Palace Private Limited, Kamats Restaurant (India) Private Limited, Fort Jadhav Gadh Hotels Private Limited, Ilex Developers & Resorts Limited, Plaza Hotels Private Limited, Kamat Holiday Resorts (Silvassa) Limited, Dr. Vithal V. Kamat, Mr. Vikram V. Kamat have given joint corporate/personal guarantee amounting to Rs. 38,583.00 lakhs (Previous year: Rs. 38,583.00 lakhs) to banks/ others for credit facilities availed by the Company [Share of respective entities/ persons is not quantifiable].

(ii) Plaza Hotels Private Limited, Vishal Amusements Limited, Dr Vithal V. Kamat, Mr Vishal V. Kamat have given joint corporate/ personal guarantee amounting to Rs. 2,148.50 lakhs (Previous year: Rs. 2,476.09 lakhs) to bank for credit facilities availed by the Company [Share of respective entities/ persons is not quantifiable].

(iii) Entities in which KMP has significant influence have provided security by way of creating equitable mortgage of land owned by them for loan taken by the Company.

(iv) KMP, relatives of KMP and entities in which KMP has significant influence have pledged equity shares held by them in the Company and other investments to the lenders for borrowing of the Company. [Refer note 26.1(c)]

47.4 Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. In case of advances given to two wholly owned subsidiaries, Company has waived interest. For the year ended 31st March 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. Company has recorded impairment of receivable and investment in two subsidiaries and a joint venture entity in earlier years. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

48 Breakup of compensation to key managerial personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

(a) Compensation to KMP as specified in para above:

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Short term employee benefits	-	-
Perquisites	-	-
Other long term benefits*	-	-
Sitting fees	4.75	6.00
Total	**4.75**	**6.00**

*As the liabilities for defined benefit plans are provided on actuarial basis for all the employees, the amounts pertaining to Key Management Personnel are seperately identified and hence not included.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(b) Compensation to KMP as specified in para 47.1 (e) above:[Other than given in 48(a)]

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Short term employee benefits		
Mrs. Smita Nanda	22.12	9.60
Mr. Shailesh Bhaskar	-	0.52
Mrs. Shruti Shrivastava	-	1.12
Ms. Ruchita Shah	1.34	1.21
Mr. Hemal Sagalia	9.67	-
Total	**33.13**	**12.45**

As the liabilities for defined benefit plans are provided on actuarial basis for all the employees, the amounts pertaining to Key Management Personnel are seperately identified and hence not included.

49 Earnings per share

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Basic and diluted earning per share		
Loss attributable to the equity holders of the Company	(2,234.40)	(2,757.20)
Weighted average number of equity shares (Excluding forfeited shares)	2,35,84,058	2,35,84,058
Face value per equity share (Rs.)	10	10
Basic and diluted earnings per share	(9.47)	(11.69)

50 Ratio Analysis

Ratio	Numerator	Denominator	31st March 2022	31st March 2021	% of variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	0.07	0.06	5.56%	-
Debt Service Coverage	Earning available for Debts Service	Debt Service	1.75	5.53	-68.38%	Repayment of borrowing is done in current year
Return on Equity	Net profit after Tax-Pref. Div. if any	Average Shareholder Equity	0.75	5.36	-86.03%	The Company incurred loss during the year.
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	6.41	0.61	945.95%	Increase in volume of business and reduction in average inventory.
Trade receivables turnover	Net Credit Sales	Average Account Receivable	14.59	6.39	128.24%	Increase in revenue
Trade payables turnover	Net Credit Purchases	Average Trade Payables	0.56	0.05	1088.08%	Increase in purchases and reduction in average trade payables.
Net Capital Turnover Ratio	Net Sales	Working Capital	(0.32)	(0.18)	79.42%	Increase in revenue and current liability
Net Profit Ratio	Net Profit	Net Sales	(0.21)	(0.53)	-61.33%	Increase in revenue
Return on capital employed	Earning before Int. & Taxes	Capital Employed	0.09	0.01	1073.38%	Increase in operational performance and reduction in debt.
Return on investment (Quoted and Unquoted Investments)	Earnings	Investments	(0.02)	0.30	-108.05%	Decrease in fair value of investments in equity of co-op. bank
Return on investment (Fixed Deposit)	Earnings	Investments	0.02	0.05	-60.32%	During the year the fixed deposit was kept for lesser tenure

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

50.1 **Debt equity ratio is not applicable as equity is negative.**

51 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

(i) Disclosures for defined contribution plan

The Company has certain defined contribution plans. The obligation of the Company is limited to the amount contributed and it has no further contractual obligation. Following are the details regarding Company's contributions made during the year:

Particulars	2021-2022	2020-2021
Provident fund	45.89	27.63
Pension fund	59.65	29.82
Employees' state insurance (ESIC)	18.15	8.86
Labour welfare fund	0.26	0.42
Total	**123.95**	**66.73**

(ii) Disclosures for defined benefit plans and other long term benefits

(a) Defined benefit obligations - Gratuity (funded)

The Company has a defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972. The scheme is funded with insurance companies in the form of a qualifying insurance policy.

Risks associated with plan provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows:

Investment/ asset risk	All plan assets are maintained in a trust fund managed by a public sector insurer viz; LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.
Interest rate risk	The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
Salary inflation risk	Higher than expected increases in salary will increase the defined benefit obligation.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

For determination of the liability in respect of compensated gratuity, the Company has used following actuarial assumptions:

Particulars	2021 - 2022	2020 - 2021
Discount rate (per annum)	6.40%	6.05%
Rate of Return on Plan Assets (per annum)	6.45%	6.45%
Salary Escalation (per annum)	6.50%	6.50%
Attrition Rate (per annum)	10.00%	10.00%
Mortality Rate	As per Indian Assured lives Mortality (2012-14)	As per Indian Assured lives Mortality (2012-14)

The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The discounting rate is based on material yield on government bonds having currency and terms consistent with the currency and terms of post-employment benefit obligations. The overall expected rate of return on assets is based on the LIC structure of interest rates on gratuity funds.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Changes in the present value of obligations	**2021 - 2022**	**2020 - 2021**
Liability at the beginning of the year	369.67	387.28
Interest cost	20.17	22.65
Current service cost	40.80	47.68
Benefits paid	(73.37)	(39.72)
Actuarial (gain)/loss on obligations	(25.86)	(48.22)
Liability at the end of the year	**331.41**	**369.67**

Changes in the fair value of plan assets	**2021 - 2022**	**2020 - 2021**
Opening fair value of plan assets	102.74	109.44
Expected return on plan assets	5.33	6.53
Employers contribution	12.13	29.07
Benefits paid	(73.37)	(39.72)
Actuarial gain/(loss) on plan assets	(0.88)	(2.58)
Closing fair value of plan assets	**45.95**	**102.74**

Table of recognition of actuarial gain / loss	**2021 - 2022**	**2020 - 2021**
Actuarial (gain)/ loss on obligation for the year	(25.86)	(48.22)
Actuarial gain/ (loss) on assets for the year	(0.88)	(2.58)
Actuarial (gain)/ loss recognised in other comprehensive income	**(24.98)**	**(45.64)**

Breakup of actuarial (gain) /loss:	**2021 - 2022**	**2020 - 2021**
Actuarial loss/(gain) arising from change in demographic assumption	-	-
Actuarial loss arising from change in financial assumption	(5.81)	7.70
Actuarial loss/(gain) arising from experience	(20.05)	(55.92)
Actuarial loss/(gain) on plan assets	0.88	2.58
Total	**(24.98)**	**(45.64)**

Liability recognized in the Balance Sheet:	**As at 31st March 2022**	**As at 31st March 2021**
Liability at the end of the year	331.41	369.67
Fair value of plan assets at the end of the year	(45.95)	(102.74)
Liability recognized in Balance Sheet	**285.46**	**266.93**

Expenses recognized in the Income Statement:	**2021 - 2022**	**2020 - 2021**
Current service cost	40.80	47.68
Interest cost	20.17	22.65
Past Service Cost	(5.33)	(6.53)
Actuarial (Gain)/Loss	(24.98)	(45.64)
Expense/ (income) recognized in		
- Statement of Profit and Loss	55.64	63.80
- Other comprehensive income	(24.98)	(45.64)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Balance sheet reconciliation	**As at 31st March 2022**	**As at 31st March 2021**
Opening net liability	266.93	277.84
Expense recognised in Statement of Profit and Loss & OCI	30.66	18.16
LIC contribution during the year	(12.13)	(29.07)
LIC funded	-	(29.07)
Amount recognized in Balance Sheet	**285.46**	**266.93**
Non current portion of defined benefit obligation	243.69	223.80
Current portion of defined benefit obligation	41.77	43.13

Sensitivity analysis of benefit obligation (Gratuity)

Particulars	**2021 - 2022**	**2020 - 2021**
a)Impact of change in discount rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 0.5%	323.44	360.10
b) Impact due to decrease of 0.5%	339.78	379.76
b)Impact of change in salary growth		
Present value of obligation at the end of the year		
a) Impact due to increase of 0.5%	339.15	379.31
b) Impact due to decrease of 0.5%	323.69	360.45
c)Impact of change in withdrawal rate		
Present value of obligation at the end of the year		
a) Withdrawal rate increase of 10%	330.95	368.44
b) Withdrawal rate decrease 10%	331.84	370.94
d)Impact of change in mortality rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 10%	331.45	369.71
b) Impact due to decrease of 10%	331.36	369.64

Maturity profile of defined benefit obligation

Particulars	**As at 31st March 2022**	**As at 31st March 2021**
Weighted average duration of the defined benefit obligation	5.15	5.44
Projected benefit obligation	331.41	369.67

Pay-out analysis

Particulars	**As at 31st March 2022**	**As at 31st March 2021**
1st year	74.29	72.58
2nd year	38.44	45.23
3rd year	35.04	39.53
4th year	44.35	35.38
5th year	32.61	43.42
Next 5 year pay-out (6-10 year)	135.93	159.73

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(b) Compensated absences (non-funded)

As per the policy of the Company, obligations on account of benefit of accumulated leave of an employee is settled only on termination / retirement of the employee. Such liability is recognised on the basis of actuarial valuation following Project Unit Credit Method.

Risks associated with plan provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows:

Interest rate risk	The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
Salary inflation risk	Higher than expected increases in salary will increase the defined benefit obligation.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

For determination of the liability in respect of compensated absences, the Company has used following actuarial assumptions:

Particulars	**Year ended 31st March 2022**	**Year ended 31st March 2021**
Discount rate	6.40%	6.05%
Salary escalation	6.50%	6.50%
Attrition rate	10.00%	10.00%
Mortality rate	Indian Assured lives Mortality (2012-14)	Indian Assured lives Mortality (2012-14)

The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The discounting rate is based on material yield on government bonds having currency and terms consistent with the currency and terms of post-employment benefit obligations. The overall expected rate of return on assets is based on the LIC structure of interest rates on gratuity funds.

Changes in the present value of obligations:	**Year ended 31st March 2022**	**Year ended 31st March 2021**
Liability at the beginning of the year	223.39	282.12
Interest cost	11.18	14.88
Current service cost	30.32	49.59
Benefits paid	(34.41)	(65.37)
Actuarial (gain)/loss on obligations	(32.13)	(57.83)
Liability at the end of the year	**198.35**	**223.39**

Table of recognition of actuarial (gain) / loss :	**Year ended 31st March 2022**	**Year ended 31st March 2021**
Actuarial (gain)/loss on obligation for the year	(32.13)	(57.83)
Actuarial (gain)/loss on assets for the year	-	-
Actuarial (gain)/loss recognized in Statement of Profit and Loss	**(32.13)**	**(57.83)**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Breakup of actuarial (gain) /loss:	**Year ended 31st March 2022**	**Year ended 31st March 2021**
Actuarial loss/(gain) arising from change in demographic assumption	1.35	-
Actuarial loss arising from change in financial assumption	(4.09)	3.79
Actuarial loss/(gain) arising from experience	(29.40)	(61.62)
Total	**(32.14)**	**(57.83)**

Amount recognized in the Balance Sheet:	**As at 31st March 2022**	**As at 31st March 2021**
Liability at the end of the year	198.35	223.39
Fair value of plan assets at the end of the year	-	-
Amount recognized in the Balance Sheet	**198.35**	**223.39**

Expenses recognized in the Statement of Profit and Loss:	**Year ended 31st March 2022**	**Year ended 31st March 2021**
Current service cost	30.32	49.59
Interest cost	11.18	14.88
Actuarial (gain)/loss	(32.14)	(57.83)
Expense recognized in Statement of Profit and Loss	**9.36**	**6.64**

Balance Sheet Reconciliation	**As at 31st March 2022**	**As at 31st March 2021**
Opening net liability	223.39	343.83
Expense recognised in Statement of Profit and Loss	9.36	(61.71)
Amount recognized in Balance Sheet	**198.35**	**223.39**
Non-current portion of defined benefit obligation	132.36	164.43
Current portion of defined benefit obligation	65.99	58.96

Sensitivity analysis of benefit obligation (Leave encashment)

Particulars	**Year ended 31st March 2022**	**Year ended 31st March 2021**
a)Impact of change in discount rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 0.5%	177.79	203.60
b) Impact due to decrease of 0.5%	186.16	213.27

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

b)Impact of change in salary growth		
Present value of obligation at the end of the year		
a) Impact due to increase of 0.5%	186.13	213.22
b) Impact due to decrease of 0.5%	177.78	203.59
c)Impact of change in withdrawal rate		
Present value of obligation at the end of the year		
a) Withdrawal rate increase of 10%	181.85	208.04
b) Withdrawal rate decrease 10%	181.88	208.61
d)Impact of change in mortality rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 10%	181.88	208.32
b) Impact due to decrease of 10%	181.86	208.30

Maturity profile of defined benefit obligation

Particulars	**As at 31st March 2022**	**As at 31st March 2021**
Projected benefit obligation	198.35	223.39

Pay-out analysis

Particulars	**As at 31st March 2022**	**As at 31st March 2021**
1st year	48.41	46.99
2nd year	24.29	31.18
3rd year	21.52	25.31
4th year	26.26	22.58
5th year	15.50	24.08
Next 5 year pay-out (6-10 year)	61.17	73.88

52 Leases

I) Company as lessee:

The Company has taken hotel property under non-cancellable operating leases. The Company has recognised management fees/ rent expenses of Rs. 236.95 lakhs during the year (Previous Year Rs. 132.65 lakhs) which is contingent in nature.

Note:

a) With respect to hotel properties/ land taken under lease/ operation and management arrangement, Company is liable to pay management fees/ rent based on gross operating profits, revenue etc. Since future revenue is contingent in nature, other disclosures as required under Ind AS 116 - 'Leases' are not quantifiable with respect to such arrangements as at 31st March 2022.

b) For depreciation and carrying value of right of use asset, refer table below:

ROU asset	**Carrying value as at year ended 31st March 2022**	**Depreciation for the year**
Land & building	405.95	14.30

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

ROU asset	Carrying value as at year ended 31st March 2021	Depreciation for the year
Land & building	420.25	14.30

c) **Disclosure with respect to lease under Ind AS-116 Leases:**

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Interest expense on lease liabilities	24.19	25.89
Lease expenses in case of short term leases	-	-
Lease expenses in case of low value leases (other than short term as disclosed above)	-	-
Lease expenses debited to lease liabilities	25.62	24.66
Total cash outflow for leases [incl. short term & low value leases]	25.62	24.66
Additions to ROU assets	-	-
Variable lease payments not considered in measurement of lease liabilities	236.95	132.65
Income from subleasing ROU assets	-	-

II) Where the Company is a lessor

The Company has given shops, office premises and hotel property under non-cancellable operating leases. The Company had recognised management fees or royalty income of Rs.125.94 lakhs (Previous year Rs. 127.82 lakhs). Maturity analysis of minimum lease income (undiscounted and excluding variable lease income) for above lease arrangement are as follows:

Particulars	As at 31st March 2022	As at 31st March 2021
Not later than one year	98.18	110.37
Later than one year and not later than five years	138.48	31.70
Later than five years	0.52	2.62
	237.18	**144.69**

Total contingent rent income (in the form of management or royalty fees) recognised is Rs. 6.24 lakhs (Previous year Rs. 3.22 lakhs).

Note:

(i) With respect to hotel property given under operation and management agreement, Company gets management fees calculated based on percentage of revenue earned by the lessee from this property. Since future revenue is based on percentage of revenue which is contingent in nature, other disclosures as required under Ind AS 116 - 'Leases' are not quantifiable with respect to such arrangement as at 31st March, 2022 and as at 31st March, 2021.

53 Disclosure pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013 in respect of loans and advances in the nature of loans:

Loans and advances in the nature of loans given to subsidiaries are for business purposes. Refer note 47 for corporate guarantee given and note 10 for investment in securities:

Name of the entity	As at 31st March 2022		As at 31st March 2021	
	Maximum amount outstanding	Balance outstanding	Maximum amount outstanding	Balance outstanding
Wholly owned subsidiaries				
Orchid Hotels Pune Private Limited	19,646.40	19,646.40	19,646.40	19,646.40
Mahodadhi Palace Private Limited	418.74	418.74	418.74	418.74

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

54 Note on statement of cash flows

i) The aggregate amount of outflow on account of direct taxes paid is Rs.108.73 lakhs (previous year inflow of Rs. 144.92 lakhs, net of paid) net of refund.

ii) Changes in financing liabilities arising from cash and non-cash changes:

Particulars	Opening	Cash Inflows / (outflows)	Non-cash changes		Closing
			Others	Interest accruals	
For the year ended 31st March 2022					
Borrowings (including interest dues)	29,676.09	(1,585.08)	-	4,313.03	32,404.04
Lease liabilities	114.32	(25.62)	-	24.19	112.89
For the year ended 31st March 2021					
Borrowings (including interest dues)	25,603.65	650.22	-	3,422.22	29,676.09
Lease liabilities	113.09	(24.66)	-	25.89	114.32

iii) Breakup of cash and cash equivalent is as given below:

Particulars	As at 31st March 2022	As at 31st March 2021
Cash and cash equivalent as per note 19	860.38	659.19
Net cash and cash equivalent	860.38	659.19
Net cash and cash equivalent as disclosed in cash flow statement above	**860.38**	**659.19**

55 Disclosures as required by Indian Accounting Standard (Ind AS) 108 - Operating Segments

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. Further, no single customer represents 10% or more of the Company's total revenue during the year ended 31st March 2022 and 31st March 2021.

56 Going concern assumption

As per the standalone financial statements, Company’s accumulated losses are in excess of its paid up capital and reserves as at 31st March 2022 and its current liabilities are significantly greater than the current assets as on 31st March 2022 and 31st March 2021. 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 57 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 & application of OTS of the loan dues as stated in note 26.4(d), 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 statements 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.

57 COVID-19 impact

The business has been impacted during the year ended 31st March, 2022 on account of COVID-19. During the first quarter of the year, the Company's revenues were adversely impacted due to lock downs imposed in several states across the country to control second wave of COVID-19. The performance of the Company was also affected due to the travel restrictions caused by the third wave in January 2022. After withdrawal of restrictions followed by massive vaccinations, as the normalcy restored in rest of the period during the year, the Company witnessed positive recovery of demand and growth in business driven by increase in domestic and international leisure and business travel. In order to assess the impact of COVID-19, 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. 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 performance.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

58 Other Statutory Information

(i) The Company does not have any Benami property. No proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company has not advanced to or loaned to or invested funds in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that such Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(iii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(iv) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961)

(v) The Company has not been declared as a wilful defaulter as prescribed by Reserve Bank of India.

(vi) During the year, the Company did not have transactions with any company which was struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

59 In earlier year, Company's one hotel property in Orissa was affected due to ‘Cyclone Fani’. Net block of assets destroyed was Rs. Nil. During the previous year final claim has been settled by the insurance company and consequently, amount of Rs. 373.17 lakhs has been accounted as revenue in the previous year.

60 Financial instruments - Accounting classifications & fair value measurement

(a) Financial instruments by category

Sr. No.	Particulars	31st March 2022			31st March 2021		
		Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL
A	**Financial assets**						
(i)	Non-current investments	-	-	17.72	-	-	19.66
(ii)	Non-current loans	-	-	-	-	-	-
(iii)	Other non-current financial assets	2,182.28	-	-	2,063.30	-	-
(iv)	Trade receivables (net)	861.70	-	-	607.55	-	-
(v)	Cash and cash equivalents	860.38	-	-	659.19	-	-
(vi)	Other bank balances	71.57			57.68		
(vii)	Other current financial assets	36.76	-	-	36.10	-	-
(viii)	Investments	-	-	6.61	-	-	5.28
(ix)	Loans	0.04	-	-	58.75	-	-
	Total financial assets	**4,012.73**	**-**	**24.33**	**3,482.57**	**-**	**24.94**
B	**Financial liabilities**						
(i)	Borrowings- non-current	1,947.96	-	-	4,480.79	-	-
(ii)	Lease liabilities - non-current	100.66	-	-	100.21	-	-
(iii)	Other non-current financial liabilities	97.20	-	-	107.96	-	-
(iv)	Trade payables	1,835.17	-	-	2,182.50	-	-
(v)	Borrowings-current	22,709.58			21,222.09		
(vi)	Lease liabilities - current	12.23	-	-	14.11	-	-
(vii)	Other current financial liabilities	9,591.95	-	-	5,826.30	-	-
	Total financial liabilities	**36,294.75**	**-**	**-**	**33,933.96**	**-**	**-**

FVTOCI - Fair Value Through Other Comprehensive Income

FVTPL - Fair Value Through Profit or Loss

Note: Above disclosure excludes investments (gross) in subsidiaries and joint venture amounting to Rs. 9,864.75 lakhs as on 31st March, 2022 (Previous year: Rs.9,864.75 lakhs) as these are valued at cost in accordance with Ind AS 27 - 'Separate Financial Statement'.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(b) Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The management assessed that fair value of Trade receivables (net), Cash and cash equivalents, Other current financial assets, Borrowings, Financial liabilities, Trade payables, Current lease liabilities, Other current financial liabilities etc., approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of other financial asset and liabilities will be approximate to their carrying amounts as they are priced to market interest rates on or near the end of reporting period.

(c) Fair value hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(d) Financial assets / liabilities measured at fair value

The following table represents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis.

Particulars	Level	31st March 2022		31st March 2021	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Non-current investments	Level 1	0.06	0.06	0.03	0.03
Non-current investments	Level 2	17.66	17.66	19.63	19.63
Current investments	Level 1	6.61	6.61	5.28	5.28
Total financial assets		**24.33**	**24.33**	**24.94**	**24.94**

(i) The Company has not disclosed the fair value of financial instruments such as trade receivables, trade payables, short term loans, deposits, borrowings etc, because their carrying amounts are reasonable approximation of fair value.

(ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iii) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2022 and March 31, 2021.

(e) Financial / bank guarantee contracts

Particuars	As at 31st March 2022	As at 31st March 2021
(a) Corporate guarantee given to a bank in respect of credit facilities availed by Subsidiary Company	21,500.00	21,500.00
(b) Corporate guarantee given to a bank in respect of credit facilities availed by Joint Venture Company	1,000.00	1,000.00
(c) Counter guarantee issued by the Company to secure bank guarantee obtained by the Company.	23.50	14.00

In respect of (a) above, fair value of financial guarantee contract is Rs. Nil for the reasons stated in note 2.6(x) and note 10.1

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

61 Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of Directors on its activities. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit team. Internal audit team undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk

(a) Credit risk :

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instruments fail to meet its contractual obligations. The Company is exposed mainly to credit risk which arises from cash and cash equivalents and deposit with banks.

(i) Cash and cash equivalent

The Company considers factors such as track record, size of institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The bank balance and fixed deposits are generally maintained with the banks with whom the Company has regular transactions. Further, the Company does not maintain significant cash in hand other than those required for its day to day operations. Considering the same, the Company is not exposed to expected credit loss of cash and cash equivalent and bank deposits.

(ii) Trade receivables

The major exposure to the credit risk at the reporting date is primarily from receivable comprising of trade receivables. Credit risk on receivable is limited due to the Company's diverse customer base. The effective monitoring and controlling of credit risk through credit evaluations is a core competency of the Company's risk management system.

For expected credit loss of trade receivable, Company follows simplified approach as per which provision is made for receivable exceeding six months/ one year based on category of receivable. This is based on historically observed default rates over the expected life of trade receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

The Reconciliation of Expected Credit Allowance (ECL) is as given below:

Particulars	31st March 2022	31st March 2021
Balance at the beginning	1,506.05	1,414.09
Less: Utilized	-	8.65
	1,506.05	1,405.44
Add/(Less): Provision for ECL made in the year / (written back)	116.80	100.61
Balance at the year end	**1,622.85**	**1,506.05**

(b) Liquidity risk :

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets. The Company is also taking the various measures to overcome the challenges posed by the COVID-19 pandemic as explained in note 56 and 57.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(i) Maturities of financial liabilities:

The following are the remaining contractual maturities of financial liabilities at the reporting date:

The following are the remaining contractual maturities of financial liabilities at the reporting date:

Particulars	Less than 1 year	1 to 5 year	Above 5 years	Total
As at 31st March 2022				
Borrowings	22,709.58	1,947.96	-	24,657.54
Lease liabilities	12.23	36.17	64.49	112.89
Trade payables	1,835.17	-	-	1,835.17
Other financial liabilities	71.25	-	25.95	97.20
Other current financial liabilities	9,591.95	-	-	9,591.95
As at 31st March 2021				
Borrowings	21,222.09	4,480.79	-	25,702.88
Lease liabilities	14.11	43.95	56.26	114.32
Trade payables	2,182.50	-	-	2,182.50
Other financial liabilities	84.79	-	23.17	107.96
Other current financial liabilities	5,826.30	-	-	5,826.30

(c) Market risk

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The pre dominant currency of the Company's revenue and operating cash flows is Indian Rupees (INR). Company has earnings in foreign currency. There is no foreign currency risk as there is no outstanding foreign currency exposure at the year end.

(i) **Interest Rate Risk**

The Company has taken term loans from bank and others (including loan assigned by banks on one time settlement). With respect to loans which are settled with banks or assigned to asset reconstruction companies aggregating to Rs. 3,284.00 lakhs as at 31st March 2022 (as at 31st March 2021 Rs. 3,558.79 lakhs) , there is no interest payable. With respect to loan taken from bank during the year, interest rate is fixed and other borrowings attracts fixed rate of interest. Therefore, there are no interest rate risks, since neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.

(ii) **Foreign Currency Risk**

The pre dominant currency of the Company's revenue and operating cash flows is Indian Rupees (INR). Company has earnings in foreign currency, however it has no exposure in foreign currency at the year end. Considering the same, there is no foreign currency risk to the Company.

62 Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern so, that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce cost of capital. The Company manages its capital structure and make adjustments to, in light of changes in economic conditions, and the risk characteristics of underlying assets. In order to achieve this overall objective, the Company’s capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. Based on the loan extentions and also the verbal / in-principle approvals received during the year, the event of default is not triggered. To manage the capital, the management has requested the lenders for extention/settlement of the loan dues and also exploring possibilities to divest/liquidate some of its properties. Also refer note 56 and 57.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by equity. Net debt is calculated as total borrowing (including current and non-current terms loans as shown in the balance sheet).

The Company's total Debt to Equity are as follows, the necessary actions for its improvement are being taken by the Company:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Particulars	As at 31st March 2022	As at 31st March 2021
Total debt*	24,657.54	25,702.88
Total capital (total equity shareholder's fund)	(4,091.69)	(1,875.98)
Net debt to equity ratio	NA	NA

* Total debt = Non-current borrowings + current maturities of non-current borrowings

As per our audit report of even date

For N.A.Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

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

Sandeep Shah
Partner
Membership No. 37381

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

Ramnath P. Sarang
Director
(DIN : 02544807)

Place: Mumbai
Date: 19th May, 2022

Smita Nanda
Chief Financial Officer

Hemal Sagalia
Company Secretary

Place: Mumbai
Date: 19th May, 2022

Independent Auditors' Report

To,

The Members of
Kamat Hotels (India) Limited
Report on the audit of consolidated financial statements

Qualified opinion

We have audited the accompanying consolidated financial statements of **Kamat Hotels (India) Limited** (hereinafter referred to as 'the Holding Company'), its five wholly owned subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and Joint Venture Entity ('JV'), comprising the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, of the state of affairs of the Group as at 31st March, 2022, and its consolidated loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis of qualified opinion

With respect to one of the subsidiaries (Orchid Hotels Pune Private Limited) reference is invited to note 35.1(a) of notes to the consolidated financial statements. 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. 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, 2022 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). Further, the subsidiary company has filed a commercial suit before the District Court, Pune for performance of the obligations by IARC narrated above, which is pending.

Had the provision been made, borrowing cost and loss for the year ended 31st March, 2022 and negative net worth as at 31st March, 2022 would increase by the amount of interest for the period 1st October, 2013 to 31st March, 2022 which has not been provided as per the management's view mentioned above.

In respect of above matter, qualification was also given in independent auditor's report of earlier financial years.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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

Reference is invited to note 54(i), 54(ii) and 54(iii) of the consolidated financial statements, which indicates that there, is material uncertainty related to continuity as going concern of the Holding Company, OHPPL (subsidiary company) and MPPL (subsidiary company) respectively and note 54(iv) related to material uncertainty related to going concern at Group level. In consolidated financial statements, 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 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) of emphasis of matters section below), management's action to mitigate the impact of COVID-19 as described in note 56 of the consolidated financial statements and also 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 statements have also been prepared on a going concern basis.

Our opinion is not modified in respect of above matter. Further, the 'Material uncertainty related to going concern' para given above was also reported in our independent auditor's report of earlier financial years. Our opinion was not modified in respect of above matter in the earlier years also.

Emphasis of matters

(a) Attention is invited to note 35.2 of the consolidated financial statements, in respect of dispute over lease rent levied by Director of Sports, pertaining to the period from 1st November, 2014 to 31st March, 2022. The subsidiary company (OHPPL) has accounted for the liability amounting to Rs. 1,665.64 lakhs. Further, during the earlier year, the Hon'ble Bombay High Court had appointed sole arbitrator to resolve the disputes. Interest / penalty, if any, will be accounted in the year in which dispute will be resolved. Since full provision has been made, the same has not been disclosed as contingent liability.

(b) Attention is invited to note 26.4(d) of the consolidated financial statements, in respect of Holding Company, as on 31st March, 2022, there are non-payment of stipulated instalments comprising of principal and interest due to the lenders except one bank. The cumulative unpaid instalments amounts to Rs. 24,718 lakhs. Continuing regular discussions with the lenders, during the year, the Holding Company has applied for One Time Settlement (seeking partial relief in settlement amount) in the nature of cash payment or partially in cash and partially by converting debt into equity as narrated below:

i) During the quarter ended 30th September, 2021, one of the lenders had reminded about the outstanding amount payable, to which the Holding Company replied stating its inability to make payments on account of severe impact on the business caused by COVID-19 pandemic as well as Government restrictions imposed through various notifications and had further requested for extension upto 30th June, 2022. During the quarter ended 31st March, 2022, the Holding Company submitted application for One Time Settlement (OTS) to the lender, and the lender response thereon is awaited.

ii) During the year, the Holding Company received guarantee revocation notice from one lender. However, subsequent to 31st March, 2022, Holding Company's OTS application was approved in- principle by the said lender and the Holding Company has deposited upfront amount after the close of financial year as per the terms of the said settlement.

iii) The Holding Company submitted applications for OTS during the year to two lenders, who have communicated in principle approval for OTS and the Company has deposited the upfront amount with one lender after the close of the financial year as per the terms of the said settlement.

iv) Approval is also awaited in respect of application for OTS made by the Holding Company in respect of remaining lender.

The accounting impact of OTS by way of changes in liabilities (including derecognition, if any) and classification changes will be given effect upon execution of OTS arrangement.

Further, based on all the above arrangements, discussions with the lenders and COVID-19 related notifications, the Holding Company's management is of the view that reporting for event of default is not warranted. Loan balance confirmations from three lenders for balance instalment amounting to Rs. 26,336.29 lakhs are awaited.

(c) Attention is invited to note 56 of the consolidated financial statements, 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.

(d) Attention is invited to note 15.2 of the consolidated financial statements, 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 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. The Company has appointed a licensed architect to design, prepare plans and make the necessary applications for regulatory approvals. As on 31st March, 2022, the joint developer has confirmed that no significant expense has been incurred out of the advance received.

Our opinion is not modified in respect of the above matters. Further, matter stated in (a) to (d) above were also reported in our independent auditor's report of earlier financial years and our opinion was not modified in the earlier years also.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Basis of Qualified Opinion', 'Material Uncertainty Related to Going Concern' and 'Emphasis of Matter' section above, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How our audit addressed the Key Audit Matter
Adequacy of provision for impairment of property, plant and equipment (PPE) in subsidiary company - We refer to note 5.3 & note 5.4 of the consolidated financial statements. The subsidiary company (Orchid Hotels Pune Private Limited) had provided for impairment loss on leasehold building aggregating to Rs. 21,932.29 lakhs. - The management evaluates the indicators of impairment of the said PPE by reference to the requirements under Ind AS 36 Impairment of Assets. The recoverable amounts of the above PPE are estimated based on expected business and earnings forecasts and key assumptions including those related to discount and long-term growth rates. - The management has concluded that the recoverable amount of the said PPE is higher than its carrying amount (net of impairment) and accordingly, no further impairment provision has been recorded as at 31st March, 2022. Considering the materiality of the amount involved and significant degree of judgement and subjectivity involved in the estimates and assumptions used in determining the cash flows used in the impairment evaluation, we have determined impairment of such PPE as a key audit matter.	We assessed the appropriateness of the carrying value of the tangible assets by performing the following audit procedures: - Assessed the valuation methodology used by management and tested the mechanical accuracy of the impairment models; - Evaluated the reasonableness of the valuation assumptions, such as discount rates, used by management through reference to external market data; - Appraised the appropriateness of the business assumptions used by the management, such as revenue growth, profit margin, occupancy level. - Considered whether events or transactions that occurred after the balance sheet date but before the reporting date affect the conclusions reached on the carrying values of the assets and associated disclosures. - Assessed the adequacy and compliance of the disclosures made by the management in the note 5.3 & note 5.4 of the consolidated financial statements.

Information other than the consolidated financial statements and auditor's report thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and make other appropriate reporting as prescribed.

Responsibilities of management and those charged with governance for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group and JV in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

The respective Board of directors of companies included in the Group and JV are also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and JV and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements 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 of the consolidated financial statements by the Board of Directors of the Holding Company.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 these consolidated financial statements.

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 consolidated financial statements, 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 Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary companies which are companies incorporated in India and its JV, 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 ability of the Group and its JV 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 consolidated financial statements 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 JV to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its JV to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. There are no other entities included in the consolidated financial statements, which have been audited by other auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements 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 consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

   a) Except in respect of matter specified in the Basis for Qualified Opinion paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit for the aforesaid consolidated financial statements;

   b) Except for the effects of the matters described in the Basis of Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (Including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   d) Except for the effects of the matters described in the Basis of Qualified Opinion paragraph above which is not in accordance with Ind AS 23 – Borrowing Cost, in our opinion, the consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

e) The matters described in 'Basis of Qualified Opinion' paragraph, 'Material Uncertainty related to Going Concern' paragraph and para (a), (b) and (d) of 'Emphasis of Matter' paragraph, in our opinion may have an adverse impact on the functioning of the Group and JV;

f) On the basis of the written representations received from the directors of the Holding Company, subsidiaries and joint venture entity as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and these companies, none of the directors are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

g) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" which is based on the auditor's reports of the companies included in the Group and JV incorporated in India;

h) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;

i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid or provided by the Group and JV to its directors during the year is in accordance with the provisions of Section 197(16) of the Act; and

j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The impact of pending litigations, if any, on its financial position has been disclosed in consolidated financial statements - Refer note 35.2, 43.1, 43.2, 45.3 and 45.5.

ii. The Group and JV did not have any long term contract including derivative contracts for which there are any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.

iv. The respective management of the Group and JV has represented that,

a) No funds have been advanced or loaned or invested by the Group and JV to or in any other person(s) or entities, including foreign entities ('Intermediaries'), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Group and JV ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

b) No funds have been received by the Group and JV from any person(s) or entities including foreign entities ('Funding Parties') with the understanding that such Group and JV shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ('Ultimate Beneficiaries') or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the above representations given by the management contain any material mis-statement.

v. The Group and JV has not declared or paid dividend during the year. Hence our comments on compliance with section 123 of the Companies Act 2013 does not arise.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No.: 116560W/W100149

Sandeep Shah
Partner
Membership No. 37381
UDIN: 22037381AJGAUS2926

Place: Mumbai
Date: 19th May, 2022

KAMAT HOTELS (INDIA) LIMITED

Annexure A to the Independent Auditor's Report for the year ended 31st March 2022

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the consolidated financial statements for the year ended 31st March, 2022, we report the following:

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, we state that there are no unfavorable remarks, qualifications or adverse remarks reported under CARO for subsidiaries except as mentioned below:

Sr. No.	Name	CIN	Holding Company / Subsidiary / JV	Clause number of the CARO report
1.	Kamat Hotels (India) Limited	L55101MH1986PLC039307	Holding Company*^	3(i)(c), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(vii)(a), 3(ix)(a)
2.	Orchid Hotels Pune Private Limited	U55101MH2007PTC170188	Subsidiary*^	3(vii)(a), 3(ix)(a)
3.	Mahodadhi Palace Private Limited	U55101MH2010PTC201685	Subsidiary*	3(vii)(a), 3(ix)(a)
4.	Orchid Hotels Eastern (I) Private Limited	U55101MH2012PTC237229	Subsidiary	3(vii)(a)
5.	Kamats Restaurant (India) Private Limited	U55204MH2011PTC215698	Subsidiary*	3(vii)(a)
6.	Fort Jadhavgadh Hotels Private Limited	U55101MH2012PTC227175	Subsidiary*	3(vii)(a)
7.	Ilex Developers and Resorts Limited	U70102MH2008PLC184194	JV*	3(ix)(a)

*In respect of these Companies, also refer clause (xvii) and (xix) of paragraph 3 of the Order of respective Auditor's report.

^In respect of these Companies, also refer clause (vii)(b) of paragraph 3 of the Order of respective Auditor's report.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No.: 116560W/W100149

Sandeep Shah
Partner
Membership No. 37381
UDIN: 22037381AJGAUS2926

Place: Mumbai
Date: 19th May, 2022

Annexure B to the Independent Auditor's Report for the year ended 31st March 2022

Report on the internal financial controls under section 143(3)(i) of the Companies Act, 2013 ('the Act')

Opinion

In conjunction with our audit of the consolidated financial statements of Company as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting of **Kamat Hotels (India) Limited** (hereinafter referred to as 'the Company' and 'the Holding Company'), its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its Joint Venture Entity ('JV') which are companies incorporated in India, as of that date.

Operating effectiveness of certain processes for current year have been tested and complied by the internal auditors based on transaction audit on data extracted from the systems (excel format), using Data Analytics and Remote Auditing Techniques considering COVID-19 based mobility limitations. In this respect, we have performed alternate procedures for the purpose of our assertions and opinion.

In our opinion, read with our comments above, the companies included in the Group and JV, have in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by these companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI).

Responsibilities of management and those charged with governance for internal financial controls over financial reporting

The respective Board of Directors of the companies included in the Holding Company, its subsidiaries and JV incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by respective companies considering the essential components of internal controls stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

Our responsibility is to express an opinion on the Internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system over financial reporting of the Holding Company, its subsidiaries and its joint venture entity, which are incorporated in India.

Meaning of internal financial controls over financial reporting

The internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. The Holding Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Holding Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Holding Company are being made only in accordance with authorizations of management and directors of the Holding Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Holding Company's assets that could have a material effect on the consolidated financial statements.

Inherent limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No.: 116560W/W100149

Sandeep Shah
Partner
Membership No. 37381
UDIN: 22037381AJGAUS2926

Place: Mumbai
Date: 19th May, 2022

KAMAT HOTELS (INDIA) LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

	Particulars	Note no.	As at 31st March 2022	As at 31st March 2021
	ASSETS			
A	**Non-current assets**			
	a) Property, plant and equipment	5	31,702.71	32,343.28
	b) Capital work-in-progress	6	144.50	628.04
	c) Right of use assets	7	2,069.17	2,120.06
	d) Investment property	8	992.56	1,016.28
	e) Other intangible assets	9	78.67	88.45
	f) Financial assets			
	i) Investment accounted for using equity method	10	-	41.33
	ii) Investments	11	17.72	19.66
	iii) Loans	12	-	-
	iv) Other financial assets	13	2,234.16	2,107.52
	g) Income tax assets (net)	14	1,217.30	1,132.95
	h) Other non-current assets	15	3,997.43	4,114.71
	(A)		**42,454.22**	**43,612.28**
B	**Current assets**			
	a) Inventories	16	218.02	187.08
	b) Financial assets			
	i) Investments	17	6.61	5.28
	ii) Trade receivables	18	986.29	567.54
	iii) Cash and bank balances			
	- Cash and cash equivalents	19	2,253.86	1,346.85
	- Other bank balances	20	96.16	103.78
	iv) Loans	21	0.04	58.75
	v) Other financial assets	22	57.72	42.81
	c) Other current assets	23	614.93	542.56
	(B)		**4,233.63**	**2,854.65**
	TOTAL (A + B)		**46,687.85**	**46,466.93**
	EQUITY AND LIABILITIES			
A	**Equity**			
	a) Equity share capital	24	2,417.26	2,417.26
	b) Other equity	25	(20,533.97)	(18,291.89)
	(A)		**(18,116.71)**	**(15,874.63)**
	Liabilities			
B	**Non-current liabilities**			
	a) Financial liabilities			
	i) Borrowings	26	3,972.76	6,419.49
	ia) Lease liabilities	27	1,722.91	1,697.05
	ii) Other financial liabilities	28	97.20	107.96
	b) Provisions	29	445.86	446.91
	c) Deferred tax liabilities (net)	30	766.12	1,499.90
	d) Other non-current liabilities	31	304.37	378.84
	(B)		**7,309.22**	**10,550.15**
C	**Current liabilities**			
	a) Financial liabilities			
	i) Borrowings	32	40,124.89	38,637.40
	ia) Lease liabilities	33	173.43	197.58
	ii) Trade payables	34		
	- Amount due to Micro and small enterprises		178.58	365.59
	- Amount due to other than Micro and small enterprises		1,997.98	1,952.40
	iii) Other financial liabilities	35	12,829.50	8,956.45
	b) Other current liabilities	36	2,078.15	1,574.43
	c) Provisions	37	112.81	107.56
	(C)		**57,495.34**	**51,791.41**
	TOTAL (A+B+C)		**46,687.85**	**46,466.93**
	Significant accounting policies and notes to consolidated financial statements	**1 to 61**		

The notes referred to above form an integral part of the consolidated financial statements
As per our audit report of even date

For N.A.Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

Sandeep Shah
Partner
Membership No. 37381

Place: Mumbai
Date: 19th May, 2022

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

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

Ramnath P. Sarang
Director
(DIN : 02544807)

Smita Nanda
Chief Financial Officer

Hemal Sagalia
Company Secretary

Place: Mumbai
Date: 19th May, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

	Particulars	Note no.	Year ended 31st March 2022	Year ended 31st March 2021
A	**Income**			
	Revenue from operations	38	14,448.84	6,599.35
	Other income	39	114.11	150.04
	Total income (A)		**14,562.95**	**6,749.39**
B	**Expenses**			
	Consumption of food and beverage	40	1,493.51	670.82
	Employee benefits expense	41	3,138.13	1,533.10
	Finance costs	42	5,045.19	4,177.85
	Depreciation and amortisation expenses	5,7,8 & 9	1,702.16	1,754.41
	Other expenses	43	6,149.45	3,510.07
	Total expenses (B)		**17,528.44**	**11,646.25**
C	**(Loss) before share of (loss) of joint venture, exceptional items & tax (A - B) (C)**		**(2,965.49)**	**(4,896.86)**
D	Share of (loss) from joint venture accounted for using equity method		(41.33)	(67.18)
E	**(Loss) before exceptional items & tax (C + D) (E)**		**(3,006.82)**	**(4,964.04)**
F	Exceptional item - Income	44	-	373.17
G	**(Loss) before tax (E - F)**		**(3,006.82)**	**(4,590.87)**
H	**Tax expense:**			
	- Current tax	14	0.49	-
	- Deferred tax (credit)	30	(740.86)	(950.63)
	- Deferred tax for prior period charge / (credit)		0.73	(10.85)
	Total tax expense (H)		**(739.64)**	**(961.48)**
I	**(Loss) after tax (G - H) (I)**		**(2,267.18)**	**(3,629.39)**
J	**Other comprehensive income**			
	a) (i) Items not to be reclassified subsequently to Statement of Profit and Loss			
	- Remeasurement of defined benefit plans - gain/(loss)		31.39	65.34
	(ii) Income tax relating to items that will be classified to profit or loss		(6.29)	(11.49)
	b) (i) Items that will be reclassified subsequently to statement of Profit and Loss		-	-
	(ii) Income tax relating to items that will be classified to profit or loss		-	-
	Other comprehensive income for the year (J)		**25.10**	**53.85**
K	**Total comprehensive income for the year (I + J)**		**(2,242.08)**	**(3,575.54)**
L	**Total comprehensive income for the year attributable to:**			
	a) To owners of parent		**(2,242.08)**	**(3,575.54)**
	b) To non controlling interest		**-**	**-**
M	**(Loss) for the year attributable to:**			
	a) To owners of parent		**(2,267.18)**	**(3,629.39)**
	b) To non controlling interest			**-**
	Other comprehensive income attributable to:			
	a) To owners of parent		25.10	53.85
	b) To non controlling interest			
	Basic and diluted earning per share	49	(9.61)	(15.39)
	Equity shares [Face value of Rs. 10 each]			
	Significant accounting policies and notes to consolidated financial statements	**1 to 61**		

The notes referred to above form an integral part of the consolidated financial statements
As per our audit report of even date

For N.A.Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

Sandeep Shah
Partner
Membership No. 37381

Place: Mumbai
Date: 19th May, 2022

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

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

Ramnath P. Sarang
Director
(DIN : 02544807)

Smita Nanda
Chief Financial Officer

Hemal Sagalia
Company Secretary

Place: Mumbai
Date: 19th May, 2022

Consolidated statement of changes in equity for the year ended 31st March 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(a) Equity share capital

Current Reporting Period - 31st March, 2022

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
2,417.26	-	2,417.26

Previous Reporting Period - 31st March, 2021

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
2,417.26	-	2,417.26

(Refer note 24)

(b) Other equity

Particulars	Reserves & surplus					OCI*	Total other equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Amalgamation Reserve	Retained Earnings	Remeasurement gain of defined benefit plan	
Balance as at 1st April 2020	**13.87**	**266.50**	**14,986.74**	**280.06**	**(30,299.83)**	**36.31**	**(14,716.35)**
(Loss) for the year	-	-	-	-	(3,629.39)	-	**(3,629.39)**
Other comprehensive income for the year 2020-2021	-	-	-	-	-	53.85	**53.85**
Balance as at 31st March 2021	**13.87**	**266.50**	**14,986.74**	**280.06**	**(33,929.22)**	**90.16**	**(18,291.89)**
(Loss) for the year	-	-	-	-	(2,267.18)	-	**(2,267.18)**
Other comprehensive income for the year 2021-2022	-	-	-	-	-	25.10	**25.10**
Balance as at 31st March 2022	**13.87**	**266.50**	**14,986.74**	**280.06**	**(36,196.40)**	**115.26**	**(20,533.97)**

(Refer note 25)

*Other comprehensive income

The notes referred to above form an integral part of the consolidated financial statements
As per our audit report of even date

For N.A.Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

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

Sandeep Shah
Partner
Membership No. 37381

Place: Mumbai
Date: 19th May, 2022

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

Ramnath P. Sarang
Director
(DIN : 02544807)

Smita Nanda
Chief Financial Officer

Hemal Sagalia
Company Secretary

Place: Mumbai
Date: 19th May, 2022

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

	Particulars	Year ended 31st March 2022	Year ended 31st March 2021
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	(Loss) before taxes and other comprehensive income	**(3,006.82)**	**(4,590.87)**
	Adjustments for:		
	Finance cost	5,045.18	4,177.85
	Interest income	(61.51)	(68.47)
	Depreciation and amortization	1,702.16	1,754.42
	Liabilities and Provisions written back	(105.94)	(80.80)
	Bad debts and advances written off	-	8.65
	Provision for expected credit loss and doubtful debts / advances	124.69	86.91
	Loss on account of cyclone	-	5.97
	Loss/(gain) on sale/ discard of property, plant and equipment	3.88	(25.37)
	Share of loss of joint venture (accounted as per equity method)	41.33	67.18
	Rent income	(41.00)	(44.09)
	Insurance claim - (exceptional item)	-	(373.17)
	(Profit) / Loss on fair value of investments	0.61	(5.81)
	Operating profit / (loss) before working capital changes	**3,702.58**	**912.40**
	Movements in working capital : (Including Current and Non-current)		
	(Increase) / decrease in loans, trade receivable and other assets	(452.31)	375.42
	(Increase) / decrease in inventories	(30.94)	127.09
	Increase / (decrease) in trade payable, other liabilities and provisions	(64.16)	(1,528.02)
		3,155.17	**(113.11)**
	Adjustment for:		
	Direct taxes (paid) (including tax deducted at source) / refund (net)	(86.65)	214.22
	Net cash generated from operating activities…(A)	**3,068.52**	**101.11**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment (Including capital work in progress and capital advances)	(585.56)	(751.24)
	Sale of property, plant and equipment	4.10	43.23
	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	48.85	44.09
	Interest income	45.96	69.72
	(Increase)/decrease in bank balance (Current and non-current) (other than cash and cash equivalent)	3.88	5.18
		(482.77)	**(406.82)**
	Adjustment for:		
	Direct taxes (paid)/ refund received (including tax deducted at source) - (Net)	(5.32)	(4.96)
	Net cash (used in) from investing activities… (B)	**(488.09)**	**(411.78)**

KAMAT HOTELS (INDIA) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

	Particulars	Year ended 31st March 2022	Year ended 31st March 2021
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from long term borrowings	508.86	1,021.02
	Repayment of long term borrowings	(1,478.72)	(255.28)
	Interest paid (Including other borrowing cost)	(529.48)	(148.57)
	Payments of lease liabilities	(174.08)	(154.48)
	Net cash (used in) / generated from financing activities… (C)	**(1,673.42)**	**462.69**
	Net increase / (decrease) in cash and cash equivalents (A+ B+C)	**907.01**	**152.02**
	Cash and cash equivalents at beginning of the year	1,346.85	1,194.83
	Cash and cash equivalents at end of the year	2,253.86	1,346.85
	Net increase / (decrease) in cash and cash equivalents	**907.01**	**152.02**
	Significant accounting policies and notes to financial statements	**1 to 61**	

The notes referred to above form an integral part of the consolidated financial statements

Note:

(i) Statement of Cash flow has been prepared under “indirect method” as set out in Ind AS 7 - “Statement of Cash Flow”.

(ii) Refer note 52 for other cash flow statement related notes.

As per our audit report of even date

For N.A.Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

Sandeep Shah
Partner
Membership No. 37381

Place: Mumbai
Date: 19th May, 2022

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

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

Ramnath P. Sarang
Director
(DIN : 02544807)

Smita Nanda
Chief Financial Officer

Hemal Sagalia
Company Secretary

Place: Mumbai
Date: 19th May, 2022

Notes to consolidated financial statements for the year ended 31st March, 2022

1. **Background**

Kamat Hotels (India) Limited (hereinafter referred to as 'the Parent Company', 'the Company' or 'Holding Company') is a public Company domiciled in India. Holding company together with its wholly owned subsidiary ('subsidiaries') is referred to as "the Group". The registered office of the Holding Company is located at 70 – C, Nehru Road, Near Santacruz Airport, Vile Parle (E), Mumbai – 400 099, India. Its shares are listed and traded on the Bombay Stock Exchange and National Stock Exchange in India. The Group and joint venture entity is in the hospitality business. Currently, it has hotels in the states of Maharashtra (Mumbai, Pune, Nashik, Murud), Goa (Benaulim) and Orissa (Puri, Konark and Bhubneshwar).

The financial statements of the Group for the year ended 31st March, 2022 were approved and adopted by board of directors in their meeting held on 19th May, 2022.

2. **Basis of preparation, principles of consolidation and equity accounting, critical accounting estimates and judgements, significant accounting policies and recent accounting pronouncements**

2.1. Principles of consolidation

(a) Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of that entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-Group transactions, balances and unrealised gains on transactions between entities within the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Balance Sheet respectively.

(b) Joint Venture

Joint ventures are joint arrangements whereby the parties that have joint control of the arrangements have rights to the net assets and obligations for the liabilities, relating to the arrangement. Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the Consolidated Balance sheet.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and the Group's share of other comprehensive income of the investee in Other Comprehensive Income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its Joint Ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of equity accounted investments are tested for impairment.

The financial statements of subsidiaries and joint venture consolidated are drawn upto the same reporting date as that of the Holding Company.

(c) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity. When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss. If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss where appropriate

(d) Goodwill

i. Goodwill comprises the portion of the purchase price for an acquisition that exceeds the Group's share in the identifiable assets, with deductions for liabilities, calculated on the date of acquisition.

ii. Goodwill arising from the acquisition of associates and joint ventures is included in the carrying value of the investment in associates and joint ventures.

iii. Goodwill is deemed to have an indefinite useful life and is reported at acquisition value with deduction for accumulated impairments. An impairment test of goodwill is conducted once every year or more often if there is an indication of a decrease in value. The impairment loss on goodwill is reported in the statement of profit and loss. The impairment assessment is based on value in use. The recoverable amount is calculated based on value in use which has been determined based on business plans that have been approved by management for internal purposes. Key assumptions used for calculation of value in use are Earnings before interest and taxes (EBIT), Discount rate, Growth rates and Capital expenditures.

(e) The subsidiaries and jointly controlled entity (all incorporated in India) considered in consolidated financial statements and its country of incorporation is as tabulated below:

Sr. no.	Name of the entity	Proportion of interest (including beneficial interest) / voting power (either directly/ indirectly through subsidiary)	
		As at 31st March 2022	As at 31st March 2021
	Subsidiary Companies		
1	Orchid Hotels Pune Private Limited ('OHPPL')	100%	100%
2	Kamats Restaurants (India) Private Limited ('KRIPL')	100%	100%
3	Fort Jadhavgadh Hotels Private Limited ('FJHPL')	100%	100%
4	Mahodadhi Palace Private Limited ('MPPL')	100%	100%
5	Orchid Hotels Eastern (India) Private Limited (Formerly known as Green Dot Restaurants Private Limited) ('OHEIPL')	100%	100%
	Jointly Controlled Entity		
6	Ilex Developers & Resorts Limited ('IDRL')	32.92%	32.92%

2.2. Statement of compliance with Ind AS

The financial statements (on consolidated basis) of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

2.3. Basis of preparation and presentation

These consolidated financial statements have been prepared on the historical cost convention and on accrual basis except for the following assets and liabilities which have been measured at fair value:

i. Certain financial assets and liabilities (including derivative instruments);

ii. Defined benefit plans – plan assets;

The financial statements are in accordance with Division II of Schedule III to the Act, as applicable.

2.4. Functional and presentation of currency

The financial statements are prepared in Indian Rupees which is also the Group's functional currency. All amounts are rounded to the nearest rupees in lakhs.

2.5. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 – Unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purpose using methods as prescribed in “Ind AS 113 Fair Value Measurement”.

2.6. Use of significant accounting estimates, judgements and assumptions

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of consolidated financial statements and reported amounts of income and expenses for the periods presented. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Significant estimates and critical judgement in applying these accounting policies are described below:

i) Property, plant & equipment and Intangible assets

The Group has estimated the useful life, residual value and method of depreciation / amortisation of property, plant & equipment and intangible assets based on its internal technical assessment. Property, plant & equipment and intangible assets represent a significant proportion of the asset base of the Group. Further, the Group has estimated that scrap value of property, plant & equipment would be able to cover the residual value & decommissioning costs of property, plant & equipment.

Therefore, the estimates and assumptions made to determine useful life, residual value, method of depreciation / amortisation and decommissioning costs are critical to the Group’s financial position and performance.

ii) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on industry practice, Group’s past history and existing market conditions as well as forward looking estimates at the end of each reporting period.

iii) Impairment of property plant and equipment

In the earlier years, management of the subsidiary company (OHPPL) had reviewed the recoverable value in respect to net block of property, plant and equipment and based on such assessment (including offers received pursuant to action initiated by the lender) provision for impairment loss amounting to Rs. 532.20 lakhs has been recognized during the year ended 31st March 2021. Total amount of impairment loss recognized till 31st March 2022 including earlier year is Rs. 21,932.29 lakhs.

iv) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

v) Income taxes

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit and loss.

vi) Measurement of defined benefit plan & other long term benefits

The cost of the defined benefit gratuity plan / other long term benefits and the present value of the gratuity obligation / other long term benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation / other long term benefits is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

vii) Loyalty programme

The Group estimates the fair value of points awarded under the Loyalty programme based on past use of points by customer and expect use in future for loyalty points.

viii) Going concern

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. For preparation of standalone financials 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 and application of OTS of the loan dues where applicable, management's action to mitigate the impact of COVID-19 as described in note 54 of the consolidated financial statements and also 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 statements have also been prepared on a going concern basis.

ix) Impairment of investment in joint venture

The carrying amount of equity accounted investments are tested for impairment. In accordance with Ind AS 36 – Impairment of assets, the management of the joint venture (JV) company has reviewed the recoverable value in respect of net block of property, plant & equipment as on 31st March, 2022. 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, provision for impairment loss against investment is not required for the year ended 31st March 2022.

x) Corporate guarantee

The Holding Company has given corporate guarantee on behalf of joint venture entity towards loan facilities from banks. This joint venture entity has also given corporate guarantee on behalf of the Holding Company for loan facilities taken by the Holding Company. With respect to the joint venture entity (JV), considering expected settlement of loan of the lender and expected improvement in financial position of the JV, it would be able to refinance the outstanding debt and meet the debt obligations as and when they fall due. (Also refer note 59(e))

3. **Significant Accounting Policies**

3.1. Presentation and disclosure of consolidated financial statement

All assets and liabilities have been classified as current and non-current as per Group's normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013 for a group whose consolidated financial statements are made in compliance with the Companies (India Accounting Standards) Rules, 2015.

Based on the nature of service i.e. hospitality and the time between rendering of services and their realization in cash and cash equivalents, 12 months has been considered by the Group for the purpose of current / non-current classification of assets and liabilities.

3.2. Property, Plant and Equipment (Tangible Assets) and Depreciation

Recognition and measurement

Properties plant and equipment are stated at their cost of acquisition. Cost of an item of property, plant and equipment includes purchase price including non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/ decommissioning of the asset.

Parts (major components) of an item of property, plant and equipments having different useful lives are accounted as separate items of property, plant and equipments.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under ''Other non-current assets''. Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date.

Depreciation and useful lives

Depreciation on the property, plant and equipment (other than freehold land and capital work in progress) is provided on a straight-line method (SLM) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013.

Building on leasehold lands and improvements to building on leasehold land / premises are amortized over the period of lease or useful life whichever is lower. Capital expenditure on rebranding and upgradation of the hotel property are amortized over the period of 3 years. Capital expenditure on rebranding and upgradation of the hotel property are amortized over the period of 3 years.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is de-recognised.

3.3. Intangible assets and amortisation

Recognition and measurement

Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the Group and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortization and accumulated impairment loss if any.

Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.

Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.

Amortization and useful lives

- Computer softwares are amortized in 10 years on straight line basis.
- Branding cost incurred are amortised over the period of 3 years.

In case of assets purchased during the year, amortization on such assets is calculated on pro-rata basis from the date of such addition. Amortisation methods and useful lives are reviewed at each financial year end and adjusted prospectively.

3.4. Investment property and depreciation

Investment Property is property (land or a building – or a part of a building – or both) held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods and services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Any gain or loss on disposal of investment property calculated as the difference between net proceeds from disposal and the carrying amount of Investment Property is recognized in Statement of Profit and Loss.

Depreciation and useful lives

Depreciation on the investment property (other than freehold land) is provided on a straight-line method (SLM) over their useful lives which are in consonance of useful life mentioned in Schedule II to the Companies Act, 2013.

Building on leasehold lands and improvements to building on leasehold land / premises are amortized over the period of lease or useful life whichever is lower. Capital expenditure on rebranding and upgradation are amortized over the period of 3 years.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

3.5. Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of a) fair value of assets less cost of disposal and b) its value in use. Value in use is the present value of future cash flows expected to derive from an assets or Cash-Generating Unit (CGU).

Based on the assessment done at each balance sheet date, recognised impairment loss is further provided or reversed depending on changes in circumstances. After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognised are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation / amortisation had no impairment loss been recognised in earlier years.

3.6. Inventories

Inventories comprises of stock of food, beverages, stores and operating supplies and are valued at lower of cost (computed on weighted average basis) or net realizable value. Purchase of operating supplies (other than initial acquisition during the pre-commencement of the hotel and commencement of new restaurants / outlets) is charged to statement of profit and loss in the year of consumptions. The cost comprises of cost of purchases, duties and taxes (other than those subsequently recoverable) and other costs incurred in bringing them to their present location and condition. Cost of inventories is arrived at after providing for cost of obsolescence.

3.7. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and discounts given to the customers.

(i) Revenue from sale of rooms, banquets, food & beverages and allied services are recognised upon rendering of service. Revenue is recognized net of indirect taxes.

(ii) Initial non-refundable membership fee is recognised as income over the period of validity of membership which reflects the expected utilization of membership benefits.

(iii) Annual membership fees collected from members [in respect of both under refundable and non-refundable membership scheme] are recognised as income on time proportion basis.

(iv) Management fees under hotel management arrangement are recognised in accordance with terms of the arrangement.

(v) The Group operates loyalty programme, which allows its eligible customers to earn points based on their spending at the hotels. The points so earned by such customers are accumulated. The revenues allocated to award points is deferred and revenue is recognised on redemption of the award points towards the services utilized.

(vi) Dividend income on investments is accounted for in the year in which the right to receive is established, which is generally when shareholders approve the dividend.

(vii) For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

(viii) Income from rentals are recognized as an income in the Statement of Profit and Loss on a straight-line basis over the lease term.

(ix) Export incentives / benefits are recognised as income in the statement of profit and loss when the right to receive payment/credit is established and no significant uncertainty as to measurability or collectability exists.

3.8. Government grants

Government grants are recognized in the period to which they relate when there is reasonable assurance that the grant will be received and that the Group will comply with the attached conditions. Government grants are recognized in the statement of profit and loss on systematic basis over a period in which the Group recognizes as expenses the related costs for which the grants are intended to compensate.

3.9. Foreign currency transaction

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. As at the Balance Sheet date, foreign currency monetary items are translated at closing exchange rate. Exchange difference arising on settlement or translation of foreign currency monetary items are recognised as income or expense in the year in which they arise.

Foreign currency non-monetary items which are carried at historical cost are reported using the exchange rate at the date of transactions.

3.10. Employee benefits

- Short term employee benefits

  All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the employee renders the related service.

- Post-employment benefits & other long term benefits

  a. Defined contribution plan

     The defined contribution plan (where applicable) is a post-employment benefit plan under which the Group contributes fixed contribution to a Government Administered Fund and will have no obligation to pay further contribution. The Group's defined contribution plan comprises of Provident Fund, Labour Welfare Fund and Employee State Insurance Scheme. The Group's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

b. Defined benefit plan

The Group has defined benefit plans (where applicable) comprises of gratuity and other long term benefits in the form of leave benefits and long service rewards. In case of Holding Company, obligation towards gratuity liability is funded plan and is managed by Life Insurance Corporation of India (LIC) and in case of subsidiaries it is unfunded. The present value of the defined benefit obligations and certain other long term employee benefits [privilege leave and sick leave] is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

For gratuity plan, re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the post-employment benefits liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Such re-measurements are not reclassified to statement of profit and loss in subsequent periods.

The expected return on plan assets is the Group's expectation of average long-term rate of return on the investment of the fund over the entire life of the related obligation. Plan assets are measured at fair value as at the Balance Sheet date.

The interest cost on defined benefit obligation and expected return on plan assets is recognised under finance cost.

Gains or losses on the curtailment or settlement of defined benefit plan are recognised when the curtailment or settlement occurs.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions for other employee benefit plan [other than gratuity] are recognized immediately in the Statement of Profit and Loss as income or expense.

The cost of providing benefit under long service awards scheme is determined on the basis of estimated average cost of providing service and calculated arithmetically considering materiality.

3.11. Borrowing cost

Borrowing costs (net of interest income on temporary investments) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Ancillary cost of borrowings in respect of loans not disbursed are carried forward and accounted as borrowing cost in the year of disbursement of loan. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

3.12. Leases

The Group had adopted Ind AS 116 'Leases' effective from 1st April, 2019, as notified by the Ministry of Corporate Affairs in the Companies (Indian Accounting Standard) Amendment Rules, 2019.

Where the Group is lessee

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative standalone prices

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprise of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date net of lease incentive received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term of right-of-use asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method.

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

Right-of-use assets and lease liability balances are adjusted on partial / full termination of lease and corresponding gain / loss on such partial / full termination is charged to other income / other expenses in the Statement of Profit and Loss.

Where the Group is the lessor

Lease income from operating leases where the Group is a lessor is recognised (net of GST) in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

3.13. Taxes on income

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Provision for current tax is made as per the provisions of Income Tax Act, 1961. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where there is unused tax losses and unused tax credits, deferred tax assets are recognised only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

Minimum Alternative Tax (“MAT”) credit is recognised as an asset only when and to the extent it is probable when an entity included in the group will pay normal income tax during the specified period.

At each reporting date, the Group re-assesses unrecognised deferred tax assets. It recognises previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit allow deferred tax assets to be recovered.

3.14. Cash and cash equivalent

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalent as calculated above also includes outstanding bank overdrafts as they are considered an integral part of the Group’s cash management.

3.15. Cash flow statement

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

3.16. Provisions, contingent liabilities, contingent assets

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

The Group does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

3.17. Non-Current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Non-current assets and liabilities classified as held for sale are presented separately from the other assets and liabilities in the balance sheet.

3.18. Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.19. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.19.1.Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee. Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model based on 'simplified approach' for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit and loss.

De-recognition of financial asset

The Group de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.19.2.Financial liability and equity instrument

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Commitments to provide a loan at a below-market interest rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Compound financial instruments

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Reclassification

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Groupreclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in profit or loss.

4. **New Ind AS & amendments to existing Ind AS issued but not effective as at 31st March, 2022 and changes in Schedule III**

Ministry of Corporate Affairs has notified new standards or amendments to the existing standards which would be effective from 1st April, 2022.

Ind AS 16 – Proceeds before intended use

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual period beginning on or after 1st April, 2022. The Group has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Onerous Contracts – Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The Group has evaluated the amendment and there is no impact on its financial statements.

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group has evaluated the amendment and there is no impact on its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10%' test of Ind AS 109 in assessing whether to de-recognize a financial liability. The Group has evaluated the amendment and there is no impact on its financial statements.

Changes in Schedule III Division II of Companies Act, 2013 notified and adopted by The Group:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013 to be effective from April 1, 2021. Key amendments relating to Division II which relate to entities whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

In Balance Sheet:

i) Lease liabilities should be separately disclosed under the head duly distinguished as current or non-current.

ii) Certain additional disclosures in the statement of changes in equity.

iii) Specified format for disclosure of shareholding of promoters.

iv) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

v) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

vi) Specific disclosure under regulatory such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and Advances to Promoters, Directors, Key Managerial Personnel (KMP) and related parties, details of benami property held, relationship with struck-off companies, financial ratios, etc.

In Statement of Profit and Loss:

i) Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head "additional information" in the notes forming part of financial statements.

   The amendments are extensive, and The Group has given effect to them as required by law in the current year financial statements to the extent applicable.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

5	Property, plant and equipment	Freehold Land	Building	Leasehold Improvements	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Total
	Gross carrying value as at 1st April, 2020	**2,561.08**	**6,515.30**	**49,513.50**	**4,591.96**	**451.24**	**36.82**	**108.21**	**63,778.11**
	Additions during the year 2020-2021	-	-	0.60	15.27	17.22	-	1.55	34.64
	Deletions during the year 2020-2021	-	-	-	0.03	0.86	-	0.42	1.31
	Balance as at 31st March, 2021	**2,561.08**	**6,515.30**	**49,514.10**	**4,607.20**	**467.60**	**36.82**	**109.34**	**63,811.44**
	Additions during the year 2021-2022	-	-	767.33	166.36	28.02	11.99	6.25	979.95
	Deletions during the year 2021-2022	-	-	0.03	16.21	0.03	0.67	0.57	17.51
	Balance as at 31st March, 2022	**2,561.08**	**6,515.30**	**50,281.40**	**4,757.35**	**495.59**	**48.14**	**115.02**	**64,773.88**
	Accumulated Depreciation								
	Balance as at 1st April, 2020	**-**	**550.72**	**26,858.24**	**2,062.67**	**257.77**	**13.31**	**60.71**	**29,803.42**
	Additions during the year 2020-2021	-	131.99	1,132.04	352.85	27.71	4.73	16.56	1,665.88
	Deletions during the year 2020-2021	-	-	-	0.02	0.78	-	0.34	1.14
	Balance as at 31st March, 2021	**-**	**682.71**	**27,990.28**	**2,415.50**	**284.70**	**18.04**	**76.93**	**31,468.16**
	Additions during the year 2021-2022	-	131.64	1,089.35	344.89	23.27	5.12	19.07	1,613.31
	Deletions during the year 2021-2022	-	-	-	9.75	-	0.05	0.50	10.30
	Balance as at 31st March, 2022	**-**	**814.35**	**29,079.63**	**2,750.64**	**307.97**	**23.11**	**95.50**	**33,071.17**
	Net carrying amount								
	Balance as at 31st March, 2021	**2,561.08**	**5,832.59**	**21,523.82**	**2,191.70**	**182.90**	**18.78**	**32.41**	**32,343.28**
	Balance as at 31st March, 2022	**2,561.08**	**5,700.95**	**21,201.77**	**2,006.71**	**187.62**	**25.03**	**19.52**	**31,702.71**

Notes:

5.1 For details of assets given as security, refer note 26.1.

5.2 The leasehold improvements are constructed on land taken under operating lease.

5.3 Accumulated depreciation of 'lease hold improvement' as at 31st March, 2020 is after impairment loss of Rs. 21,932.29 lakhs in respect of the subsidiary company (Orchid Hotels Pune Private Limited).

5.4 Based on management's review of the net recoverable value of property, plant and equipment, the subsidiary company (Orchid Hotels Pune Private Limited) provision for impairment loss as on 31st March 2020, amounting to Rs. 532.20 lakhs is recognised and management is of the opinion that no futher provison is required for the current year. Total amount of impairment loss recognised till 31st March 2022 including earlier year is Rs. 21,932.29 lakhs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

6

Capital work in progress	As at 31st March 2022	As at 31st March 2021
Opening balance	628.04	521.22
Add: Capital advance	119.29	-
Add: Additions during the year	344.43	140.86
Less: Capitalised during the year	843.20	34.04
Less : Transfer to expenses	104.06	-
Closing balance	**144.50**	**628.04**

6.1 **(A) CWIP / Intangible assets under development ageing schedule:**

Project Type	Amount in CWIP for a period as on 31st March, 2022				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress					
New Cherry Blossom Restaurant at Orchid Pune	1.57	-	-	-	1.57
Room Renovation Work at Mahodadhi Puri	108.90	10.39	-	-	119.29
Kitchen Equipments at The Orchid	-	-	18.58		18.58
New Swimming Pool at Lotus Konark	2.21	-	-	-	2.21
Electrical Work at VITS Mumbai	2.41	-	-	-	2.41
Furniture Work at The Orchid	0.24	-	-	-	0.24
New Software Installation at The Orchid	0.20	-	-	-	0.20
Projects temporarily suspended	-	-	-	-	-
Total	**115.53**	**10.39**	**18.58**	**-**	**144.50**

Project Type	Amount in CWIP for a period as on 31st March, 2021				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress					
Room Renovation Work at Fort Jadhav Gadh	16.45	3.77	-	-	20.22
Kitchen Equipments at The Orchid	0.59	18.58	-	-	19.17
Addition of Room & Conference Hall at Lotus Konark	101.56	475.87	-	-	577.43
Room Renovation Work at Mahodadhi Puri	0.83	10.39	-	-	11.22
Projects temporarily suspended	-	-	-	-	-
Total	**119.43**	**508.61**	**-**	**-**	**628.04**

(B) Details of Capital-work-in progress whose completion is overdue compared to its original plan:
Current Reporting Period - 31st March, 2022

Project Type	To be completed in				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Room Renovation Work at Mahodadhi Puri	57.47	-	-	-	57.47
Total	**57.47**	**-**	**-**	**-**	**57.47**

Previous Reporting Period - 31st March, 2021

Project Type	To be completed in				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Addition of Room & Conference Hall at Lotus Konark *	577.43	-	-	-	577.43
Total	**577.43**	**-**	**-**	**-**	**577.43**

*** There are no assets / projects forming part of CWIP where cost is exceeded compared to their original plans, however project of Lotus Konark had been delayed by 1 year due to restriction of COVID- 19.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

7

Rights of use assets	Land and Building	Total
Gross carrying value as at 1st April, 2020	**2,221.95**	**2,221.95**
Additions during the year 2020-2021		-
Deletions during the year 2020-2021		-
Balance as at 31st March, 2021	**2,221.95**	**2,221.95**
Additions during the year 2021-2022		-
Deletions during the year 2021-2022		-
Balance as at 31st March, 2022	**2,221.95**	**2,221.95**
Accumulated depreciation		
Balance as at 31st March, 2020	**51.01**	**51.01**
Additions during the year 2020-2021	50.88	50.88
Deletions during the year 2020-2021	-	-
Balance as at 31st March, 2021	**101.89**	**101.89**
Additions during the year 2021-2022	50.89	50.89
Deletions during the year 2021-2022	-	-
Balance as at 31st March, 2022	**152.78**	**152.78**
Net carrying amount		
Balance as at 31st March, 2021	**2,120.06**	**2,120.06**
Balance as at 31st March, 2022	**2,069.17**	**2,069.17**

8

Investment property	Freehold Land	Building	Building on leasehold land (Refer note 8.4)	Total
Gross carrying value as at 1st April, 2020	**178.09**	**28.34**	**950.85**	**1,157.28**
Additions during the year 2020-2021	-	-	-	-
Deletions during the year 2020-2021	-	19.40	-	19.40
Balance as at 31st March, 2021	**178.09**	**8.94**	**950.85**	**1,137.88**
Additions during the year 2021-2022	-	-	-	-
Deletions during the year 2021-2022	-	-	-	-
Balance as at 31st March, 2022	**178.09**	**8.94**	**950.85**	**1,137.88**
Accumulated depreciation				
Balance as at 1st April, 2020	-	2.05	97.04	99.09
Additions during the year 2020-2021	-	0.48	23.74	24.22
Deletions during the year 2020-2021	-	1.71	-	1.71
Balance as at 31st March, 2021	-	**0.82**	**120.78**	**121.60**
Additions during the year 2021-2022	-	**0.16**	**23.56**	23.72
Deletions during the year 2021-2022	-	-	-	-
Balance as at 31st March, 2022	-	**0.98**	**144.34**	**145.32**
Net carrying amount				
Balance as at 31st March, 2021	**178.09**	**8.12**	**830.07**	**1,016.28**
Balance as at 31st March, 2022	**178.09**	**7.96**	**806.51**	**992.56**

8.1 Depreciation is provided on investment property based on useful life on Straight Line Method (Also refer note 3.4).

8.2 Cost of freehold land includes Rs. 71.70 lakhs as at 31st March 2022 (Previous year: Rs. 71.70 lakhs) which is in the name of the 'Executive Chairman and Managing Director' (ECMD) of the Holding Company and includes Rs 62.70 lakhs as at 31st March 2022 (Previous year: Rs 62.70 lakhs) which is in the name of a relative of the ECMD.

8.3 For details of assets given as security, refer note 26.1.

8.4 The leasehold improvements are constructed on land taken under operating lease.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

8.5 Amount recognized in Statement of Profit and Loss for investment properties:

Particulars	31st March 2022	31st March 2021
Rental income derived from investment property (Refer note 8.6)	34.75	42.25
Direct operating expenses (including repairs and maintenance) generating rental income	18.21	17.39
Direct operating expenses (including repairs and maintenance) that did not generate rental income	2.40	2.31
Profit from leasing of investment properties before depreciation	**14.14**	**22.55**
Less: Depreciation expenses	23.56	23.74
(Loss) from leasing of investment properties after depreciation	**(9.42)**	**(1.19)**

8.6 Leasing arrangement.

Certain investment properties are leased to tenants under cancellable/ non-cancellable operating leases with rentals payable monthly.

8.7 Fair value

Particulars	As at 31st March 2022	As at 31st March 2021
Fair value of investment properties	1,372.25	1,372.37

The fair value of the property is not readily available and the above fair valuation has been done based on valuation by Ready Recknor.

8.8 The Group's investment properties consist of land situated at Nagpur, Kottayam (Kerala), Baddi (Himachal Pradesh) and office building in Mumbai. The best evidence of fair value is current prices in an active market for similar properties. As mentioned above the Group has considered ready reckoner rates as the main input for valuation of these investment properties. All resulting fair value estimates for investment properties are included in Level 2.

9

Other intangible assets	Software	Total
Gross carrying value as at 1st April, 2020	**119.13**	**119.13**
Additions during the year 2020-2021	13.43	13.43
Deletions during the year 2020-2021	0.07	0.07
Balance as at 31st March, 2021	**132.49**	**132.49**
Additions during the year 2021-2022	4.47	4.47
Deletions during the year 2021-2022	-	-
Balance as at 31st March, 2022	**136.96**	**136.96**
Accumulated depreciation		
Balance as at 1st April, 2020	**30.70**	**30.70**
Additions during the year 2020-2021	13.41	13.41
Deletions during the year 2020-2021	0.07	0.07
Balance as at 31st March, 2021	**44.04**	**44.04**
Additions during the year 2021-2022	14.25	14.25
Deletions during the year 2021-2022	-	-
Balance as at 31st March, 2022	**58.29**	**58.29**
Net carrying amount		
Balance as at 31st March, 2021	**88.45**	**88.45**
Balance as at 31st March, 2022	**78.67**	**78.67**

9.1 Software is other than internally generated software.

9.2 Balance useful life of intangible as at 31st March 2022 is 1 to 9 years (Previous year: 1 to 9 years).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

10	**Investments accounted for using equity method** (Accounted as per equity method, refer note 2.1 (b))	**As at 31st March 2022**	**As at 31st March 2021**
	Investments in Joint Venture		
	Ilex Developers and Resorts Limited 2,66,500 equity shares (Previous year 2,66,500) of Rs. 10 each	41.33	108.51
	(Less): Impairment in value of investment (Refer Note 10.1)	-	-
	(Less): Share in (loss) after tax	(41.33)	(67.18)
	Total	**-**	**41.33**
	Aggregate value of unquoted investment	-	41.33
	Aggregate amount of impairment in value of investments	-	-

10.1 The Holding Company had made a strategic and long-term investment of Rs. 533.00 lakhs (As at 31st March 2021: Rs.533.00 lakhs) in the shares of Ilex Developers & Resorts Limited (Ilex), a 32.92% joint venture in earlier years. In accordance with Ind AS 36 – Impairment of assets, the management of the joint venture company has reviewed the recoverable value in respect of net block of property, plant & equipment as on 31st March 2022. 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 earlier year, representing 32.92% share.

11	**Investments**	**As at 31st March 2022**	**As at 31st March 2021**
	(a) Investment measured at Fair Value Through Profit or Loss (FVTPL)		
	Investment in equity instruments		
	Quoted		
	Royal Orchid Hotels Limited 50 equity shares (Previous year 50) of Rs 10 each	0.06	0.03
	Unquoted		
	The Satara Sahakari Bank Limited 10,010 equity shares (Previous year 10,010) of Rs. 50 each	17.66	19.63
	Total FVTPL investments	**17.72**	**19.66**
	Total	**17.72**	**19.66**
	Aggregate cost of quoted investments	0.03	0.03
	Aggregate amount of unquoted investments	17.66	19.63
	Market value of quoted investments	0.06	0.03
	Aggregate amount of impairment in value of investments	-	-

12	**Loans - non current** (Unsecured, considered good unless otherwise stated)	**As at 31st March 2022**	**As at 31st March 2021**
	Inter corporate deposit (considered doubtful)	200.00	200.00
	Less: Impairment of advance given	200.00	200.00
		-	-
	Total	**-**	**-**

12.1 The Holding Company has given interest free security deposit having carrying value of Rs. 8,000.00 lakhs as at 31st March 2022 (Previous year: Rs. 8,000.00 lakhs) for hotel property taken by the Holding Company from an entity in which some of the directors are director and member. This deposit has been fair valued under Ind AS 109 - Financial Instrument. Deferred lease asset arising out of the said fair valuation is being amortised on straight line basis. (Refer note 15).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

13

Other financial assets	As at 31st March 2022	As at 31st March 2021
Non-current		
Security deposits		
- Related Party (Refer note 12.1 and 47)	2,026.73	1,919.27
- Others	165.20	163.04
	2,19 1.93	**2,082.31**
Margin money in fixed deposits with banks (maturity more than 12 months) (Refer note 13.1 below)	42.23	25.21
Total	**2,234.16**	**2,107.52**

13.1 Fixed deposit is given as margin money for guarantee given by bank to government and other authorities on behalf of the Group.

14

Income tax assets (net)	As at 31st March 2022	As at 31st March 2021
Non-current		
Income tax (net)	1,217.30	1,132.95
Total	**1,217.30**	**1,132.95**

15

Other non-current assets (Unsecured, considered good unless otherwise stated)	As at 31st March 2022	As at 31st March 2021
Capital advances	201.81	205.91
Less: Impairment of advance given	188.65	188.65
	13.16	17.26
Others advances (Refer Note 15.1)	488.62	488.62
Less: Impairment of advance given	488.62	488.62
	-	-
Deferred advance rentals (Refer Note12.1)	3,324.89	3,487.58
Advance for Project (Note 15.2 below)	648.07	600.00
Prepaid expenses	11.31	9.87
Total	**3,997.43**	**4,114.71**

15.1 In terms of the Memorandum of Understanding with a Public Trust owning a plot of land in Mumbai, the Holding Company had paid Rs. 488.62 lakhs as security deposit and incurred expenditure of Rs. 207.93 lakhs for a proposed hospitality project on the said land in earlier years. The owner did not fulfil his obligation to complete the infrastructure for the aforesaid project despite follow up by the Holding Company. In view of inordinate delay in the projects, the expenditure incurred on the said incomplete project has been written off and a provision has been made in the earlier years for the deposit paid to the said party. Holding Company has initiated legal proceedings against the party and other party has also made counter claim for compensation and interest thereon. The matter is pending to be resolved. Adjustments, if any, to the expenditure written off and provision made as above, will be made on disposal / conclusion of the above matter in the year in which matter is settled.

15.2 During the previous year, the subsidiary company had paid unsecured advance of Rs. 600.00 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 Company along with the Joint Developer has appointed a licensed architect to design, prepare plans and make the necessary applications for regulatory approvals.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

16

Inventories (At lower of cost or net realisable value)	**As at 31st March 2022**	**As at 31st March 2021**
Food and beverages	127.61	95.32
Stores and operating supplies (Refer note 16.1)	90.41	91.76
Total	**218.02**	**187.08**

16.1 The cost of inventories recognised as an expense amounted to Rs. 2,341.91 lakhs (Previous year: Rs. 759.51 lakhs). Refer note 3.6 for accounting policy for inventory valuation.

17

Investments	**As at 31st March 2022**	**As at 31st March 2021**
Current		
Investment measured at Amortised Cost		
Unquoted		
50,000 (Previous year: 50,000) units of SBI PSU FUND - of Rs. 10 each	6.61	5.28
Total	**6.61**	**5.28**
Aggregate cost of unquoted investments	5.28	5.28
Net asset value unquoted investments	6.61	5.28
Aggregate amount of impairment in value of investments	-	-

17.1 The fair value hierarchy and classification are disclosed in Note 59

18

Trade receivable (Unsecured considered good, unless otherwise stated)	**As at 31st March 2022**	**As at 31st March 2021**
-Considered good	969.95	510.50
-Trade receivables which have significant increase in credit risk	1,651.53	1,579.04
Sub-total	**2,621.48**	**2,089.54**
Less: Allowance for expected credit loss*	1,635.19	1,522.00
Total	**986.29**	**567.54**

* The Group recognizes loss allowances using the Expected Credit Loss (ECL) model based on 'simplified approach'. Considering same there are trade receivables having significant credit risk (Also refer note 3.19.1 and 60(a)(ii))

18.1 Trade receivables ageing schedule as at 31st March, 2022:

	Particulars	**Unbilled (if grouped under trade receivable)**	**Not Due**	**Outstanding for following periods from due date of payment**					
				Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
i)	Undisputed Trade Receivables - Considered good	73.68	621.90	274.37	-	-	-	-	**969.95**
ii)	Undisputed Trade Receivables - which has significant increase in credit risk	-	-	-	102.07	76.62	61.17	1,353.96	**1,593.82**
iii)	Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-	**-**
iv)	Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-	**-**
v)	Disputed Trade Receivables - which has significant increase in credit risk	-	-	-	-	32.38	4.52	20.81	**57.71**
vi)	Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-	**-**
Total		**73.68**	**621.90**	**274.37**	**102.07**	**109.00**	**65.69**	**1,374.77**	**2,621.48**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

18.2 Trade receivables ageing schedule as at 31st March, 2021:

	Particulars	Unbilled (if grouped under trade receivables)	Not Due	Outstanding for following periods from due date of payment					
				Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i)	Undisputed Trade Receivables - Considered good	18.50	393.47	98.53	-	-	-	-	**510.50**
ii)	Undisputed Trade Receivables - which has significant increase in credit risk	-	-	-	62.66	125.15	1,352.63	13.23	**1,553.67**
iii)	Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	**-**
iv)	Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	**-**
v)	Disputed Trade Receivables - which has significant increase in credit risk	-	-	-	-	4.44	4.37	16.56	**25.37**
vi)	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	**-**
Total		**18.50**	**393.47**	**98.53**	**62.66**	**129.59**	**1,357.00**	**29.79**	**2,089.54**

18.3 Trade receivables includes receivable from related parties as given below. This includes amount of Rs. 2.18 lakhs (Previous year: Rs.14.97 lakhs); from an entity in which director of the Group is also director.

Particulars	**As at 31st March 2022**	**As at 31st March 2021**
From related parties (Refer note 47)		
Ilex Developers & Resorts Limited	2.18	13.71
Envotel Hotels Himachal Private Limited (Formerly known as "Orchid Hotels Himachal Private Limited")	-	1.26
Total	**2.18**	**14.97**

19

Cash and cash equivalents	**As at 31st March 2022**	**As at 31st March 2021**
Balances with bank		
- In current accounts	541.80	298.11
- Cheques in hand	-	150.00
- Cash in hand	18.07	14.43
	559.87	462.54
- Fixed deposits (less than 12 months maturity)	1,693.99	884.31
Total	**2,253.86**	**1,346.85**

20

Other bank balances	**As at 31st March 2022**	**As at 31st March 2021**
Margin money in Fixed Deposits with banks (Maturity period less than 12 months)(Refer note 20.1)	84.58	103.73
Balance in Bank - Escrow Account (Refer note 20.2)	11.58	0.05
Total	**96.16**	**103.78**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

20.1 Fixed Deposit is given as margin money to the banks for guarantee given by banks to government and other authorities on behalf of the Group.

20.2 Balance with bank (escrow account) is maintained for servicing monthly installments of term loan taken.

21

Loans (Unsecured considered good, unless otherwise stated)	**As at 31st March 2022**	**As at 31st March 2021**
Current		
Loans and advances to employees and others	0.04	58.75
Total	**0.04**	**58.75**

Including Rs Nil (Previous year: Rs 58.75 lakhs) due from ECMD (Refer note 47)

22

Other financial assets (Unsecured, considered good unless otherwise stated)	**As at 31st March 2022**	**As at 31st March 2021**
Current		
Interest receivable on bank deposits and investments	45.17	29.61
Security deposit	12.55	13.20
Total	**57.72**	**42.81**

23

Other current assets (Unsecured, considered good unless otherwise stated)	**As at 31st March 2022**	**As at 31st March 2021**
Advances to vendors	102.94	76.25
GST receivable on vendor payment	4.33	6.31
Balances with Government authorities (Refer Note 23.1 and 23.2)	275.31	243.98
Less: Provision for doubtful export benefit receivables	(7.81)	-
	267.50	**243.98**
Prepaid expenses	240.16	216.02
Total	**614.93**	**542.56**

23.1 Balance with Government authorities includes Rs. 45.00 lakhs (Previous year: Rs. 45.00 lakhs) related to subsidiary company (Orchid Hotels Pune Private Limited), being bank guarantee invoked by Commissioner of Customs in the previous year in relation to non-fulfilment of export obligations. The subsidiary company had submitted all the documents related to fulfilment of export obligations to the custom authorities and order for cancellation of 'Bond and Bank Guarantee' was issued by the Commissioner of Customs except for Rs. 2.00 lakhs. Subsidiary company has filed application for refund with the Commissioner of Customs, refund is awaited. Considering uncertainty of collection, the subsidiary company has fully provided for custom duty receivable. During the previous year, based on order received, the same has been written off.

23.2 Balance with authorities includes input tax credit (ITC) of Rs. 88.80 lakhs (Previous year: Rs. 76.19 lakhs) of Goods and service tax (GST) taken by subsidiary company (Orchid Hotels Pune Private Limited) and Rs. 12.88 lakhs (Previous year Rs. 12.88 lakhs) taken by the Holding Company based on legal interpretation.

24

Share capital	**As at 31st March 2022**	**As at 31st March 2021**
Authorised capital		
3,42,50,000 (Previous year: 3,42,50,000) Equity Shares of Rs. 10 each.	3,425.00	3,425.00
Total	**3,425.00**	**3,425.00**
Issued, subscribed and paid-up		
2,35,84,058 (Previous year: 2,35,84,058) Equity Shares of Rs. 10 each, fully paid up	2,358.41	2,358.41
Add: 8,62,500 Forfeited equity shares (Previous year: 8,62,500) (amounts originally paid up)	58.85	58.85
Total	**2,417.26**	**2,417.26**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

24.1 Terms/ rights attached to equity shares :

The Holding Company has only one class of shares referred to as equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Group, the holders of equity shares will be entitled to receive any of the remaining assets of the Holding Company, after distribution of all preferential amounts. However, there are no preferential amounts inter se equity shareholders. The distribution will be in proportion to the number of equity shares held by the shareholders (after due adjustment in case shares are not fully paid up).

24.2 Reconciliation of the number of shares outstanding is set out below:

Particulars	As as 31st March, 2022		As as 31st March, 2021	
	Number of Shares	Amount	Number of Shares	Amount
Number of shares at the beginning	2,35,84,058	2,358.41	2,35,84,058	2,358.41
Add: Shares issued during the year	-	-	-	-
Less: Buyback during the year	-	-	-	-
Number of shares at the year end	2,35,84,058	2,358.41	2,35,84,058	2,358.41

24.3 Details of shareholders holding more than 5 % shares

Particulars	As as 31st March, 2022		As as 31st March, 2021	
	Number of Shares	% held	Number of Shares	% held
Kamat Holdings Private Limited *	15,00,000	6.36	15,00,000	6.36
Plaza Hotels Private Limited	35,35,545	14.99	35,35,545	14.99
Indira Investments Private Limited *	15,63,794	6.63	15,63,794	6.63
Dr. Vithal V. Kamat	32,54,990	13.80	32,54,990	13.80
Vishal Amusements Limited	18,88,526	8.01	18,88,526	8.01

* These entities have merged with Vishal Amusement Limited with effect from 16th May, 2018. Transfer formalities are in progress.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

24.4 Shares held by promoters at the end of the year

Promoters Name	As as 31st March, 2022		As as 31st March, 2021		% of changes during the year
	Number of shares held	% of total shares	Number of shares held	% of total shares	
Vithal V. Kamat (HUF)	1,49,864	0.64	1,49,864	0.64	0.00%
Vithal V. Kamat	23,76,473	10.08	23,76,473	10.08	0.00%
Vithal V. Kamat/Vidya V. Kamat	7,28,653	3.09	7,28,653	3.09	0.00%
Vishal V. Kamat	15,127	0.06	15,127	0.06	0.00%
Vishal V. Kamat/Vidya V. Kamat	500	0.00	500	0.00	0.00%
Vidya Vithal Kamat	95,621	0.41	95,621	0.41	0.00%
Vidya V. Kamat/Vithal Venketesh Kamat	1,000	0.00	1,000	0.00	0.00%
Vidita V. Kamat/Vidya V. Kamat	500	0.21%	500	0.21%	0.00%
Vikram V. Kamat/Vidya V. Kamat	500	0.21%	500	0.21%	0.00%
Kamat Holdings Pvt Ltd	15,00,000	6.36	15,00,000	6.36	0.00%
Indira Investments Pvt Ltd	15,63,794	6.63	15,63,794	6.63	0.00%
Plaza Hotels Pvt Ltd	35,35,545	14.99	35,35,545	14.99	0.00%
Kamat Development Pvt Ltd	8,39,272	3.56	8,39,272	3.56	0.00%
Sangli Rubber Agro Pvt Ltd	7,57,000	3.21	7,57,000	3.21	0.00%
Kamats Club Pvt Ltd	4,900	0.02	4,900	0.02	0.00%
Kamburger Foods Pvt Ltd	40,551	0.17	40,551	0.17	0.00%
Kamats Super Snacks Pvt Ltd	1,82,445	0.77	1,82,445	0.77	0.00%
Karaoke Amusements Pvt Ltd	80,877	0.34	80,877	0.34	0.00%
Vishal Amusements Ltd	18,88,526	8.01	18,88,526	8.01	0.00%
Kamat Holiday Resorts (Silvassa) Ltd	2,76,439	1.17	2,76,439	1.17	0.00%
Kamat Eateries Pvt Ltd	1,19,245	0.51	1,19,245	0.51	0.00%
Savarwadi Rubber Agro Pvt Ltd	2,05,128	0.87	2,05,128	0.87	0.00%
	1,43,61,960	**60.90**	**1,43,61,960**	**60.90**	

25

Other equity	As at 31st March 2022	As at 31st March 2021
Capital reserve (Refer Note 25.1)		
As per last Balance sheet	13.87	13.87
Capital redemption reserve (Refer Note 25.2)		
As per last Balance sheet	266.50	266.50
Securities premium (Refer Note 25.3)		
As per last Balance sheet	14,986.74	14,986.74
Amalgmation reserve (Refer note 25.4)		
As per last Balance sheet	280.06	280.06
(Deficit) in the statement of profit and loss		
As per last balance sheet	(33,929.22)	(30,299.83)
Add: (Loss) for the year	(2,267.18)	(3,629.39)
Closing balance	**(36,196.40)**	**(33,929.22)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Other comprehensive income		
As per last balance sheet	90.16	36.31
Add: Other comprehensive income for the year	25.10	53.85
Closing balance	**115.26**	**90.16**
Total	**(20,533.97)**	**(18,291.89)**

25.1 Capital reserve represent profit on sale of fixed asset related to an entity amalgamated with the Holding Company in the earlier years.

25.2 Capital redemption reserve was credited by amount set aside for redemption of preference shares.

25.3 Securities premium account is used to record the premium on issue of equity shares. The same will be utilised in accordance with the provisions of The Companies Act, 2013.

25.4 In terms of the Bombay High Court Order dated 13th January, 2012 the amalgamation reserve is not available for distribution as dividend.

26	**Borrowings**	**As at 31st March 2022**	**As at 31st March 2021**
	Non-current borrowings		
	Secured		
	Term loans (Refer note 26.4(d))		
	- From banks (Refer Note 26.1(a) and 26.1(c))	2,145.29	2,513.23
	- From others (Refer Note 26.1(a), 26.1(b) and 26.5)	48,881.66	45,384.16
	Unsecured		
	- Inter-corporate loan (Refer note 26.2)	2,282.09	2,597.37
		53,309.04	50,494.76
	Less: Current maturities of long term loans (Refer note 32)	40,124.89	38,637.40
	Less: Interest accrued and due (Refer note 35)	9,201.66	5,419.86
	Less: Interest accrued but not due (Refer note 35)	9.73	18.01
	Total	**3,972.76**	**6,419.49**

26.1 Details of security provided and terms of repayment

(a) Term loan from banks and others (loans assigned by banks to ARC's on settlement) aggregating to Rs. 28,646.95 lakhs (Previous year: Rs. 25,049.81 lakhs) are secured by (i) First ranking pari-passu charge on lands at "The Orchid" at Vile Parle (East) (owned by Plaza Hotels Private Limited) together with hotel buildings and all appurtenances thereon; (ii) First / second ranking pari-passu mortgage on the Holding Company's immovable property being Hotel "VITS" at Andheri (East); (iii) First / second charge by way of hypothecation of movable fixed assets and current assets of the Holding Company; (iv) Credit card receivables on pari-passu basis; (v) Equitable mortgage of hotel property at Lotus Goa (exclusive to one lender); (vi) Pledge of equity shares of the Holding Company held by promoters and promoter companies, pledge of certain equity shares of Orchid Hotels Pune Private Limited (subsidiary) and Plaza Hotels Private Limited (related party) and entire equity shares of Kamats Restaurants (India) Private Limited, Fort Jadhavgadh Hotels Private Limited, Mahodadhi Palace Private Limited and Ilex Developers and Resorts Limited, Kamat Holiday Resorts (Silvassa) Limited; and (vii) Corporate guarantee of subsidiaries, joint venture entity and Plaza Hotels Private Limited and personal guarantee of Dr. Vithal V. Kamat and Mr. Vikram V. Kamat.

In respect of term loan taken by the subsidiary company (OHPPL) from others (loans assigned by banks to ARC) aggregating to Rs. 17,415.31 lakhs (Previous year: Rs. 17,415.31 lakhs), is secured by (i) First charge on all movable and immovable fixed assets of OHPPL both present and future; (ii) Exclusive charge by way of hypothecation of the stocks, current assets including book debts, bills receivable both present and future; (iii) Pledge of 30% equity of OHPPL held by the group; (iv) Guaranteed by corporate guarantee of the Holding Company and Kamats Development Private Limited (a company in which the director of the group is a director); and (v) Personal guarantee of Dr. Vithal V. Kamat and Mr. Vikram V. Kamat.

(b) Term loans from others (loans assigned by Bank to ARC's and NBFC on settlement) aggregating to Rs.1,400.71 lakhs (Previous year: Rs. 1,500.36 lakhs) is secured by (i) First ranking pari-passu charge on lands at "The Orchid" at Vile Parle (East) (owned by Plaza Hotels Private Limited) together with hotel buildings (245 rooms) and all appurtenances thereon; (ii) Credit card receivables of Orchid (245 rooms) and VITS, Mumbai; (iii) Personal guarantees of Dr. Vithal V. Kamat and Mr. Vikram V. Kamat; and (iv) Post dates cheques and undertaking to pay 50% of sale proceeds of certain assets in case of sale of those assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(c) Term loans from bank having carrying value of Rs. 2,135.56 lakhs (Previous year: Rs. 2,495.64 lakhs) is secured by way of (i) Exclusive charge on all present and future current assets including receivables of four hotel properties and subservient charge on all property, plant and equipments of the Holding Company; (ii) Equitable mortgage over the land situated at Nagpur, owned by the Holding Company and directors/ relative of directors; (iii) Pledge of 34 lakh shares held by Vishal Amusement Limited and Dr. Vithal V. Kamat; (iv) Personal guarantees of Dr. Vithal V. Kamat, and Mr. Vishal V. Kamat; and (v) Post dated cheques (vi) Corporate guarantees of Plaza Hotels Private Limited and Vishal Amusement Limited. The sanctioned terms and the loan agreements do not mandate submission of periodic statement of current assets, hence the disclosure about the same is not applicable.

26.2 (a) Intercorporate loan taken by Holding Company from a group company amounting to Rs. 211.09 lakhs (Previous year: Rs. 612.69 lakhs) is repayable by 31st March, 2025 (as extended) or earlier on availability of funds with the Holding Company. As per the terms of the agreement it is not payable in next 12 months as at balance sheet date, hence same is classified under long term borrowing.

(b) In respect of intercorporate loan taken by subsidiary company from a Group Company amounting to Rs. 2,021.36 lakhs (Previous year: Rs. 1,935.92 lakhs), as per the terms of agreement, loan is not payable in next 12 months as at balance sheet date and after availability of funds with the subsidiary company. Hence, same is classified under long term borrowings. Further, based on request made to the group company, in view of various adverse factors and financial position of subsidiary company, the Group Company had waived off interest till the financial position of the subsidiay company improves.

26.3 Based on repayment schedules for borrowings (including as per settlement agreement) following is maturity profile of term loans from banks and others (assigned loans).

Particulars	Maturity Profile			
	As at 31st March 2022		As at 31st March 2021	
	Next 1 year	2-5 years	Next 1 year	2-5 years
From banks	409.70	1,723.10	238.37	2,237.72
From others	39,715.19	2,249.66	38,399.03	4,181.77
Total	**40,124.89**	**3,972.76**	**38,637.40**	**6,419.49**

26.4 Settlement of outstanding loan with ARC's and one time settlement with banks

(a) The Holding Company had borrowed funds in earlier years from banks, financial institutions and NBFCs. Due to financial crisis faced by economic slowdown and other factors, a Corporate Debt Restructuring (CDR) Scheme was sanctioned by the Corporate Debt Restructuring Empowered Group vide sanction letter dated 12th March, 2013. In respect of some of the restructured debts from some of the lenders, despite best efforts taken by the Holding Company, the stipulated assets of the Holding Company could not be sold and consequently the debts agreed to be repaid out of the above debts could not be repaid by 31st March, 2014 and hence CDR scheme failed and group exited from the CDR scheme. Subsequently, most of the lenders have initiated recovery proceeding including under SARFAESI Act and the Negotiable Instrument Act,1881. One of the lender also filed recovery proceedings with Hon'ble Bombay High Court in which another lender having rights on escrow of credit card receivable intervened and finally the case was disposed off by consent.

Subsequently, most of these loans were assigned by the lenders to the Asset Reconstruction Companies (ARC). Group has negotiated with the Banks and ARC's and restructured the above debts through settlement agreements or one time settlements (OTS) of outstanding dues in earlier years.

(b) With respect to above settled loans, Holding Company is discharging its obligations in terms of the settlement with the respective assignees. In the event of default of terms and conditions of the settlements, the Holding Company may be liable to pay additional and penal interest and charges which are estimated to be Rs.35,243.55 lakhs (Previous year: Rs. 32,286.79 lakhs).

(c) With respect to cases filed in earlier years under Negotiable Instrument Act, 1881, since the relevant loan has been fully assigned, the Holding Company was advised that the proceedings under the said Act will not survive. In the current year, the case was disposed off by the court upon amicable settlement of the matter.

(d) As on 31st March, 2022, in respect of most of the loans (other than bank), there are non-payment of stipulated instalments comprising of principal and interest due to the lenders. The cumulative unpaid instalments amounts to Rs. 24,718.00 lakhs. Continuing regular discussions with the lenders, during the year, the Holding Company has applied for One Time Settlement (seeking partial relief in settlement amount) in the nature of cash payment or partially in cash and partially by converting debt into equity as narrated below:

(i) During the quarter ended 30th September 2021, one of the lenders had reminded about the outstanding amount payable, to which the Holding Company replied stating its inability to make payments on account of severe impact on the business caused by COVID-19 pandemic as well as Government restrictions imposed through various notifications and had further requested for extension upto 30th June 2022. During the quarter ended 31st March 2022, the Holding Company submitted application for One Time Settlement (OTS) to the lender, and the lender response thereon is awaited

(ii) During the year, the Holding Company received guarantee revocation notice from one lender. However, subsequent to 31st March, 2022, Holding Company's OTS application was approved in principle by the said lender and the Holding Company has deposited upfront amount after the close of financial year as per the terms of the said settlement.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(iii) The Holding Company submitted applications for OTS during the year to two lenders, who have communicated in principle approval for OTS and the Company has deposited the upfront amount with one lender after the close of the financial year as per the terms of the said settlement.

(iv) Approval is also awaited in respect of application for OTS made by the Holding Company in respect of remaining lender.

The accounting impact of OTS by way of changes in liabilities (including derecognition, if any) and classification changes will be given effect upon execution of OTS arrangement.

Further, based on all the above arrangements, discussions with the lenders and COVID-19 related notifications, the Holding Company's management is of the view that reporting for event of default is not warranted. Loan balance confirmations from three lenders for balance instalment amounting to Rs. 26,336.29 lakhs are awaited.

Considering above and in continuation of the view taken in the earlier years, in the opinion of the management, no periodic intimation is required to be given to the stock exchange for unpaid loan instalments as required by SEBI circular dated 21st November, 2019.

26.5 (a) In the Holding Company, during the earlier year, an Asset Reconstruction Company (ARC) to whom the bank had assigned its loan have permitted extension of repayment tenor of the respective secured debt till 28th February, 2023, on the payment of interest at 12.5% p.a. payable by the Holding Company as per the repayment schedule w.e.f 1st October, 2019. Extension of loan along with interest is accounted in accordance with the requirement of Ind AS 109 - Financial Instruments.

(b) In the Holding Company, during the earlier year, an ARC (to which two banks and one financial institution had assigned their secured debts) has 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) has been recomputed based on the revised principal amount. The management is of the view that the de-recognition and consequent the write back of loan and re-computation of EIR has been done in accordance with the qualitative parameters permitted in Ind AS 109- 'Financial Instrument' on the basis of opinion obtained from an expert and its ability to make prepayment of loan. Consequently, the Holding Company had written back the principal amount of Rs. 2,369.28 lakhs outstanding as on 1st April 2019.

26.6 Loans guaranteed by executive chariman and managing director of the Holding Company and his relatives.

Particulars*	As at 31st March 2022	As at 31st March 2021
From banks	2,145.29	2,513.23
From others	48,881.66	45,384.16
Total	**51,026.95**	**47,897.39**

*Including interest outstanding.

26.7 In respect of Holding Company, delay in repayment of loan and interest (without considering in-principle / verbal approvals from lenders as elaborated in note 26.4(d) above) at the year end is as given below:

Particulars	As at 31st March 2022		As at 31st March 2021	
	Amount	Period defaults	Amount	Period defaults
Principal	20,739.89	1 to 822 days	6,519.44	1 to 457 days
Interest	7,688.77	1 to 822 days	3,926.48	1 to 457 days
Total	**28,428.66**		**10,445.92**	

In respect of defaults in repayment of loan by the Subsidiary Company (OHPPL), refer note 35.

27

Lease liabilities	As at 31st March 2022	As at 31st March 2021
Non-current		
Deferred Lease Rentals (refer note 51)	1,722.91	1,697.05
Total	**1,722.91**	**1,697.05**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

28	**Other financial liabilities**	**As at 31st March 2022**	**As at 31st March 2021**
	Non-current		
	Outstanding club membership deposit	14.66	19.19
	Security deposits	52.35	62.82
	Deposit from related party (refer note 28.1)	30.19	25.95
	Total	**97.20**	**107.96**

28.1 Security deposit received having carrying value of Rs. 80.00 lakhs as at 31st March 2022 (Previous year: Rs. 80.00 lakhs) is interest free and is received against hotel property given by the Holding Company under operation and management agreement. This deposit is received from an entity in which group's director is director. This deposit is fair valued in accordance with Ind AS 109- Financial Instruments. Unwinding of deferred lease liability arising out of the said fair valuation is being recognised on straight line basis. (Refer note 36)

29	**Provisions**	**As at 31st March 2022**	**As at 31st March 2021**
	Non-current		
	Provision for gratuity benefits (Refer note 50((ii)(a)(b)	275.53	251.09
	Provision for leave benefits (Refer note 50((ii)(c)	170.33	195.82
	Total	**445.86**	**446.91**

30	**Deferred tax (liabilities) (net)**	**As at 31st March 2022**	**As at 31st March 2021**
	Significant components of net deferred tax assets and liabilities		
	Deferred tax assets		
	Carried forward losses as per Income tax act, 1961	1,443.60	980.12
	Expense allowed on payment basis as per Income tax act, 1961	405.86	450.23
	Provision for doubtful debts and advances	419.16	384.85
	MAT credit entitlement	-	0.07
	Lease expenses under Ind AS 116	0.69	4.55
	Fair value measurement of financial assets and liabilities (net)	590.50	481.00
	Sub-total (A)	**2,859.81**	**2,300.82**
	Deferred tax liabilities		
	Difference in net carrying value of property, plant and equipment, intangible assets and investment properties as per income tax and books	3,623.41	3,798.20
	Sales tax deposit paid under protest claimed as allowable expenses	2.52	2.52
	Sub-total (B)	**3,625.93**	**3,800.72**
	Deferred tax (liability) (A-B)	**(766.12)**	**(1,499.90)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

30.1 Reconciliation of tax expenses and the accounting profit multiplied by applicable tax rate for 31st March 2022 and 31st March 2021:

Particulars	As at 31st March 2022	As at 31st March 2021
(Loss) before tax	(3,006.82)	(4,590.87)
Income tax liability / (asset) as per applicable tax rate	(756.76)	(1,269.46)
(i) Permanent tax difference due to		
- Tax impact of expenses that are not deductible in determining taxable profit	12.48	(1.38)
(ii) Deferred tax asset not recognised	3.91	320.21
(iii) Tax expenses of earlier years	0.73	(10.85)
Tax expense reported in the statement of profit and loss	**(739.64)**	**(961.48)**

Particulars	As at 31st March 2022	As at 31st March 2021
Other comprehensive income	31.39	65.34
Income tax liability / (asset) as per applicable tax rate	6.29	11.49
Tax expense/(credit) reported in Other comprehensive income	**6.29**	**11.49**

Note:

(a) The Company offsets tax assets and liabilities in and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same authority.

(b) The Holding Company and subsidiary company (MPPL) has opted for lower tax rate under Section 115BAA of the Income Tax Act, 1961. In respect of the Holding Company deferred tax asset has been created on losses incurred during the year, considering there is a deferred tax liability on net basis.

As per Ind AS 12 - Income Taxes, deferred tax asset should be recognised on the carry forward unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Considering same, with respect to (OHPPL) subsidiary company, deferred tax asset has not been recognized as in near future there is low probability that taxable profit will be available against which it can be utilised.

(c) Deferred tax assets amounting to Rs.7,848.49 lakhs as at 31st March 2022 (Previous year: Rs. 7,857.90 lakhs) has not been recognised due to uncertainty in respect of future taxable income against which such losses can be offset.

30.2 Income tax recognised in the Statement of Profit and Loss:

Particulars	As at 31st March 2022	As at 31st March 2021
Current tax		
In respect of the current year	0.49	-
In respect of the earlier years	-	-
	0.49	**-**
Deferred tax		
In respect of the current year	(740.86)	(950.63)
In respect of the earlier years	0.73	(10.85)
	(740.13)	**(961.48)**
Total tax expense recognized in current year	**(739.64)**	**(961.48)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

31

Other non-current liabilities	As at 31st March 2022	As at 31st March 2021
Unamortized non-refundable membership deposit	304.37	378.84
Total	**304.37**	**378.84**

32

Borrowings	As at 31st March 2022	As at 31st March 2021
Current		
Current maturities of long term borrowings	40,124.89	38,637.40
Total	**40,124.89**	**38,637.40**

33

Lease liabilities	As at 31st March 2022	As at 31st March 2021
Current		
Deferred Lease Rentals	173.43	197.58
Total	**173.43**	**197.58**

34

Trade payables	As at 31st March 2022	As at 31st March 2021
Outstanding dues of micro enterprises and small enterprises (Refer note 34.1)	178.58	365.59
Outstanding dues of creditors other than micro enterprises and small enterprises		
- Others	1,914.98	1,861.48
- Related parties	83.00	90.92
Total	**2,176.56**	**2,317.99**

34.1 The amount due to Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act (MSMED Act), 2006 has been determined to the extent such parties have been identified on the basis of information collected by the management. The disclosure relating to Micro, Small and Medium Enterprises is as under:

Particulars	As at 31st March 2022	As at 31st March 2021
Dues remaining unpaid at the year end:		
(a) The principle amount remaining unpaid to supplier as at the end of the accounting year	178.58	275.01
(b) The interest thereon remaining unpaid to supplier as at the end of the accounting year	113.58	90.58
(c) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the year	23.00	23.04
(e) Amount of interest accrued and remaining unpaid at the end of the accounting year	113.58	86.91
(f) The amount of further interest due and payable even in the succeeding years,until such date when the interest due as above are actually paid	4.99	12.81

34.2 Trade payables ageing schedule as at 31st March, 2022:

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	60.25	37.30	13.21	67.82	-	178.58
ii) Others	633.94	897.27	234.91	136.52	95.34	1,997.98
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	**694.19**	**934.57**	**248.12**	**204.34**	**95.34**	**2,176.56**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

34.3 Trade payables ageing schedule as at 31st March, 2021:

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	67.08	47.02	251.49	-	-	365.59
ii) Others	398.76	889.18	476.51	119.97	67.98	1,952.40
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	**465.84**	**936.20**	**728.00**	**119.97**	**67.98**	**2,317.99**

35

Other financial liabilities	As at 31st March 2022	As at 31st March 2021
Current		
Interest accrued but not due - Kotak Bank	9.73	17.59
Interest accrued and due:		
- To banks and others	9,201.66	5,420.29
- On bond deposit	106.76	112.63
Current maturity of outstanding membership deposit	1,187.74	1,198.31
Interest payable to MSME creditors	113.58	90.58
Creditors for capital expenditure	49.62	90.05
Security deposit	69.13	64.01
Lease Premium payable (Refer note 35.2)	1,665.64	1,535.79
Other payables *	425.64	427.20
Total	**12,829.50**	**8,956.45**

*Other payable mainly consist of employee related dues and other accrued expenses

35.1 In respect of loans taken by subsidiary

a) In respect of subsidiary company (OHPPL),

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 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 2022 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. Further, the Company has filed a commercial suit before the District Court, Pune for performance of the obligations by IARC as narrated above, the outcome of which is pending. 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, 2022 in line with their earlier reports.

b) Term loan taken from a bank in earlier years became non-performing asset (NPA) in the year 2013. These loans were assigned by the Bank to Asset Reconstruction Company India Limited (ARCIL) vide assignment agreement dated 27th September 2013. ARCIL (jointly with ICICI Bank) had filed a suit before Debt Recovery Tribunal (DRT) for recovery of their dues and seeking some reliefs, which is pending.

c) **Details of security provided**

This loan is secured by (i) first charge on all movable and immovable fixed assets of the Company both present and future; (ii) exclusive charge by way of hypothecation of the stocks, current assets including book debts, bills receivables both present and

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

future; (iii) pledge of 30% equity of the Company held by the Holding Company; (iv) guaranteed by corporate guarantee of Kamat Hotels (India) Ltd (Holding Co.), Kamats Development Private Limited (a Group in which the director of the Company is a director); and (v) personal guarantees of Director and Ex-Director.

d) In respect of borrowing from IARC (assigned by ARCIL), outstanding balance as on 31st March 2022 (including interest liability accounted upto 30th September 2013) is subject to confirmation. No balance confirmation was available in the previous year also.

35.2 In respect of dispute over lease rent levied by Director of Sports, the subsidiary company has accounted for the liability amounting to Rs. 1,665.64 lakhs for the period from 1st November, 2014 to 31st March, 2022; which is after making the part payment of Rs. 129.83 lakhs in the year ended 31st March 2021 and of Rs. 129.85 lakhs in the year ended 31st March, 2022. Further, during the earlier 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 year the 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.

36

Other current liabilities	**As at 31st March 2022**	**As at 31st March 2021**
Advance from customers	285.42	282.98
Income received in advance (membership fees)	74.47	74.47
Income received in advance (others)	4.54	7.70
Deferred income on club deposits	2.05	3.07
Deferred advance rentals on security deposits	28.81	33.32
Statutory dues	1,682.86	1,172.89
Total	**2,078.15**	**1,574.43**

37

Provision	**As at 31st March 2022**	**As at 31st March 2021**
Current		
Provision for gratuity (Refer note 50((ii)(a)(b))	42.59	44.85
Provision for leave benefit (Refer note 50((ii)(c))	70.22	62.71
Total	**112.81**	**107.56**

38

Revenue from operations	**Year ended 31st March 2022**	**Year ended 31st March 2021**
Sale of services		
Room income	7,592.32	3,342.83
Food and banquet income	5,778.56	2,414.05
Sub-total	**13,370.88**	**5,756.88**
Other operating revenue		
Income from time share business	185.59	173.76
Management and consultancy fees	101.04	32.67
Swimming and health club	52.56	27.49
Conference and banqueting services	409.74	167.94
Internet and telephone	0.94	0.72
Laundry services	28.97	12.02
Car rental and transportation	17.31	14.45
Membership fees	22.87	51.72
Miscellaneous services	51.97	29.14
License fees - Shops and offices	102.09	100.82
Subsidy recevied from MTDC (Incentive Scheme) (Refer Note 38.1)	-	150.94
Liabilities and Provisions written back	104.88	80.80
Sub-total	**1,077.96**	**842.47**
Total	**14,448.84**	**6,599.35**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

38.1 Revenue from Operations for the year ended 31st March 2021 Rs. 150.94 lakhs 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. The Holding Company has received Rs. 92.68 lakhs towards partial grant during the year and Rs 16.36 lakhs after the close of the year before approval of accounts. Also refer note 45.4

39

Other income	**Year ended 31st March 2022**	**Year ended 31st March 2021**
Interest income on financial assets at amortised cost		
- on fixed deposit with bank	45.21	60.39
- on others	16.25	8.05
Exchange gain (net)	-	0.16
Net gain on fair value changes of financial assets measured at amortised cost	-	6.66
License fees - other properties	41.00	44.09
Profit on sale of property, plant and equipment (net)	0.78	25.19
Miscellaneous income	10.87	5.50
Total	**114.11**	**150.04**

40

Consumption of food and beverage	**Year ended 31st March 2022**	**Year ended 31st March 2021**
Opening stock	95.32	179.64
Add: Purchases	1,525.80	586.50
	1,621.12	766.14
Less: Closing stock	127.61	95.32
Total	**1,493.51**	**670.82**

41

Employee benefits expense	**Year ended 31st March 2022**	**Year ended 31st March 2021**
Salaries, wages and bonus	2,716.15	1,259.79
- Contribution to provident and other funds	158.06	81.51
- Provision for gratuity (Refer note 50((ii)(a)(b))	68.14	79.39
- Provision for leave benefit (Refer note 50((ii)(c))	23.17	2.23
Staff welfare expenses	172.61	110.18
Total	**3,138.13**	**1,533.10**

42

Finance costs	**Year ended 31st March 2022**	**Year ended 31st March 2021**
Interest expense at effective interest rate on borrowings which are measured at amortized cost	4,304.32	3,423.06
Other borrowing costs	434.03	446.41
Fair value of changes in financial liabilities (measured at amortized cost)	1.20	1.42
Interest expense on lease liabilities (Refer note 51)	305.64	306.96
Total	**5,045.19**	**4,177.85**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

43	Other expenses	Year ended 31st March 2022	Year ended 31st March 2021
	Operating expenses		
	Heat, light and power	1,165.43	702.48
	Rent (Refer note 51)	119.78	73.46
	Licenses, rates and taxes (Refer note 43.1 and 43.2)	577.47	538.22
	Repairs expenses for		
	- Buildings	232.50	164.22
	- Plant and Machinery	390.67	232.64
	- Others	192.46	64.68
	Expenses on apartments and boards	758.03	365.81
	Replacements of crockery, cutlery, linen, etc.	152.43	25.15
	Washing and laundry expenses	128.45	57.61
	Water charges	106.09	70.89
	Band and music expenses	107.74	70.27
	Management license fees and royalty	158.48	102.90
	Sub total(A)	**4,089.53**	**2,468.33**
	Sales and marketing expenses		
	Advertisement, publicity and sales promotion	218.33	79.86
	Travel agents' commission	276.68	124.86
	Other commission and charges	441.41	113.53
	Sub total(B)	**936.42**	**318.25**
	Administrative and general expenses		
	Communication expenses	149.83	126.51
	Printing and stationery	78.75	29.59
	Legal, professional and consultancy charges	220.87	103.96
	Directors' sitting fees	5.85	7.20
	Travelling and conveyance	218.46	118.04
	Insurance	109.35	122.37
	Bad debts (net)	4.96	56.18
	Less: Provision for expected credit loss (Refer Note 23.1)	(4.96)	(56.18)
		-	-
	Provision for expected credit loss	125.96	95.58
	Expenditure on Corporate Social Responsibility	-	12.57
	Net loss on fair value changes of financial assets measured at amortised cost	0.35	-
	Auditors' remuneration (Refer Note 43.3)	24.60	24.60
	Sales Tax/Vat /Luxury Tax etc. including assessment dues	1.92	2.88
	Loss on sale / discard of property, plant and equipment (net)	3.88	-
	Loss of fixed assets by cyclone	-	5.97
	Miscellaneous expenses	183.68	74.22
	Sub total(C)	**1,123.50**	**723.49**
	Total(A+B+C)	**6,149.45**	**3,510.07**

43.1 In earlier years, the subsidiary company (Orchid Hotels Pune Private Limited) had filed Arbitration Petition in Pune Court for deciding the disputes with the Director of Sports, Pune requiring reduction in annual lease premium payable to Director of Sports and granting of payment of the said premium in monthly installments instead of advance payment. The subsidiary company had also requested for relief from furnishing additional bank guarantee (BG) and restraining the authorities from invoking the existing BGs. Further, the Company

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

had filed Arbitration Petition before the Hon'ble Bombay High Court invoking section 11 of Arbitration and Conciliation Act, 1996 for the dispute on lease premium, bank guarantee, property tax and other matters. As per the order of the court, the Arbitration proceedings has commenced during the year. Adjustment, if any in the books will be made on disposal of the cases.

43.2 The Pune Municipal Corporation (PMC) has been raising demand for property tax since 2007 in respect of the subsidiary company's (Orchid Hotels Pune Private Limited) property at Balewadi, Pune and it has paid said taxes. PMC had also revised the Annual Ratable Value (ARV) retrospectively from 1st October, 2008 and assessed the subsidiary company's Hotel building for property tax purposes. It has disputed the said action and demand by filing a Municipal Appeal in appropriate court, which is pending for hearing.

In the meantime, during the pendency of the matter, the subsidiary company had paid entire dues up to March 2017 under Amnesty Scheme. It has paid municipal taxes for the subsequent period upto 31st March, 2022. Any adjustments of payment already deposited will be made subject to disposal of the cases.

43.3

Auditors' remuneration	Year ended 31st March 2022	Year ended 31st March 2021
Statutory audit fees	21.70	21.70
Tax audit fees	2.90	2.90
Total	**24.60**	**24.60**

Note: Above fees are excluding of Goods and Service Tax (GST) of Rs. 4.37 lakhs (Previous year Rs. 4.43 lakhs).

44

Exceptional items - Income	Year ended 31st March 2022	Year ended 31st March 2021
Insurance claim received (Refer note 44.1)	-	373.17
Total income	**-**	**373.17**

44.1 In the earlier year, the Holding Company's one hotel property in Orissa was affected due to 'Cyclone Fani'. Net block of assets destroyed was Rs. Nil. During the current year final claim has been settled by the insurance company and consequently, amount of Rs. 373.17 lakhs has been accounted as revenue in the previous year.

45 Capital Commitments, Other Commitments and Contingent Liabilities

45.1 Capital Commitments.

(a) Estimated amount of capital commitments to be executed on capital accounts and not provided for Rs.22.50 lakhs as at 31st March 2022 (Previous year: Rs. 150.88 lakhs) (Net of advances).

45.2 Other significant commitments.

(a) The Holding Company had put up Sewage Treatment Plant ("STP") on an adjacent immovable property owned by Savarwadi Rubber Agro Private Limited in earlier years for its Orchid Hotel, Mumbai and continues to use the same. The Holding Company is obliged to compensate appropriately to the owner for such use of the property. The modalities of the same is being worked out.

(b) Undertaking given by the group in favour of a lender to repay the loan to the extent of 50% of sale proceeds from certain specified assets (in case sold) - Expected obligation of Rs. 1,036.82 lakhs (Previous year: Rs. 1,036.82 lakhs) as per management estimate.

45.3 Contingent liability (to the extent not provided for)

Particulars		As at 31st March 2022	As at 31st March 2021
(i)	**Claims against the Group / disputed liabilities not acknowledged as debts**		
	Disputed direct tax demands	4,830.78	5,511.51
	Disputed indirect tax demands (amount paid under protest of Rs.22 lakhs)(Previous year:Rs 22 lakhs)	742.61	742.54
	Disputed claim of additional premium by the Director of Sports (Government of Maharashtra)	225.00	225.00
	Other claims against the Holding Company not acknowledged as debts (including employee claims)	627.83	109.59
(ii)	**Other money for which the Group is contingently liable**		
	Open import license	55.68	53.66
	Contingencies in respect of assigned loan	35,243.55	32,286.79

In respect of above, future cash outflows (including interest / penalty, if any) are determinable on receipt of judgement from tax authorities / labour court/ settlement of claims or non-fulfilment of contractual obligations. Further, the Group does not expect any reimbursement in respect of above.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

45.4 Contingent asset (to the extent not recognised)

Particulars	**As at 31st March 2022**	**As at 31st March 2021**
Tax subsidy receivable from MTDC under Package Scheme of Incentives (Since received Rs 16.36 lakhs)	26.97	26.97

45.5 Other litigations

(a) Refer note 15.1 in respect of dispute regarding Bandra Kurla Project.

46 Summarised financial information for joint ventures entity (Ilex Developers and Resorts Limited):

46.1 Summarised Balance Sheet as at 31st March 2022 and as at 31st March 2021

Particulars	**As at 31st March 2022**	**As at 31st March 2021**
Current assets	224.65	237.07
Non-current assets	2,723.98	2,834.78
Current liabilities	2,036.46	1,890.33
Non-current liabilities	337.97	395.52
Equity	**574.20**	**786.00**
Proportion of Group's ownership interest	0.33	0.33
Carrying amount of the Group's interest (Net of impairment of Rs.313.87 lakhs (Previous year Rs.313.87))	-	41.33

46.2 Summarised Statement of Profit and Loss for the year ended 31st March 2022 and as at 31st March 2021.

Particulars	**As at 31st March 2022**	**As at 31st March 2021**
Revenue	**631.82**	**334.60**
Consumption of food and beverages	68.71	40.57
Employee benefits expense	139.00	83.56
Finance Cost	233.33	69.26
Depreciation and amortization expenses	187.28	187.80
Other expenses	258.47	147.14
Total expenses	**886.79**	**528.33**
(Loss) before tax	**(254.97)**	**(193.73)**
Less: Income tax expenses	(40.45)	(8.73)
(Loss) after tax	**(214.52)**	**(185.00)**
Add: Other comprehensive income	2.72	1.64
Total comprehensive income for the year	**(211.80)**	**(183.36)**
Group's share of total comprehensive income for the year (after intercompany profit elimination)	(41.33)	(67.18)

46.3 Summarised Statement of Cash Flow for the year ended 31st March, 2022 and as at 31st March, 2021

Particulars	**As at 31st March 2022**	**As at 31st March 2021**
Cash Flows from Operating activities	165.73	54.96
Cash Flows from Investing activities	(73.22)	(27.44)
Cash Flows from Financing activities	(120.87)	(2.04)
Net Increase / (Decrease) in cash & cash equivalent	**(28.36)**	**25.48**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

46.4 The joint venture entity has following contingent liability and capital commitments:

Particulars	As at 31st March 2022	As at 31st March 2021
Contingent liabilities:		
Corporate guarantee (jointly with related parties) on behalf of Kamat Hotels (India) Limited. Share of Ilex in this corporate guarantee is not quantifiable.	38,583.00	38,583.00

47 Disclosures as required by Indian Accounting Standard (Ind AS) 24 - Related Party Disclosures

47.1 Name and relationships of related parties:

a)	Joint Venture		Ilex Developers & Resorts Limited
b)	Entities in which Director/ KMP and relatives have significant influence		**Part I**
	(Only where there are transactions)		Vithal Kamat (HUF), Kamat Holdings Private Limited, Indira Investments Private Limited^, Plaza Hotels Private Limited, Kamat Development Private Limited, Sangli Rubber Agro Private Limited, Kamats Club Private Limited^, Kamburger Foods Private Limited^, Kamats Super Snacks Private Limited^, Karaoke Amusements Private Limited^, Vishal Amusments Limited, Kamat Holiday Resorts (S) Limited, Kamat Eateries Private Limited^, Kamat Amusements Private Limited, Kamats Development Private Limited, Talent Hotels Private Limited, Treeo Resort Private Limited, Nagpur Ecohotel Private Limited^, VITS Hotels (Bhubaneshwar) Private Limited^.
			Part II
			Envotel Hotels Himachal Private Limited (Formerly known as "Orchid Hotels Himachal Private Limited") upto 5th October, 2021
c)	Key Management Personnel (KMP & Director):	Executive Chairman & Managing Director	Dr. Vithal V. Kamat
		Non Executive Directors	Mr. Bipinchandra C.Kamdar (upto 30th September, 2020)
			Ms. Vidita V.Kamat (w.e.f 29th September, 2020)
			Mr. Sanjeev Rajgarhia (w.e.f. 28th August, 2020)
		Independent Directors	Mr. Vilas R. Koranne (w.e.f. 29th June 2021)
			Ms. Harinder Pal Kaur (w.e.f. 15th May, 2020)
			Mr. Ramnath P. Sarang (w.e.f. 27th May, 2019)
			Mr. Dinkar D.Jadhav (upto 17th February, 2021)
d)	Relatives of KMP		Mrs. Vidhya V. Kamat (Wife of KMP)
	(Only where there are transactions)		Mr. Vikram V. Kamat (Son of KMP)
			Ms. Vidita V.Kamat (Daughter of KMP)
			Mr. Vishal V. Kamat - (Son of KMP and also Chief Executive Officer of Fort Jadhav Gadh, a unit of the Company)
e)	Post employments benefits plans		Kamat Hotels (India) Limited - Employees Gratuity Trust
f)	Key management personnel as per Companies Act, 2013	Chief Financial Officer	Mrs. Smita Nanda
		Company Secretary	Mr. Hemal Sagalia, (from 29th June 2021)
			Ms. Ruchita Shah, (from 8th February, 2021 to 13th May, 2021)
			Mrs Shruti Shrivastava (from 24th July 2020 to 15th December, 2020)
			Mr Shailesh Bhaskar (from 27th May 2019 to 10th June, 2020)

^ These entities are merged with Vishal Amusements Private Limited w.e.f. 16th May 2018.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

47.2 Transactions with related parties

Nature of transaction	Name of the party	Year ended 31st March 2022	Year ended 31st March 2021
Royalty fees for leasehold land	Plaza Hotels Private Limited	95.30	37.09
Transfer of materials		-	0.89
Amount payable towards tax on Commission related Corporate Guarantee		2.29	2.28
Management fees - income	Ilex Developers & Resorts Limited	6.24	3.22
Amount recovered towards services (net of payments)		22.26	2.73
Laundry service expense		2.15	3.42
Taxes recovered on corporate guarantee commission		0.24	0.25
Amount payable towards tax on Commission related Corporate Guarantee		0.35	0.44
Reimbursement of Expenses paid (net)		6.61	7.84
Remuneration paid (Also Refer note 47.5)	Dr.Vithal V.Kamat	-	30.61
Remuneration Recovered		-	72.55
Amount paid during the year		9.60	-
Royalty expenses		4.34	2.20
Remuneration paid	Mr.Vishal V.Kamat	48.16	21.64
Director Sitting fees	Mr. Dinkar D. Jadhav	-	1.50
	Mr. Ramnath Sarang	1.00	1.50
	Ms.Harinder Pal Kaur	1.00	1.50
	Mr. Sanjeev B. Rajgarhia	1.00	1.00
	Ms.Vidita V.Kamat	1.00	0.50
	Mr.Vilas Ramchandra Koranne	0.75	-
Amount payable towards Tax on Commission related Corporate Guarantee	Vishal Amusements Limited	0.20	0.22
Amount paid during the year		1.01	-
Transfer of materials	Envotel Hotels Himachal Private Limited	0.03	1.07
Management fees - income		2.06	-
Reimbursement of expenses (net)		0.04	-
Contribution to post employment benefit plan	Kamat Hotels (India) Limited - Employees gratuity trust	12.13	29.07

47.3 Related party outstanding balances:

Nature of transaction	Name of the party	As at 31st March, 2022	As at 31st March, 2021
Corporate guarantee given by Holding Company on behalf of Jont Venture Company	Ilex Developers & Resorts Limited	1,000.00	1,000.00
Security given for loan taken by Related Party (to the extent of outstanding loan)		799.68	799.68
Trade receivable (net)		2.18	13.70
Security deposits taken (Gross carrying value)		80.00	80.00
Trade receivable		7.16	7.16
Advance received		-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Nature of transaction	Name of the party	As at 31st March, 2022	As at 31st March, 2021
Deposit given under business contract agreements	Plaza Hotels Private Limited	8,000.00	8,000.00
Trade payable		85.08	90.28
Undertaking given towards repayment of loan taken by the company		1,837.92	1,837.92
Undertaking given towards repayment of loan taken by the company	Talent Hotels Private Limited	2,375.26	2,375.26
Amount payable	Vishal Amusements Limited	0.20	1.01
Pledge of shares for term loan taken by the company		848.68	645.05
Royalty payable	Dr. Vithal V. Kamat	1.10	6.01
Pledge of shares for term loan taken by the company		1,527.37	358.43
Remuneration Recoverable (since recovered)		-	58.75

Notes:

(a) Transactions with related parties and outstanding balances at the year end are disclosed at transaction value.

(b) Entities as mentioned in 47.1(b) have pledged their shares held in the Company for loans taken by the Company.

(c) In addition to above transactions,

(i) Ilex Developers & Resorts Limited, Plaza Hotels Limited, Kamat Holiday Resorts (Silvassa) Limited, Dr. Vithal V. Kamat, Mr. Vikram V. Kamat have given joint corporate guarantee amounting to Rs. 38,583.00 lakhs (Previous year: Rs. 38,583.00 lakhs) to banks / others for credit facilities availed by the Holding Company (Share of respective entities / persons is not quantifiable).

(ii) Plaza Hotels Private Limited, Vishal Amusements Limited, Dr. Vithal V. Kamat, Mr. Vishal V. Kamat have given joint corporate / personal guarantee amounting to Rs. 2,135.56 lakhs (Previous year: Rs. 2,476.09 lakhs) to bank for credit facilities availed by the Company (Share of respective entities / persons is not quantifiable).

(iii) KMP, relatives of KMP and entities in which KMP has significant influence have pledged equity shares held by them in the Company and other investments to the lenders for borrowing of the Company. (Refer Note 26.1(c))

(iv) Entities in which KMP has significant influence have provided security by way of creating equitable mortgage of land owned by them for loan taken by the Holding Company

47.4 Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. In case of advances given to two wholly owned subsidiaries, Company has waived interest. For the year ended 31st March 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. Company has recorded impairment of receivable and investment in two subsidiaries and a joint venture entity in earlier years. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

47.5 (i) 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 the AGM. 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 audited accounts for the year ended 31st March, 2021.

(ii) 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 Holding Company before the date of approval of audited accounts results for the year ended 31st March, 2021.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

48 Breakup of compensation to key managerial personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

(a) Compensation to KMP as specified in para 47.1 (c) above:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Short term employee benefits	-	-
Post employment benefits*	-	-
Other long term benefits*	-	-
Sitting fees	4.75	6.00
Total	**4.75**	**6.00**

*As the liabilities for defined benefit plans are provided on actuarial basis for the all the employees, the amounts pertaining to Key Management Personnel are not separately identifiable and hence not included.

(b) Compensation to KMP as specified in 47.1(f) above (Other than disclosed 48(a))

Particulars	As at 31st March, 2022	As at 31st March, 2021
Short term employee benefits		
Mrs. Smita Nanda	22.12	9.60
Mr. Shailesh Bhaskar	-	0.52
Mrs. Shruti Shivastava	-	1.12
Ms. Ruchita Shah	1.34	1.21
Mr. Hemal Sagalia	9.67	-
Total	**33.13**	**12.45**

As the liabilities for defined benefit plans are provided on actuarial basis for the Group as a whole, the amounts pertaining to Key Management Personnel are not included.

49 Earnings per share

Particulars	As at 31st March, 2022	As at 31st March, 2021
Basic and diluted earning per share		
Profit attributable to the equity holders of the group	(2,267.18)	(3,629.39)
Weighted average number of equity shares	2,35,84,058	2,35,84,058
Face value per equity share (Rs.)	10	10
Basic and diluted earnings per share	(9.61)	(15.39)

50 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

(i) Disclosures for defined contribution plan

The Group has certain defined contribution plans. The obligation of the group is limited to the amount contributed and it has no further contractual obligation. Following is the details regarding group's contributions made during the year:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provident fund	55.80	31.92
Pension fund	77.24	37.72
Employees' state insurance (ESIC)	24.67	11.41
Maharashtra labour welfare fund	0.33	0.46
Total	**158.04**	**81.51**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(ii) Disclosures for defined benefit plans

(a) Defined benefit obligations - Gratuity

The group has a defined benefit gratuity plan for its employees (in Holding Company & one subsidiary). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972. The scheme is funded with insurance companies in the form of a qualifying insurance policy in respect on Holding Company.In respect four subsidiaries there are no employees and hence no provision for employee benefit is made.

Risks associated with plan provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follows:

Investment/ asset risk	All plan assets are maintained in a trust fund managed by a public sector insurer viz; LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Group has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Group has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.
Interest rate risk	The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
Salary inflation risk	Higher than expected increases in salary will increase the defined benefit obligation.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

For determination of the liability in respect of compensated gratuity, the group has used following actuarial assumptions:

Gratuity (Funded)- Holding Company

Particulars	**As at 31st March 2022**	**As at 31st March 2021**
Discount Rate (per annum)	6.40%	6.05%
Rate of Return on Plan Assets (per annum)	6.45%	6.45%
Salary Escalation (per annum)	6.50%	6.50%
Attrition Rate (per annum)	10.00%	10.00%
Mortality Rate	As per Indian Assured lives Mortality (2012-14)	As per Indian Assured lives Mortality (2012-14)

Changes in the present value of obligations	**As at 31st March 2022**	**As at 31st March 2021**
Liability at the beginning of the year	369.67	387.28
Interest cost	20.16	22.65
Current service cost	40.81	47.68
Benefits paid	(73.37)	(39.72)
Actuarial (gain) / loss on obligations	(25.86)	(48.22)
Liability at the end of the year	**331.41**	**369.67**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Changes in the fair value of plan assets	**As at 31st March 2022**	**As at 31st March 2021**
Opening fair value of plan assets	102.74	109.44
Expected return on plan assets	5.33	6.53
Employers contribution	12.13	29.07
Benefits paid	(73.37)	(39.72)
Actuarial gain / (loss) on plan assets	(0.88)	(2.58)
Closing fair value of plan assets	**45.95**	**102.74**

Table of recognition of actuarial gain / loss	**As at 31st March 2022**	**As at 31st March 2021**
Actuarial (gain) / loss on obligation for the year	(25.86)	(48.22)
Actuarial gain / (loss) on assets for the year	(0.88)	(2.58)
Actuarial (gain) / loss recognised in other comprehensive income	**(24.98)**	**(45.64)**

Breakup of actuarial (gain) / loss:	**As at 31st March 2022**	**As at 31st March 2021**
Actuarial loss arising from change in financial assumption	(5.81)	7.70
Actuarial (gain) / loss arising from experience	(20.05)	(55.92)
Actuarial gain / (loss) on plan assets	0.88	2.58
Actuarial (gain) / loss recognised in other comprehensive income	**(24.98)**	**(45.64)**

Liability recognized in the Balance Sheet:	**As at 31st March, 2022**	**As at 31st March, 2021**
Liability at the end of the year	331.41	369.67
Fair value of plan assets at the end of the year	(45.95)	(102.74)
Amount Recognized in the Balance Sheet	**285.46**	**266.93**

Expenses recognized in the Statement of profit and loss:	**As at 31st March 2022**	**As at 31st March 2021**
Current service cost	40.81	47.68
Interest cost	20.16	22.65
Expected return on plan assets	(5.33)	(6.53)
Actuarial (gain) / loss	(24.98)	(45.64)
Expense / (income) recognized in		
-Statement of profit and loss	55.64	63.80
-other comprehensive income	(24.98)	(45.64)

Balance sheet reconciliation	**As at 31st March, 2022**	**As at 31st March, 2021**
Opening net liability	266.93	277.84
Expense recognised in Statement of Profit and Loss	30.65	18.16
LIC contribution during the year	(12.13)	(29.07)
Amount Recognized in Balance Sheet	**285.45**	**266.93**
-Non-Current portion of defined benefit obligation	243.68	223.80
-Current portion of defined benefit obligation	41.77	43.13

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Sensitivity analysis of benefit obligation (Gratuity)

Particulars	As at 31st March, 2022	As at 31st March, 2021
a)Impact of change in discount rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 0.5%	323.44	360.10
b) Impact due to decrease of 0.5%	339.78	379.76
b)Impact of change in salary growth		
Present value of obligation at the end of the year		
a) Impact due to increase of 0.5%	339.15	379.31
b) Impact due to decrease of 0.5%	323.69	360.45
c)Impact of change in withdrawal rate		
Present value of obligation at the end of the year		
a) withdrawal rate Increase of 10%	330.95	368.44
b) withdrawal rate decrease of 10%	331.84	370.94
d)Impact of change in mortality rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 10%	331.45	369.71
b) Impact due to decrease of 10%	331.36	369.64

Maturity profie of defined benefit obligation

Particulars	As at 31st March 2022	As at 31st March 2021
Weighted average duration of the defined benefit obligation years	5.15	5.44
Projected benefit obligation amount	331.41	369.67

Payout analysis

Particulars	As at 31st March 2022	As at 31st March 2021
1st year	74.29	72.58
2nd year	38.44	45.23
3rd year	35.04	39.53
4th year	44.35	35.38
5th year	32.61	43.42
Next 5 year payout (6-10 year)	135.93	159.73

(b) Defined benefit obligations - Gratuity (Non funded) (Subsidiary company)

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. As per the policy of the Group, obligations on account of payment of gratuity of an employee is settled only on termination / retirement of the employee. Gratuity is provided in the books on the basis of Actuarial Valuation. It is an unfunded plan in respect of subsidiary having employees.

Particulars	As at 31st March, 2022	As at 31st March, 2021
Discount Rate (per annum)	7.15%	6.85%
Salary Escalation (per annum)	8.00%	8.00%
Attrition Rate (per annum)	5.00%	5.00%
Mortality Rate	Indian Assured lives Mortality (2012-14)	Indian Assured lives Mortality (2012-14)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Changes in the present value of obligations	**As at 31st March, 2022**	**As at 31st March, 2021**
Liability at the beginning of the year	29.02	37.00
Interest cost	1.93	2.50
Current service cost	10.57	13.08
Benefits paid	(2.45)	(3.86)
Actuarial (gain) / loss on obligations	(6.41)	(19.70)
Liability at the end of the year	**32.66**	**29.02**

Table of recognition of actuarial (gain) / loss	**As at 31st March, 2022**	**As at 31st March, 2021**
Actuarial (gain) / loss on obligation for the year	(6.41)	(19.70)
Actuarial gain / (loss) on assets for the year	-	-
Actuarial (gain) / loss recognised in other comprehensive income	**(6.41)**	**(19.70)**

Breakup of actuarial (gain) / loss:	**As at 31st March, 2022**	**As at 31st March, 2021**
Actuarial loss / (gain) arising from change in demographic assumption	-	-
Actuarial loss arising from change in financial assumption	(1.18)	-
Actuarial loss / (gain) arising from experience	(5.23)	(19.70)
Total	**(6.41)**	**(19.70)**

Amount recognized in the Balance Sheet:	**As at 31st March 2022**	**As at 31st March 2021**
Liability at the end of the year	32.66	29.02
Fair value of plan assets at the end of the year	-	-
Amount Recognized in the Balance Sheet	**32.66**	**29.02**

Expenses recognized in the Statement of profit and loss:	**As at 31st March, 2022**	**As at 31st March, 2021**
Current service cost	10.57	13.08
Interest cost	1.93	2.50
Expense recognized in statement of profit and loss	**12.50**	**15.58**

Balance sheet reconciliation	**As at 31st March 2022**	**As at 31st March 2021**
Opening net liability	29.02	37.00
Expense recognised in Statement of Profit and Loss	12.50	15.58
Expense / (income) recognised in Other comprehensive income	(6.41)	(19.70)
Benefits paid	(2.45)	(3.86)
Amount Recognized in Balance Sheet	**32.66**	**29.02**
Non current portion of defined benefit obligation	31.85	27.30
Current portion of defined benefit obligation	0.81	1.72

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Sensitivity analysis of benefit obligation

Particulars	As at 31st March, 2022	As at 31st March, 2021
a)Impact of change in discount rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 1%	30.82	27.22
b) Impact due to decrease of 1%	34.66	31.00
b)Impact of change in salary growth		
Present value of obligation at the end of the year		
a) Impact due to increase of 1%	34.55	30.82
b) Impact due to decrease of 1%	30.87	27.29
c)Impact of change in attrition rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 1%	32.37	28.67
b) Impact due to decrease of 1%	32.95	29.36
d)Impact of change in mortality rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 10%	32.65	29.01
b) Impact due to decrease of 10%	32.66	29.02

Maturity profie of defined benefit obligation

Particulars	As at 31st March 2022	As at 31st March 2021
Weighted average duration of the defined benefit obligation	11.57	12.86

Payout analysis

Particulars	As at 31st March 2022	As at 31st March 2021
1st year	0.81	1.72
2nd year	1.23	0.77
3rd year	1.64	1.14
4th year	1.59	1.49
5th year	1.73	1.49
Next 5 year payout (6-10 year)	14.39	9.69

(c) Compensated absences (non-funded)

As per the policy of the group, obligations on account of benefit of accumulated leave of an employee is settled only on termination / retirement of the employee. Such liability is recognised on the basis of actuarial valuation following Project Unit Credit Method.(In case of Holding Company and one subsidiary company)

Risks associated with plan provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such group is exposed to various risks as follows:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Interest rate risk	The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
Salary inflation risk	Higher than expected increases in salary will increase the defined benefit obligation.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

For determination of the liability in respect of compensated absences, the group has used following actuarial assumptions:

For determination of the liability in respect of compensated absences, the group has used following actuarial assumptions:

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
Discount rate	6.40% - 7.15%	6.05% - 6.85%
Salary escalation	6.50% - 8.00%	6.50% - 8.00%
Attrition rate	5.00%-10.00%	5.00%-10.00%
Mortality rate	Indian Assured lives Mortality (2012-14)	Indian Assured lives Mortality (2012-14)

Changes in the present value of obligations:	**As at 31st March, 2022**	**As at 31st March, 2021**
Liability at the beginning of the year	258.53	334.38
Interest cost	13.28	17.77
Current service cost	43.97	55.68
Benefits paid	(41.15)	(78.12)
Actuarial (gain) / loss on obligations	(34.08)	(71.18)
Liability at the end of the year	**240.55**	**258.53**

Table of recognition of actuarial (gain) / loss :	**As at 31st March, 2022**	**As at 31st March, 2021**
Actuarial (gain) / loss on obligation for the year	(34.08)	(71.18)
Actuarial gain / (loss) on assets for the year	-	-
Actuarial (gain) / loss recognized in Statement of Profit and Loss	**(34.08)**	**(71.18)**

Amount recognized in the Balance Sheet:	**As at 31st March 2022**	**As at 31st March 2021**
Liability at the end of the year	240.54	258.53
Fair value of plan assets at the end of the year	-	-
Amount recognized in the Balance Sheet	**240.54**	**258.53**

Expenses recognized in the Statement of profit and loss:	**As at 31st March 2022**	**As at 31st March 2021**
Current service cost	43.96	55.68
Interest cost	13.29	17.77
Actuarial (gain) / loss	(34.09)	(71.18)
Expense recognized in Statement of Profit and Loss	**23.16**	**2.27**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Balance Sheet Reconciliation	**As at 31st March 2022**	**As at 31st March 2021**
Opening net liability	258.53	334.38
Expense recognised in Statement of Profit and Loss	23.16	2.27
Benefits Paid	(41.15)	(78.12)
Amount recognized in Balance Sheet	**240.54**	**258.53**
Non-current portion of defined benefit obligation	170.33	192.70
Current portion of defined benefit obligation	70.22	65.83

Sensitivity analysis of benefit obligation (Leave encashment)

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**
a)Impact of change in discount rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 0.5%	211.25	234.71
b) Impact due to decrease of 0.5%	222.19	246.92
b)Impact of change in salary growth		
Present value of obligation at the end of the year		
a) Impact due to increase of 0.5%	222.14	246.85
b) Impact due to decrease of 0.5%	211.24	234.71
c)Impact of change in withdrawal rate		
Present value of obligation at the end of the year		
a) withdrawal rate Increase of 1% to 10%	216.48	240.27
b) withdrawal rate decrease of 1% to 10%	216.66	241.05
d)Impact of change in mortality rate		
Present value of obligation at the end of the year		
a) Impact due to increase of 1% of 10%	216.58	240.65
b) Impact due to decrease of 1% to 10%	181.86	240.63

Maturity profile of defined benefit obligation

Particulars	**As at 31st March 2022**	**As at 31st March 2021**
Weighted average duration of the defined benefit obligation	7.81	8.15
Projected benefit obligation	245.80	258.53

Payout analysis

Particulars	**As at 31st March 2022**	**As at 31st March 2021**
1st year	51.72	50.40
2nd year	27.52	34.08
3rd year	25.50	28.13
4th year	29.24	25.62
5th year	18.42	26.73
Next 5 year payout (6-10 year)	77.51	88.55

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

51 Leases

I) Group as lessee:

The Group has taken hotel property under non-cancellable operating leases. The Group has recognised management fees/ rent expenses of Rs. 236.95 lakhs during the year (Previous Year Rs. 110.55 lakhs) which is contingent in nature.

Note:

a) With respect to hotel properties/ land taken under lease/ operation and management arrangement, Group is liable to pay management fees/ rent based on gross operating profits, revenue etc. Since future revenue is contingent in nature, other disclosures as required under Ind AS 116 - 'Leases' are not quantifiable with respect to such arrangements as at 31st March 2022.

b) For depreciation and carrying value of right of use asset, refer table below:

ROU asset	Carrying value as at year ended 31st March 2022	Depreciation for the year ended 31st March 2022
Land & building	2,069.17	50.89

ROU asset	Carrying value as at year ended 31st March 2021	Depreciation for the year ended 31st March 2021
Land & building	2,120.06	50.88

c) Disclosure with respect to lease under Ind AS-116 Leases:

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Interest expense on lease liabilities	305.64	306.96
Lease expenses in case of short term leases	-	-
Lease expenses in case of low value leases (other than short term as disclosed above)	-	-
Lease expenses debited to lease liabilities	285.32	259.70
Total cash outflow for leases (incl. short term & low value leases)	174.08	154.48
Additions to ROU assets (including additions as on 1st April 2019)	-	-
Variable lease payments not considered in measurement of lease liabilities	236.95	110.55

II) Group as a lessor

The Group has given shops, office premises and hotel property under operating lease under non-cancellable operating leases. The Group had recognised management fees or royalty income of Rs. 125.94 lakhs (Previous year Rs. 127.82 lakhs). Maturity analysis of minimum lease income (undiscounted and excluding variable lease income) for above lease arrangement are as follows:

Particulars	As at 31st March 2022	As at 31st March 2021
Not later than one year	98.18	110.37
Later than one year and not later than five years	138.48	31.70
Later than five years	0.52	2.62
	237.18	**144.69**

Total contingent rent income (in the form of management or royalty fees) recognised is Rs.35.59 lakhs (Previous year Rs. 19.20 lakhs).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Note:

With respect to hotel property given under operation and management agreement, Group gets management fees calculated based on percentage of revenue earned by the lessee from this property. Since future revenue is based on percentage of revenue which is contingent in nature, other disclosures as required under Ind AS 116 - 'Leases' are not quantifiable with respect to such arrangement as at 31st March, 2022 and as at 31st March, 2021.

52 Note on Cash Flow Statement

i) The aggregate amount of outflow on account of direct taxes paid is Rs 91.97 lakhs (Previous year: net inflow Rs. 209.26 lakhs) after refunds received.

ii) Changes in financing liabilities arising from cash and non-cash changes:

Particulars	Opening Balance	Cash flows / (outflows)	Non-cash changes		Closing Balance
			Others	Interest accruals	
For the year ended 31st March 2022					
Borrowings (including interest dues)	50,494.76	(1,499.34)		4,313.62	53,309.04
Lease liabilities	1,894.63	(174.08)		305.64	1,896.34
For the year ended 31st March 2021					
Borrowings (including interest dues)	46,451.48	617.17	-	3,426.11	50,494.76
Lease liabilities	1,889.74	(154.48)	-	306.96	1,894.63

iii) Breakup of cash and cash equivalent is as given below:

Particulars	As at 31st March 2022	As at 31st March 2021
Cash and cash equivalent as per note 19	2,253.86	1,346.85
Net cash and cash equivalent	2,253.86	1,346.85
Less: Cash and cash equivalent shown under financing activity	-	-
Net cash and cash equivalent as disclosed in cash flow statement	**2,253.86**	**1,346.85**

53 Disclosures as required by Indian Accounting Standard (Ind AS) 108 - Operating Segments

There are no reportable segments under Ind AS-108 'Operating Segments' as the Group is operating only in the hospitality service segment, therefore, disclosures of segment wise information is not applicable. Further, no single customer represents 10% or more of the group's total revenue during the year ended 31st March 2022 and 31st March 2021.

54 Going concern assumption

i) As per standalone financial results of the Holding Company, there are accumulated losses as at 31st March 2022 and current liabilities exceed the current assets as on 31st March 2022 and 31st March 2021. Further, in respect of loans, there are delays in repayment of principal, payment of interest and overdue instalments as on 31st March, 2022. In the opinion of the management, considering the future business prospects, management's action to mitigate the impact of COVID-19 as described in note 56, management's request for seeking extension of the loan dues as stated in note 26.7 and the fact that the fair values of the assets are significantly higher than the borrowings/debts, 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.

ii) The subsidiary company (OHPPL) has incurred losses in the previous year, its net worth is fully eroded and also its current liabilities exceeds the current assets as on 31st March 2022. Further, there are defaults in repayment of loans & interest and non-provision of interest. Considering, the limited support available from the Holding Company due to its financial constraints, considering provision for impairment of property, plant and equipment made in the earlier years and management's action to mitigate the impact of COVID-19 as described in note 56 and the fact that the Company has earned profits in the current year, in the opinion of the management, the financial results are prepared on going concern basis.

iii) The subsidiary company (MPPL) has incurred losses in the year ended 31st March 2022 and also 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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

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 56.

iv) There are accumulated losses, negative net worth and negative working capital in Holding Company and two subsidiaries (OHPPL & MPPL). For preparation of standalone financials 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, management's action to mitigate the impact of COVID-19 as described in note 56 of the consolidated financial statements and also fair value of the assets of Holding Company are significantly higher than the borrowing/debts and that the Holding Company is exploring possiblities to divest/liquidate some of its properties. In view of the above and in the opinion of management, the consolidated financial statements have also been prepared on a going concern basis.

55 In earlier year, Group's three hotel properties in Orissa were affected due to ‘Cyclone Fani’. In resect of Holding Company, net block of assets destroyed was Rs. Nil. Pending final approval, based on the management’s assessment, insurance claim of Rs. 373.17 lakhs was accounted in the previous year and disclosed as ‘exceptional item’. Further, during the previous year, based on assessment of claim receivable, additional loss of Rs. 5.97 lakhs was recognised in the statement of profit and loss and subsequently, the insurance claim was received.

56 The business has been impacted during the year ended 31st March, 2022 on account of COVID-19. During the first quarter of the year, the Group's revenues were adversely impacted due to lock downs imposed in several states across the country to control second wave of COVID-19. The performance of the Group was also affected due to the travel restrictions caused by the third wave in January 2022. After withdrawal of restrictions followed by massive vaccinations, as the normalcy restored in rest of the period during the year, the Group witnessed positive recovery of demand and growth in business driven by increase in domestic and international leisure and business travel. In order to assess the impact of COVID-19, the Group 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 Group expects to recover the carrying amounts of all the assets. 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 will continue to monitor the future economic conditions and assess its impact on financial performance.

57 Other Statutory Information

(i) The Group does not have any Benami property. No proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Group has not advanced to or loaned to or invested funds in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that such Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(iii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(iv) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961)

(v) The Group has not been declared as a wilful defaulter as prescribed by Reserve Bank of India.

(vi) During the year, the Group did not have transactions with any company which was struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

58 Additional information as required under schedule III to the Companies Act, 2013, of the enterprises consolidated as subsidiary are as given below.

As at 31st March, 2022

Name of the Entity	Net Assets		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount
Holding Company				
Kamat Hotels (India) Limited	22.59	(4,091.69)	98.82	(2,215.71)
Subsidiaries				
Orchid Hotels Pune Private Limited	160.80	(29,131.13)	(1.29)	28.83
Kamats Restaurants (India) Pvt Ltd	0.01	(1.57)	0.02	(0.43)
Mahodadhi Palace Private Limited	8.28	(1,500.83)	1.76	(39.57)
Fort Jadhavgadh Hotels Private Limited	0.01	(2.58)	0.02	(0.47)
Orchid Hotel Eastern (India) Pvt Ltd.	(0.19)	33.85	(0.06)	1.41
(Formely known as Green Dot Restaurant Private Limited)				
Joint Venture				
Ilex Developers and Resorts Limited	-	-	1.84	(41.33)
Consolidation Adjustment / Eliminations	(91.50)	16,577.24	(1.12)	25.19
Total	**100.00**	**(18,116.71)**	**100.00**	**(2,242.08)**

As at 31st March, 2021

Name of the Entity	Net Assets		Share in total comprehensive income	Amount
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	
Holding Company				
Kamat Hotels (India) Limited	11.82	(1,875.98)	76.16	(2,723.05)
Subsidiaries				
Orchid Hotels Pune Private Limited	183.69	(29,159.96)	21.10	(754.46)
Kamats Restaurants (India) Pvt Ltd	0.01	(1.14)	0.01	(0.36)
Mahodadhi Palace Private Limited	9.21	(1,461.26)	11.88	(424.88)
Fort Jadhavgadh Hotels Private Limited	0.01	(2.11)	0.01	(0.41)
Orchid Hotel Eastern (India) Pvt Ltd.	(0.20)	32.44	-	0.02
(Formely known as Green Dot Restaurant Private Limited)				
Joint Venture				
Ilex Developers and Resorts Limited	(0.26)	41.33	1.88	(67.18)
Consolidation Adjustment / Eliminations	(104.27)	16,552.05	(11.04)	394.78
Total	**100.00**	**(15,874.63)**	**100.00**	**(3,575.54)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

59 Financial instruments - Accounting classifications & fair value measurement

(a) Financial instruments by category

Sr. No.	Particulars	31st March 2022			31st March 2021		
		Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL
A	**Financial assets**						
(i)	Non-current investments	-	-	17.72	-	-	19.66
(ii)	Non-current loans	-	-	-	-	-	-
(iii)	Other non-current financial assets	2,234.16	-	-	2,107.52	-	-
(iv)	Trade receivables (net)	986.29	-	-	567.54	-	-
(v)	Cash and cash equivalents	2,253.86	-	-	1,346.85	-	-
(vi)	Other bank balances	96.16	-	-	103.78		
(vii)	Other current financial assets	57.72	-	-	42.81	-	-
(viii)	Investments	-	-	6.61	-	-	5.28
(ix)	Loans	0.04	-	-	58.75	-	-
	Total financial assets	**5,628.23**	**-**	**24.33**	**4,227.25**	**-**	**24.94**
B	**Financial liabilities**						
(i)	Non-current borrowings	3,972.76	-	-	6,419.49	-	-
(ii)	Lease liabilities - non-current	1,722.91	-	-	1,697.05	-	-
(iii)	Other non-current financial liabilities	97.20	-	-	107.96	-	-
(iv)	Trade payables	2,176.56	-	-	2,317.99	-	-
(v)	Borrowings - current	40,124.89			38,637.40		
(vi)	Lease liabilities - current	173.43			197.58		
(vii)	Other current financial liabilities	12,829.50	-	-	8,956.45	-	-
	Total financial liabilities	**61,097.25**	**-**	**-**	**58,333.92**	**-**	**-**

FVTOCI - Fair Value Through Other Comprehensive Income

FVTPL - Fair Value Through Profit or Loss

Note: Above disclosure excludes investments (gross) in joint venture amounting to Rs. Nil as on 31st March, 2022 (Previous year: Rs. 41.33 lakhs) as these are valued at cost in accordance with Ind AS 27 - 'Separate Financial Statement'.

(b) Fair valuation techniques

The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The management assessed that fair value of Trade receivables (net), Cash and cash equivalents, Other current financial assets, Borrowings, Financial liabilities, Trade payables, Current lease liabilities, Other current financial liabilities etc., approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of other financial asset and liabilities will be approximate to their carrying amounts as they are priced to market interest rates on or near the end of reporting period.

(c) Fair value hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(d) Financial assets / liabilities measured at fair value

The following table represents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis.

Particulars	Level	31st March 2022		31st March 2021	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Non-current investments	Level 1	0.06	0.06	0.03	0.03
Non-current investments	Level 2	17.66	17.66	19.63	19.63
Current investments	Level 1	6.61	6.61	5.28	5.28
Total financial assets		**24.33**	**24.33**	**24.94**	**24.94**

Notes:

(i) The Group has not disclosed the fair value of financial instruments such as trade receivables, trade payables, short term loans, deposits, borrowings etc. because their carrying amounts are a reasonable approximation of fair value.

(ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iii) There have been no transfers between Level 1 and Level 2 for the year ended March 31, 2022 & March 31,2021.

(e) Financial / Bank guarantee contracts

Particulars	As at 31st March 2022	As at 31st March 2021
(a) Corporate guarantee given to a bank in respect of credit facilities availed by Joint Venture Company	1,000.00	1,000.00
(b) Counter guarantee issued by the Company to secure bank guarantee obtained by the Company	32.34	32.34

In respect of (a) above, fair value of financials guarantee contract is Nil for the reason stated in note 2.6(x) and note 35.1(a)

60 Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of Directors on its activities. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit team. Internal audit team undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk

(a) Credit risk :

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instruments fail to meet its contractual obligations. The Group is exposed mainly to credit risk which arises from cash and cash equivalents and deposit with banks.

(i) Cash and cash equivalent

The Group considers factors such as track record, size of institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The bank balance and fixed deposits are generally maintained with the banks with whom the Group has regular transactions. Further, the Group does not maintain significant cash in hand other than those required for its day to day operations. Considering the same, the Group is not exposed to expected credit loss of cash and cash equivalent and bank deposits.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(ii) Trade receivables

The major exposure to the credit risk at the reporting date is primarily from receivable comprising of trade receivables. Credit risk on receivable is limited due to the Group's diverse customer base. The effective monitoring and controlling of credit risk through credit evaluations is a core competency of the Group's risk management system.

For expected credit loss of trade receivable, Group follows simplified approach as per which provision is made for receivable exceeding six months/ one year based on category of receivable. This is based on historically observed default rates over the expected life of trade receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

The Reconciliation of Expected Credit Allowance (ECL) is as given below:

Particulars	31st March 2022	31st March 2021
Balance at the beginning	1,522.00	1,437.61
Less: Utilized	4.96	11.17
	1,517.04	1,426.44
Add / (Less): Provision for ECL made in the year / (written back)	125.96	95.56
Balance at the year end	**1,643.00**	**1,522.00**

(b) Liquidity risk :

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Group's reputation.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets.

(i) Maturities of financial liabilities:

The following are the remaining contractual maturities of financial liabilities at the reporting date:

Particulars	Less than 1 year	1 to 5 year	Above 5 years	Total
As at 31st March 2022				
Borrowings	40,124.89	3,972.76	-	44,097.65
Lease liabilities	173.43	677.91	1,045.00	1,896.34
Trade payables	2,176.56	-	-	2,176.56
Other financial liabilities	75.89	-	21.31	97.20
Other current financial liabilities	12,829.50	-	-	12,829.50
As at 31st March 2021				
Borrowings	38,637.40	6,419.49	-	45,056.89
Lease liabilities	223.22	724.37	942.15	1,889.74
Trade payables	2,317.99	-	-	2,317.99
Other financial liabilities	107.96	-	23.17	131.13
Other current financial liabilities	8,956.45	-	-	8,956.45

(c) Market risk

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The pre dominant currency of the Groups's revenue and operating cash flows is Indian Rupees (INR). Group has earnings in foreign currency. There is no foreign currency risk as there is no outstanding foreign currency exposure at the year end.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

(i) Interest Rate Risk

The Group has taken term loans from bank and others (including loan assigned by banks on one time settlement). With respect to loans which are settled with banks or assigned to asset reconstruction companies aggregating to Rs. 3,284.00 lakhs as at 31st March 2022 (as at 31st March 2021 Rs. 3,558.79 lakhs), there is no interest payable. Other borrowings attracts fixed rate of interest. Therefore, there are no interest rate risks, since neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.

With respect to loan from IARC in one of the subsidiaries (Orchid Hotels Pune Private Limited), it has not provided / paid any interest on the loan. Considering same, interest rate risk as defined in Ind AS 107 is not quantifiable, since the future cash flows are dependent on settlement procedures and financial position of this subsidiary.

(ii) Foreign Currency Risk

The pre dominant currency of the Group's revenue and operating cash flows is Indian Rupees (INR). Group has earnings in foreign currency, however it has no exposure in foreign currency at the year end. Considering the same, there is no foreign currency risk to the Group.

61 Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern so, that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce cost of capital. The Group manages its capital structure and make adjustments to, in light of changes in economic conditions, and the risk characteristics of underlying assets. In order to achieve this overall objective, the Group’s capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. Based on the loan extentions and also the verbal / in-principle approvals received during the year, the event of default is not triggered. To manage the capital, the management has requested the lenders for extention/settlement of the loan dues and also exploring possibilities to divest/liquidate some of its properties. Also refer note 54 and 56.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by equity. Net debt is calculated as total borrowing (including current and non-current terms loans as shown in the balance sheet).

As stated in note 35.1(b) subsidiary company's (Orchid Hotels Pune Private Limited) borrowings have become non-performing assets and loan was assigned by Bank to ARC. The subsidiary company has also offered full co-operation to the lenders on their proposal to find a viable solution for revival of the hotel property.

The Group's total Debt to Equity are as follows, the necessary actions for its improvement are being taken by the Group:

Particulars	**As at 31st March 2022**	**As at 31st March 2021**
Total debt*	6,419.49	43,927.88
Total capital (total equity shareholder's fund)	(18,116.71)	(15,874.63)
Net debt to equity ratio	**NA**	**NA**

*** Total debt = Non-current borrowings + current borrowings + current maturities of non-current borrowings**

The notes referred to above form and integral part of the consolidated financial statements.
As per our audit report of even date

For N.A.Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

Sandeep Shah
Partner
Membership No. 37381

Place: Mumbai
Date: 19th May, 2022

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

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

Ramnath P. Sarang
Director
(DIN : 02544807)

Smita Nanda
Chief Financial Officer

Hemal Sagalia
Company Secretary

Place: Mumbai
Date: 19th May, 2022

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Salient Features of Financial Statements of Subsidiaries / Joint Venture as per Companies Act, 2013

Part "A": Subsidiaries

(Amount in rupees lakhs, except share and per share data, unless otherwise stated)

Sr. No.	Name of the Subsidiary Company	The Date since Subsidiary was acquired	Year	Reporting Currency	Equity Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Revenue from Operations/ Other Income	Profit Before Taxation	Provision for Taxation	Profit after Taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend
1	Orchid Hotels Pune Private Limited	21-05-09	2021-2022	INR	1,176.47	(30,307.60)	17,532.28	46,663.41	-	3,856.05	22.42	-	22.42	6.41	28.83	Nil
			2020-2021	INR	1,176.47	(30,336.43)	17,150.00	46,309.96	-	1,552.21	(774.16)	-	(774.16)	19.70	(754.46)	Nil
2	Kamats Restaurants (India) Private Limited	28-05-11	2021-2022	INR	1.00	(2.57)	0.19	1.76	-	-	(0.43)	-	(0.43)	-	(0.43)	Nil
			2020-2021	INR	1.00	(2.14)	0.18	1.32	-	-	(0.36)	-	(0.36)	-	(0.36)	Nil
3	Mahodadhi Palace Private Limited (Formerly Fort Mahodadhinivas Palace Private Limited)	30-04-11	2021-2022	INR	1.00	(1,501.83)	1,175.88	2,676.71	-	24.63	(43.94)	4.37	(39.57)	-	(39.57)	Nil
			2020-2021	INR	1.00	(1,462.26)	1,141.86	2,603.12	-	23.18	(554.33)	129.44	(424.89)	-	(424.89)	Nil
4	Fort Jadhavgadh Hotels Private Limited	15-03-12	2021-2022	INR	1.00	(3.58)	0.18	2.76	-	-	(0.47)	-	(0.47)	-	(0.47)	Nil
			2020-2021	INR	1.00	(3.11)	0.17	2.28	-	-	(0.41)	-	(0.41)	-	(0.41)	Nil
5	Orchid Hotels Eastern (India) Private Limited (Formerly Green Dot Restaurants Private Limited)	25-10-12	2021-2022	INR	1.00	32.85	34.09	0.24	-	2.27	1.90	0.49	1.41	-	1.41	Nil
			2020-2021	INR	1.00	31.44	32.48	0.04	-	0.40	0.03	0.01	0.02	-	0.02	Nil

Salient Features of Financial Statements of Subsidiaries / Joint Venture as per Companies Act, 2013

Part "B": Joint Venture

				Shares held by the Company on the year end			Networth attributable to shareholding as per latest audited Balance Sheet	Profit/(Loss) for the year			
Sr. No.	Name of the Joint Venture	Latest Audited Balance Sheet date	Date on which the Joint Venture was acquired	No. of Shares	Amount of Investment	Extent of Holding		Considered in consolidation (to the extent of Group's effective shareholding, under Equity method)	Not Considered in Consolidation	Description of how there is significant influence	Reason why the Joint Venture is not consolidated
1	Ilex Developers & Resorts Limited	31 March, 2022	23 March, 2010	266500	533.00	32.92%	189.03	(41.33)	(170.47)	32.92% Shareholding	not a subsidiary
		31 March, 2021		266500	533.00	32.92%	258.75	(67.18)	(116.18)	32.92% Shareholding	not a subsidiary

As per our audit report of even date

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

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

Ramnath P. Sarang
Director
(DIN : 02544807)

Smita Nanda
Chief Financial Officer

Hemal Sagalia
Company Secretary

Place: Mumbai
Date: 19th May, 2022

Financial Highlights of the Company (Standalone)

Rs. in lakhs

Particulars	2021-22	2020-21	2019-20	**2018-19**	**2017-18**	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**	**2011-12**
Income from operations	10,818.68	5,162.26	17,868.93	19,239.08	17,528.61	15,466.91	15,084.55	13,331.29	13,405.76	13,831.97	14,162.77
Other Income	60.59	100.49	89.99	180.19	497.10	995.51	731.65	599.34	2,273.30	2,455.29	2,229.04
Total Income	10,879.27	5,262.75	17,958.92	19,419.27	17,528.61	16,462.42	15,816.20	13,930.63	15,679.06	16,287.26	16,391.81
Total Expenditure	13,849.43	9,350.68	16,734.71	15,837.02	14,172.05	14,449.49	16,369.34	20,400.20	40,489.66	17,203.91	16,373.20
Profit/(Loss) Before Tax (including Exceptional items)	(2,970.16)	(3,714.76)	3,593.49	3,582.25	5,108.46	3,482.94	(553.14)	(6,469.57)	(24,810.60)	(916.65)	18.61
Taxation	(735.76)	(957.56)	23.90	1,075.29	*1,319.43*	24.99	(117.17)	(553.88)	(1,549.91)	(350.26)	(80.58)
Profit/(Loss) After Tax	(2,234.40)	(2,757.20)	3,569.59	2,506.96	3,789.03	3,817.95	(8,528.27)	(5,915.69)	(23,260.69)	(566.39)	99.19
Equity Share Capital	2,417.26	2,417.26	2,417.26	2,417.26	2,417.26	2,417.26	2,417.26	2,417.26	2,417.26	1,968.19	1,968.19
Reserves and Surplus	(6,508.95)	(4,293.24)	(1,570.19)	(5,149.28)	(7,660.80)	(11,379.08)	(13,585.02)	(5,056.76)	1,418.95	22,642.61	23,209.01
Net-worth	(4,380.62)	(2,169.91)	553.14	(3,025.77)	(5470.62)	(9255.75)	(11,461.69)	(2,933.42)	3,542.28	24,316.87	24,883.26
Earning per Share (Rs.)	(9.47)	(11.69)	15.14	10.63	16.07	16.19	(36.16)	(25.08)	(111.67)	(2.97)	0.62
Book Value per Share (Rs.)	(18.57)	(9.20)	2.35	(12.83)	(23.20)	(39.25)	(48.54)	(12.44)	15.02	127.36	130.32
Return on Net Worth (percentage)	NA	NA	645.33	NA	NA	NA	NA	NA	(656.66)	(2.33)	0.40
Dividend	-	-	-	-	-	-	-	-	-	-	-

(*As per Ind As Financials)

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