

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

12<sup>th</sup> August, 2022

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

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

Code: 526668

Code:- KAMATHOTEL-EQ

Dear Sirs,

Sub: Outcome of Board Meeting.

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the said Regulations”) we hereby inform you that the Board of Directors of the Company at their meeting held today i.e. 12<sup>th</sup> August, 2022 have inter-alia accorded their approval for the following matters:

**Unaudited Standalone and Consolidated Financial Results for the quarter ended 30<sup>th</sup> June, 2022.**

Pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the following:

- i) Unaudited Standalone and Consolidated Financial Results for the quarter ended 30<sup>th</sup> June, 2022
- ii) Limited Review Report of the Standalone and Consolidated financial results for the quarter ended 30<sup>th</sup> June, 2022 issued by the Statutory Auditors of the Company.

The Meeting commenced at 12.15 p.m. and concluded at 3.18 p.m.

You are requested to take the above on record.

Thanking You,  
Yours faithfully,  
For Kamat Hotels (India) Limited

Dr. Vithal V. Kamat  
DIN00195341  
Executive Chairman and Managing Director  
Encl. a/a.



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



# N. A. SHAH ASSOCIATES LLP

Chartered Accountants

**Limited Review Report on unaudited standalone financial results for the quarter ended 30<sup>th</sup> June 2022 of Kamat Hotels India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

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

1. We have reviewed the accompanying unaudited standalone financial results ("the Statement") of Kamat Hotels India Limited ('the Company') for the quarter ended 30th June, 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

#### Management responsibility for the Statement

2. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
3. The Statement includes unaudited results for the quarter ended 31st March, 2022 being the derived figures between the audited annual figures in respect of the financial year ended 31st March, 2022 and the published unaudited figures for the nine months ended 31st December, 2021, which were subjected to a limited review.

#### Auditor's responsibility

4. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

#### Conclusion

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards i.e. 'Ind AS' prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Listing regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**N. A. SHAH ASSOCIATES LLP**  
Chartered Accountants

**Limited Review Report on unaudited standalone financial results for the quarter ended 30<sup>th</sup> June 2022 of Kamat Hotels India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (..continued)**

**Material uncertainty related to going concern**

6. Reference is invited to note 4 of the Statement. As per the standalone financial results, Company's accumulated losses are in excess of its paid-up capital and reserves and its current liabilities are significantly greater than the current assets as on 30<sup>th</sup> June 2022 and 31<sup>st</sup> March 2022. Further, in respect of most of the loans, there are non-payment of stipulated instalments comprising of principal and interest are due and unpaid as at 30<sup>th</sup> June 2022 as per note 3(a) of statement. In the opinion of the management, considering positive earnings before interest, taxes and depreciation (EBITDA) for year ended 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021, increase in operations and profit during the current quarter, application / in-principle approvals of settlement proposals as stated in note 3(a) of the statement [also refer para 7 of emphasis of matter section 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 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 realization of assets and settlement of liabilities in the normal course of Company's business.

Our conclusion is not modified in respect of the above matter. In respect of above matter, attention was also drawn by the us in our earlier limited review report and independent audit reports. Our conclusion / opinion was not modified in respect of above matter in earlier quarters / years also.

**Emphasis of matters**

7. Attention is invited to note 3(a) of the Statement which state that in respect of borrowings, there are non-payment of most of the loans (other than bank) stipulated instalments (principal and interest) due to the lenders. The Cumulative unpaid instalments amount to Rs. 23,702.00 lakhs (this includes instalments of Rs. 578.00 lakhs which became due in the current quarter). Continuing regular discussions with the lenders, the Company had proposed for settlements (seeking partial relief in settlement amount) in the nature of cash payment or partially in cash and partially by converting debt into equity.

(i) During the quarter ended 30<sup>th</sup> September 2021, one of the lenders had reminded about the outstanding amount payable, to which the company had 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 requested for extension upto 30<sup>th</sup> June 2022. Subsequently, the Company had proposed for settlement with the lender.

(ii) During the previous quarter, the Company received guarantee revocation notice from one lender. Subsequently, the Company had proposed for settlement with the lender.

(iii) The Company had proposed for settlements with other three lenders as well.

The aforesaid proposals for settlements have been approved in-principally by all the lenders during the quarter / subsequent to the quarter. The Company has also deposited upfront amount as per the terms of the said in-principle approvals.

The accounting impact of aforesaid in-principle approvals by way of changes in liabilities (including derecognition, if any) etc. and classification changes will be given effect upon due execution of the said arrangement.

Based on all the above developments, 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 five lenders for balance amounting to Rs. 24,775.17 lakhs are awaited.

**N. A. SHAH ASSOCIATES LLP**  
Chartered Accountants

**Limited Review Report on unaudited standalone financial results for the quarter ended 30<sup>th</sup> June 2022 of Kamat Hotels India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (..continued)**

As per the above development and in continuation of the view taken in the earlier quarters and previous year, in the opinion of the management, no intimation is required to be given to the stock exchange for unpaid loan instalments as at 30th June, 2022 as required by SEBI circular dated 21st November, 2019.

Our conclusion is not modified in respect of the above matter. In respect of above matter, attention was also drawn by the us in our earlier limited review reports and independent audit reports. Our conclusion / opinion was not modified in respect of above matter in earlier quarters / years also.

**For N. A. Shah Associates LLP**  
Chartered Accountants  
Firm's Registration No. 116560WW100149

SANDEEP  
NATWARLAL  
SHAH  
Digitally signed by  
SANDEEP NATWARLAL  
SHAH  
Date: 2022.08.12  
14:36:58 +05'30'

**Sandeep Shah**  
Partner  
Membership number: 37381  
UDIN: 22037381AOWRVC7061

Place: Mumbai  
Date: 12<sup>th</sup> August, 2022

Statement of unaudited standalone financial results for the quarter ended 30th June 2022

(Rs. in lakhs except earnings per share)

Sr. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
		30th June 2022	31st Mar 2022	30th June 2021	31st Mar 2022
		Unaudited	Unaudited (Refer note 10)	Unaudited	Audited
1	<b>Income</b>				
	(a) Revenue from operations	5,220.69	3,437.90	1,130.63	10,818.68
	(b) Other income	99.86	13.70	14.39	60.59
	<b>Total income</b>	<b>5,320.55</b>	<b>3,451.60</b>	<b>1,145.02</b>	<b>10,879.27</b>
2	<b>Expenses</b>				
	(a) Consumption of food and beverages	428.60	325.89	99.70	1,085.25
	(b) Employee benefits expense (Refer note 5)	802.43	776.54	405.25	2,415.74
	(c) Finance cost	1,214.77	1,254.94	1,089.32	4,752.76
	(d) Depreciation and amortisation expense	249.26	258.00	244.89	1,003.33
	(e) Other expenses				
	(i) Heat, light and power	310.21	212.58	147.44	818.73
	(ii) Others	1,370.77	1,064.18	597.23	3,773.62
	<b>Total expenses</b>	<b>4,376.04</b>	<b>3,892.13</b>	<b>2,583.83</b>	<b>13,849.43</b>
3	<b>Profit / (Loss) for the period / year before tax [1-2]</b>	<b>944.51</b>	<b>(440.53)</b>	<b>(1,438.81)</b>	<b>(2,970.16)</b>
4	<b>Tax expense</b>				
	Current tax	-	-	-	-
	Deferred tax expense / (credit) for current period / year (net) (Refer note 9)	236.93	(109.22)	(357.92)	(736.49)
	Short / (excess) provision for current tax / deferred tax (net)	-	(0.50)	-	0.73
	<b>Total tax expenses</b>	<b>236.93</b>	<b>(109.72)</b>	<b>(357.92)</b>	<b>(735.76)</b>
5	<b>Profit / (Loss) for the period / year [3-4]</b>	<b>707.58</b>	<b>(330.81)</b>	<b>(1,080.89)</b>	<b>(2,234.40)</b>
6	<b>Other comprehensive income</b>				
	Items that will not be reclassified to profit or loss				
	(i) Remeasurement of defined benefit plans - gain	12.24	13.57	11.41	24.98
	(ii) Income taxes effect on above	(3.08)	(3.42)	(2.87)	(6.29)
	<b>Total other comprehensive income</b>	<b>9.16</b>	<b>10.15</b>	<b>8.54</b>	<b>18.69</b>
7	<b>Total comprehensive income for the period / year [5+6]</b>	<b>716.74</b>	<b>(320.66)</b>	<b>(1,072.35)</b>	<b>(2,215.71)</b>
8	Paid-up equity share capital (including forfeited shares) (Face value per share of Rs. 10/- each)	2,417.26	2,417.26	2,417.26	2,417.26
9	Reserve excluding revaluation reserves				(6,508.95)
10	<b>Earnings per share (Face value per share of Rs. 10/- each)</b>				
	(a) Basic	3.00	(1.40)	(4.58)	(9.47)
	(b) Diluted	3.00	(1.40)	(4.58)	(9.47)

See accompanying notes to financial results

Notes:

- The above standalone financial results have been reviewed by the Audit Committee and are approved by the Board of Directors at their meeting held on 12th August, 2022. The statutory auditors have carried out limited review of the standalone financial results for the quarter ended 30th June 2022.
- The above standalone financial results have been prepared in accordance with guidelines issued by Securities and Exchange Board of India ('SEBI') and the Indian Accounting Standards [Ind AS] prescribed under section 133 of the Companies Act, 2013.
- (a) As on 30th June, 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. 23,702.00 lakhs (this includes instalments of Rs. 576.00 lakhs which was due in the quarter ended 30th June 2022). Continuing regular discussions with the lenders, the Company had proposed for settlements (seeking partial relief in settlement amount) in the nature of cash payment or partially in cash and partially by converting debt into equity:
  - During the quarter ended 30th September 2021, one of the lenders had reminded about the outstanding amount payable, to which the company had 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 requested for extension upto 30th June 2022. Subsequently, the Company had proposed for settlement with the lender.
  - During the previous quarter, the Company received guarantee revocation notice from one lender. Subsequently, the Company had proposed for settlement with the lender.
  - The Company had proposed for settlements with other three lenders as well.

The aforesaid proposals for settlements have been approved in-principle by all the lenders during the quarter / subsequent to the quarter. The Company has also deposited upfront amount as per the terms of the said in-principle approvals.

The accounting impact of aforesaid in-principle approvals by way of changes in liabilities (including derecognition, if any) etc. and classification changes will be given effect upon due execution of the said arrangement.

Further, based on all the above developments, 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 five lenders for balance amounting to Rs. 24,775.17 lakhs are awaited.

**Kamat Hotels (India) Limited**

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

CIN: L55101MH1986PLC039307, Tel. No. 022 26164000

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

3 (b) As per 3(a) above and in continuation of the view taken in the earlier quarters and previous year, in the opinion of the management, no intimation is required to be given to the stock exchange for unpaid loan instalments as at 30th June, 2022 as required by SEBI circular dated 21st November, 2019.

In respect of 3(a) and (b) above, the statutory auditors have reported emphasis of matter in their report on the standalone financial results for the quarter ended 30th June, 2022 in line with their earlier limited review reports / independent audit reports.

4 As per the standalone financial results, the Company's accumulated losses are in excess of its paid up capital and reserves as at 30th June, 2022 and its current liabilities are significantly greater than the current assets as on 30th June, 2022 and 31st March, 2022. Further, in respect of most of the loans, there are non-payment of stipulated instalments comprising of principal and interest as stated in note 3(a) above. In the opinion of the management, considering positive earning before interest, taxes and depreciation (EBITDA) for the year ended 31st March, 2022 and 31st March 2021, increase in operations and profit during the current quarter, application / in-principle approvals of settlement proposals as stated in note 3(a) above, the future business prospects from prime hotel properties situated nearby domestic and international airports in Mumbai, the fact that the fair values of the assets of the Company are significantly higher than the borrowings/debts and that the Company has been exploring possibilities to divest/liquidate some of its properties, these standalone financial results have been prepared on a going concern basis which contemplates realisation of assets and settlement of liabilities in the normal course of Company's business. The statutory auditors have drawn attention of above matter in their report on the financial results for the quarter ended 30th June, 2022 in line with their earlier limited review reports / independent audit reports.

5 For the period commencing from 1st April 2021, in light of the adverse impact of the pandemic and market condition of the industry and sector, remuneration is not payable / paid to Executive Chairman and Managing Director

6 The Company's business was affected on account of COVID-19 during the period March 2020 to March 2022 and the revenues were severely impacted due to lockdowns imposed across the country.

After withdrawal of travel restrictions followed by massive vaccinations, as the normalcy restored, the Company witnessed positive recovery of demand and growth in business driven by increase in domestic and international leisure and business travel. However, the Company will continue to closely monitor the future economic conditions and assess its impact on financial performance.

7 Results for the quarter ended 30th June, 2022 are not comparable with the immediate previous quarter and corresponding quarter of the previous year due to the impact of COVID-19 pandemic, as explained in note 6 above.

8 There are no reportable segments under Ind AS-108 'Operating Segments' as the Company is operating only in the hospitality service segment, therefore, disclosure of segment wise information is not applicable.

9 Deferred tax asset was created on losses incurred upto previous quarter, considering there is a deferred tax liability on net basis.

10 The figures for the quarter ended 31st March, 2022 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures for the nine months ended 31st December, 2021 which were subjected to limited review.

11 Previous periods / year figures are regrouped and rearranged wherever necessary.

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

VITHAL VENKETESH KAMAT  
Digitally signed by VITHAL  
VENKETESH KAMAT  
Date: 2022.08.12 13:55:37 +05'30'

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

Place: Mumbai  
Date: 12th August, 2022

# N. A. SHAH ASSOCIATES LLP

Chartered Accountants

## Limited Review Report on unaudited consolidated financial results for the quarter ended 30<sup>th</sup> June 2022 of Kamat Hotels India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To

The Board of Directors of  
Kamat Hotels (India) Limited

1. We have reviewed the accompanying unaudited consolidated financial results of Kamat Hotels (India) Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its joint venture for the quarter ended 30th June, 2022 ('the Statement'), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended ("Listing Regulation").

### Management's responsibility for the Statement

2. This Statement, is the responsibility of the Holding Company's Management and has been approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
3. The Statement includes unaudited results for the quarter ended 31st March, 2022 being the derived figures between the audited annual figures in respect of the financial year ended 31st March, 2022 and the published unaudited figures for the nine months ended 31st December, 2021, which were subjected to a limited review.

### Auditor's responsibility

4. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing regulations, as amended, to the extent applicable.

5. The Statement includes the results of the following entities:

Name of the entity	Relationship
Orchid Hotels Pune Private Limited ('OHPPL')	Subsidiaries
Mahodadhi Palace Private Limited ('MPPL')	
Kamat Restaurants (India) Private Limited ('KRIPL')	
Orchid Hotels Eastern (I) Private Limited ('OHEIPL')	
Fort Jadhavgadh Hotels Private Limited ('FJHPL')	
Ilex Developers & Resorts Limited ('IDRL')	Joint Venture

**N. A. SHAH ASSOCIATES LLP**  
Chartered Accountants

**Limited Review Report on unaudited consolidated financial results for the quarter ended 30<sup>th</sup> June 2022 of Kamat Hotels India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (continued...)**

**Basis of qualified conclusion**

6. In respect of subsidiary company ('OHPPL'), reference is invited to note 6(i) to the Statement. Vide agreement dated 24th December 2018, International Asset Reconstruction Company Private Limited (IARC) acquired the loan from M/s Asset Reconstruction Company India Limited (ARCIL) [lender to whom loan was assigned by ICICI Bank in earlier years] for an aggregate amount of Rs. 13,500.00 lakhs. As per the books of the 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 30th June 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 and pending execution of the definitive agreement (the modalities of which are being worked out). Further, during the previous quarter, the subsidiary company had filed a commercial suit before the District Court, Pune for performance of the obligations by IARC narrated above, the outcome of which is pending.

Had the provision been made, borrowing cost and negative net worth as at 30th June, 2022 would increase and profit for the quarter ended would decrease by the amount of interest for the period 1st October, 2013 to 30th June, 2022 which has not been provided as per the management's view mentioned above.

In respect of above matter, qualification was also given by the us in our earlier limited review report and independent audit reports.

**Qualified conclusion**

7. Based on our review conducted and procedures performed as stated in paragraph 4 above and except for the effect of matter described in paragraph 6 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms Listing regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Material uncertainty related to going concern**

8. Attention is invited to note 5, 6(ii) and 7 of the Statement, which indicates that there is material uncertainty related to continuity as going concern of the Holding Company, OHPPL (subsidiary company), MPPL (subsidiary company) respectively and note 8(i) of the Statement related to material uncertainty related to going concern at Group level. In Consolidated financial results, material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern on account of accumulated losses are excess of its paid-up capital and reserves and its current liabilities are significantly greater than the current assets as on 30th June 2022 and 31st March 2022. Further, in respect of most of the loans, there are non-payment of stipulated instalments comprising of principal and interest are due and unpaid as at 30<sup>th</sup> June 2022 as per note 4(a) and 4(c) of the Statement. In the opinion of the management, positive earnings before interest, taxes and depreciation (EBITDA) for year ended 31<sup>st</sup> March 2022 and the 31st March 2021, increase in operations and profit during the current quarter, application / in-principle approvals of settlement proposals as stated in note 4(a) of the statement [also refer para 10 and 12 of emphasis of matter section 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 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 realization of assets and settlement of liabilities in the normal course of Company's business.

Our conclusion is not modified in respect of above matter. In respect of above matter, attention was also drawn by the us in our earlier limited review report and independent audit reports. Our conclusion / opinion was not modified in respect of above matter in earlier quarters / years also.



**Limited Review Report on unaudited consolidated financial results for the quarter ended 30<sup>th</sup> June 2022 of Kamat Hotels India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (continued...)**

**Emphasis of Matter**

9. Attention is invited to note 6(iii) of the Statement in respect of dispute over lease rent levied by Director of Sports, pertaining to the period from 1st November, 2014 to 30th June, 2022, the subsidiary company (OHPPL) has accounted for the liability amounting to Rs. 1,730.39 lakhs. Further, in the year ended 31st March, 2020, 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.
10. Attention is invited to note 4(a) of the Statement which state that in respect of borrowings of holding company, there are non-payment of most of loans (other than bank) comprising of stipulated instalments (principal and interest) due to the lenders. The Cumulative unpaid instalments amount to Rs. 23,702.00 lakhs (this includes instalments of Rs. 578.00 lakhs which became due in the current quarter). Continuing regular discussions with the lenders, the holding company had proposed for settlements (seeking partial relief in settlement amount) in the nature of cash payment or partially in cash and partially by converting debt into equity:
  - (i) During the quarter ended 30th September 2021, one of the lenders had reminded about the outstanding amount payable, to which the holding company had 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 requested for extension upto 30th June 2022. Subsequently, the holding company had proposed for settlement with the lender.
  - (ii) During the previous quarter, the holding company received guarantee revocation notice from one lender. Subsequently, the holding company had proposed for settlement with the lender.
  - (iii) The holding company had proposed for settlements with other three lenders as well.

The aforesaid proposals for settlements have been approved in-principally by all the lenders during the quarter / subsequent to the quarter. The holding company has also deposited upfront amount as per the terms of the said in-principle approvals.

The accounting impact of aforesaid in-principle approvals by way of changes in liabilities (including derecognition, if any) etc. and classification changes will be given effect upon due execution of the said arrangement.

Based on all the above developments, 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 five lenders for balance amounting to Rs. 24,775.17 lakhs are awaited.

As per the above development and in continuation of the view taken in the earlier quarters and previous year, in the opinion of the management, no intimation is required to be given to the stock exchange for unpaid loan instalments as at 30th June, 2022 as required by SEBI circular dated 21st November, 2019.

11. Attention is invited to note 6(v) of the Statement in respect of payment of unsecured advance by the subsidiary company (OHPPL) of Rs. 600 lakhs to Joint Developer for cost to be incurred in respect of joint development agreement entered in September 2019 to develop and commercially exploit certain properties over the land on which the OHPPL holds leasehold rights. As per the terms agreed between the joint developer and the subsidiary company, the said amount would be utilised for obtaining / seeking the necessary approvals for the development of above-mentioned property. The joint developer has informed that certain expenses have been incurred out of advance received. The subsidiary company has appointed a licensed architect to design, prepare plans and make the necessary applications for regulatory approvals.

**N. A. SHAH ASSOCIATES LLP**

Chartered Accountants

**Limited Review Report on unaudited consolidated financial results for the quarter ended 30<sup>th</sup> June 2022 of Kamat Hotels India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (continued...)**

12. Attention is invited to note 4 (c) of the Statement which state that in respect of joint venture entity, there are delays in repayment of principal and interest.

Our conclusion is not modified in respect of the above matters. In respect matters covered in paragraph 9, 10 and 11, attention was also drawn by us in our earlier limited review report and independent audit reports. Our conclusion / opinion was not modified in respect of above matter in earlier quarters / years also.

**For N. A. Shah Associates LLP**

Chartered Accountants

Firm's Registration No. 116560W/W100149

SANDEEP  
NATWARLAL  
SHAH

Digitally signed by  
SANDEEP NATWARLAL  
SHAH  
Date: 2022.08.12  
14:38:47 +05'30'

**Sandeep Shah**

Partner

Membership number: 37381

UDIN: 22037381AOWSCP3297

Place: Mumbai

Date: 12<sup>th</sup> August, 2022

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

**Statement of unaudited consolidated financial results for the quarter ended 30th June, 2022 (Rs. In lakhs except earnings per share)**

Sr. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
		30th June 2022 Unaudited	31st March 2022 Unaudited [Refer note 14]	30th June 2021 Unaudited	31st March 2022 Audited
1	<b>Income</b>				
	(a) Revenue from operations	6,893.65	4,620.01	1,379.55	14,448.84
	(b) Other income	121.35	35.55	23.15	114.11
	<b>Total income</b>	<b>7,015.00</b>	<b>4,655.56</b>	<b>1,402.70</b>	<b>14,562.95</b>
2	<b>Expenses</b>				
	(a) Consumption of food and beverages	584.93	436.95	131.30	1,493.51
	(b) Employee benefits expense (Refer note 9)	1,075.78	1,032.82	513.53	3,138.13
	(c) Finance cost	1,285.36	1,333.57	1,160.15	5,045.19
	(d) Depreciation and amortisation expense	377.28	418.72	430.95	1,702.16
	(e) Other expenses				
	(i) Heat, light and power	447.80	303.40	204.72	1,165.43
	(ii) Others	1,848.90	1,515.89	731.04	4,984.02
	<b>Total expenses</b>	<b>5,620.05</b>	<b>5,041.35</b>	<b>3,171.69</b>	<b>17,528.44</b>
3	<b>Profit / (Loss) before share of (loss) of joint venture, exceptional items &amp; tax [1-2]</b>	<b>1,394.95</b>	<b>(385.79)</b>	<b>(1,768.99)</b>	<b>(2,965.49)</b>
4	Share of (loss) from joint venture accounted for using equity method (Refer note 13)	-	-	(25.84)	(41.33)
5	<b>Profit / (Loss) for the period / year before tax [3+4]</b>	<b>1,394.95</b>	<b>(385.79)</b>	<b>(1,794.83)</b>	<b>(3,006.82)</b>
6	<b>Tax expense</b>				
	Current tax	0.15	0.15	0.14	0.49
	Deferred tax expenses / (credit) for current period / year (net) (Refer note 11)	236.93	(109.19)	(361.55)	(740.86)
	(Excess) / short provision for current tax / deferred tax (net)	-	(0.50)	-	0.73
	<b>Total tax expenses</b>	<b>237.08</b>	<b>(109.54)</b>	<b>(361.41)</b>	<b>(739.64)</b>
7	<b>Profit / (Loss) for the period / year [5-6]</b>	<b>1,157.87</b>	<b>(276.25)</b>	<b>(1,433.42)</b>	<b>(2,267.18)</b>
8	<b>Other comprehensive income</b>				
	Items that will not be reclassified to profit or loss				
	(i) Remeasurement of defined benefit plans - gain	15.87	14.64	16.75	31.39
	(ii) Income taxes effect on above	(3.08)	(3.42)	(2.87)	(6.29)
	<b>Total other comprehensive income</b>	<b>12.79</b>	<b>11.22</b>	<b>13.88</b>	<b>25.10</b>
9	<b>Total comprehensive income for the period / year [7+8]</b>	<b>1,170.66</b>	<b>(265.03)</b>	<b>(1,419.54)</b>	<b>(2,242.08)</b>
10	<b>Total comprehensive income for the period / year attributable to:</b>				
	(a) To owner of parent	1,170.66	(265.03)	(1,419.54)	(2,242.08)
	(b) To non controlling interest	-	-	-	-
11	<b>Out of total comprehensive income for the period / year:</b>				
	<b>Profit / (Loss) for the period / year attributable to:</b>				
	(a) To owner of parent	1,157.87	(276.25)	(1,433.42)	(2,267.18)
	(b) To non controlling interest	-	-	-	-
	<b>Other comprehensive income attributable to:</b>				
	(a) To owner of parent	12.79	11.22	13.88	25.10
	(b) To non controlling interest	-	-	-	-
12	Paid-up equity share capital (including forfeited shares) (Face value per share of Rs. 10/- each)	2,417.26	2,417.26	2,417.26	2,417.26
13	Reserve excluding revaluation reserves				(20,533.97)
14	<b>Earnings per share (Face value per share of Rs. 10/- each)</b>				
	(a) Basic	4.91	(1.17)	(6.08)	(9.61)
	(b) Diluted	4.91	(1.17)	(6.08)	(9.61)

See accompanying notes to financial results

**Kamat Hotels (India) Limited**

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

CIN: L55101MH1986PLC039307, Tel. No. 022 26164000

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

**Notes:**

- 1 The above consolidated financial results have been reviewed by the Audit Committee and are approved by the Board of Directors at their meeting held on 12th August, 2022. The statutory auditors have carried out limited review of the standalone financial results for the quarter ended 30th June 2022.
- 2 The above consolidated financial results have been prepared in accordance with guidelines issued by Securities and Exchange Board of India ('SEBI') and the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the Act').
- 3 The consolidated financial results for the quarter ended 30th June, 2022, and previous quarter / year include financial results in respect of following entities: Wholly owned subsidiary companies (a) Orchid Hotels Pune Private Limited (OHPPL), (b) Fort Jadhavgadh Hotels Private Limited (FJHPL), (c) Mahodadhi Palace Private Limited (MPPL), (d) Orchid Hotel Eastern (India) Private Limited (OHEIPL), (e) Kamats Restaurants (India) Private Limited (KRIPL) and one Joint venture company - Ilex Developers & Resorts Limited (IDRL).
- 4(a) In respect of holding company, as on 30th June, 2022, for 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. 23,702.00 lakhs (this includes instalments of Rs. 578.00 lakhs which was due in the quarter ended 30th June 2022). Continuing regular discussions with the lenders, the holding company had proposed for settlements (seeking partial relief in settlement amount) in the nature of cash payment or partially in cash and partially by converting debt into equity:
  - (i) During the quarter ended 30th September 2021, one of the lenders had reminded about the outstanding amount payable, to which the holding company had 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 requested for extension upto 30th June 2022. Subsequently, the holding company had proposed for settlement with the lender.
  - (ii) During the previous quarter, the holding company received guarantee revocation notice from one lender. Subsequently, the holding company had proposed for settlement with the lender.
  - (iii) The holding company had proposed for settlements with other three lenders as well.The aforesaid proposals for settlements have been approved in-principally by all the lenders during the quarter / subsequent to the quarter. The holding company has also deposited upfront amount as per the terms of the said in-principle approvals.

The accounting impact of aforesaid in-principle approvals by way of changes in liabilities (including derecognition, if any) etc. and classification changes will be given effect upon due execution of the said arrangement.

Further, based on all the above developments, discussions with the lenders and COVID-19 related notifications, holding company's management is of the view that reporting for event of default is not warranted. Loan balance confirmations from five lenders for balance amounting to Rs. 24,775.17 lakhs are awaited.
- 4(b) As per 4(a) above and in continuation of the view taken in the earlier quarters, previous year, in the opinion of the holding company's management, no intimation is required to be given to the stock exchange for unpaid loan instalments as at 30th June 2022 as required by SEBI circular dated 21st November, 2019.
- 4(c) In respect of joint venture, as on 30th June, 2022, there are delays in repayment of principal and interest. The cumulative unpaid instalments amounts to Rs. 1,577.00 lakhs. The Company had requested for extension upto 30th June 2022 in repayment of instalments which was verbally approved by the lender.

In respect of 4(a) and (b) above, the statutory auditors have reported emphasis of matter in their report on the consolidated financial results for the quarter ended 30th June 2022 in line with their earlier limited review reports / independent audit reports. In respect of 4(c) above, the statutory auditors have reported emphasis of matter in their report on the consolidated financial results for the quarter ended 30th June 2022.
- 5 As per the standalone financial results, the holding company's accumulated losses are in excess of its paid up capital and reserves as at 30th June, 2022 and its current liabilities are significantly greater than the current assets as on 30th June, 2022 and 31st March, 2022. Further, in respect of most of the loans, there are non-payment of stipulated instalments comprising of principal and interest as stated in note 4(a) above. In the opinion of the holding company's management, considering positive earning before interest, taxes and depreciation (EBITDA) for the year ended 31st March, 2022 and 31st March 2021, increase in operations and profit during the current quarter, application / in-principle approvals of settlement proposals as stated in note 4(a) above, the future business prospects from prime hotel properties situated nearby domestic and international airports in Mumbai, the fact that the fair values of the assets of the holding company are significantly higher than the borrowings/debts and that the holding company has been exploring possibilities to divest/liquidate some of its properties, these consolidated financial results 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. The statutory auditors have drawn attention of above matter in their report on the consolidated financial results for the quarter ended 30th June, 2022 in line with their earlier limited review reports / independent audit reports.
- 6 In respect of subsidiary company (OHPPL),
  - (i) Vide agreement dated 24th December 2018, International Asset Reconstruction Company Private Limited (IARC) purchased the loan from M/s Asset Reconstruction Company India Limited (ARCIL) [lender to whom loan was sold/assigned by ICICI Bank in earlier years] for an aggregate amount of Rs. 13,500.00 lakhs on cash basis which as per the legal advice received by the subsidiary company is not in compliance of the circulars / notifications issued by Reserve Bank of India. Even otherwise, the said sale could not be termed either as sale or assignment as there existed non-compliance of mandatory provisions of law in order to effectuate such 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 30th June 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, during the previous quarter, the Company had 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 ended 30th June, 2022 in line with their earlier reports / independent audit reports.

**Kamat Hotels (India) Limited**

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

CIN: L55101MH1986PLC039307, Tel. No. 022 26164000

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

(ii) The subsidiary company's net worth is fully eroded and also its current liabilities exceeds the current assets as on 30th June 2022 and 31st March 2022. Further, there are defaults in repayment of loans & interest and non-provision of interest as mentioned in note 6(i) above. Considering, the limited support available from the Holding Company due to its financial constraints, provision for impairment of property, plant and equipment made in the earlier years, increase in operations during the quarter and expected improvement in business outlook, in the opinion of the management, the financial results are prepared on going concern basis.

(iii) In respect of dispute over lease rent levied by Director of Sports, the subsidiary company has accounted for the liability amounting to Rs. 1,730.39 lakhs for the period from 1st November, 2014 to 30th June, 2022; which is after making the part payment of Rs. 129.83 lakhs in the quarter ended 30th September 2020 and of Rs. 129.85 lakhs in the quarter ended 31st December, 2021. 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.

(iv) Further, during the quarter ended 30th June 2020, the subsidiary company, by invoking COVID-19 as the force majeure event, had applied to the authorities for waiver of lease rent during the lockdown imposed by the Government. The said application is pending and waiver, if any, will be accounted in the period/year in which it will be approved.

(v) The subsidiary company had paid unsecured advance of Rs. 600 lakhs to Joint Developer for cost to be incurred in respect of joint development agreement entered in September 2019 to develop and commercially exploit certain properties over the land on which the subsidiary company holds leasehold rights. As per the terms agreed with the joint developer, the said amount would be utilised for obtaining / seeking the necessary approvals for the development of above-mentioned property. Further, as per 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 joint developer has informed that certain expenses have been incurred out of advance received. The subsidiary company along with joint developer has appointed a licensed architect to design, prepare plans and make necessary application for regulatory approvals.

**7 In respect of subsidiary company (MPPL),**

The subsidiary company has incurred losses in the quarter ended 30th June 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 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) increase in operations during the current quarter and expected improvement in business outlook.

**8 (i) In view of the note 5, 6(ii) and 7 and considering management's opinion, these consolidated financial results have also been prepared on a going concern basis. The statutory auditors have drawn attention of this matter in their report on the consolidated financial results for the quarter ended 30th June 2022 in line with their earlier limited review reports / independent audit reports.**

(ii) in respect of matter covered in note 6(iii) and 6(v), the statutory auditors have reported emphasis of matter in their report on the financial results for the quarter and year ended 30th June 2022 in line with their earlier limited review reports / independent audit report.

**9 For the period commencing from 1st April 2021, in light of the adverse impact of the pandemic and market condition of the industry and sector, remuneration is not payable / paid by the holding company to Executive Chairman and Managing Director.****10 The Group's business was affected on account of COVID-19 during the period March 2020 to March 2022 and the revenues were severely impacted due to lock downs imposed across the country.**

After withdrawal of travel restrictions followed by massive vaccinations, as the normalcy restored, the Group witnessed positive recovery of demand and growth in business driven by increase in domestic and international leisure and business travel. However, the Group will continue to closely monitor the future economic conditions and assess its impact on financial performance.

**11 In respect of holding company, deferred tax asset was created on losses incurred upto previous quarter, considering there is a deferred tax liability on net basis.****12 There are no reportable segments under Ind AS-108 'Operating Segments' as the Group and joint venture are operating only in the hospitality service segment, therefore, disclosure of segment wise information is not applicable.****13 Since the quarter ended 31st December 2021, the share of losses of joint venture company (IDRL) which is accounted under equity method, was restricted to the extent of carrying amount of investment made by holding company in the joint venture and accordingly in the consolidated financials the recognition of losses in excess of the carrying amount of the investment in IDRL is discontinued and the investment is reflected at Nil value.****14 The consolidated figures for the quarter ended 31st March, 2022 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures for the nine months ended 31st December, 2021 which were subjected to limited review.****15 Previous periods / year figures are regrouped and rearranged wherever necessary.**

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

VITHAL  
VENKETESH  
KAMAT

Digitally signed by VITHAL  
VENKETESH KAMAT  
Date: 2022.08.12 13:54:44  
+05'30'

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

Place: Mumbai  
Date: 12th August, 2022