



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

12<sup>th</sup> November, 2021

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> November, 2021 have inter-alia accorded their approval for the following matters:

**Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2021.**

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 and half year ended 30<sup>th</sup> September, 2021.
- ii) Limited Review Report of the Standalone and Consolidated financial results for the quarter half year ended 30<sup>th</sup> September, 2021 issued by the Statutory Auditors of the Company.

The Meeting commenced at 11.45 a.m. and concluded at 2.45 p.m.

You are requested to take the above on record.

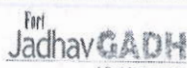
Thanking You,  
Yours faithfully,  
For Kamat Hotels (India) Limited

VITHAL VENKETES  
H KAMAT  
Dr. Vithal V. Kamat  
DIN00195341  
Executive Chairman and Managing Director  
Encl. a/a.

Digitally signed by  
VITHAL VENKETESH  
KAMAT  
Date: 2021.11.12  
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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



LOTUS RESORTS

# N. A. SHAH ASSOCIATES LLP

Chartered Accountants

**Limited Review Report on unaudited standalone financial results for the quarter and half year ended 30<sup>th</sup> September 2021 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 and half year ended 30<sup>th</sup> September, 2021, 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.

### Auditor's responsibility

3. 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

4. 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.

### Material uncertainty related to going concern

5. 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> September 2021 and 31<sup>st</sup> March 2021. Further, in respect of loans, there are non-payment of stipulated instalments comprising of principal and interest and instalments of Rs. 13,343.12 lakhs are due and unpaid as at 30<sup>th</sup> September 2021. In the opinion of the management, considering management's action to mitigate the impact of COVID-19 as described in note 6 of the Statement which is also demonstrated through positive earnings before interest, taxes and depreciation (EBITDA) for the half year ended 30<sup>th</sup> September, 2021 and for the year ended 31<sup>st</sup> March 2021 and restructuring which are approved by the lenders and management's request for seeking extension of the loan dues as stated in note 3(a) of the statement [also refer para 6 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

Limited Review Report on unaudited standalone financial results for the quarter and half year ended 30<sup>th</sup> September 2021 of Kamat Hotels India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (..continued)

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 limited review report on the financial results for the previous quarter, quarters of previous year and reports for the year ended 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2020. Our conclusion / opinion was not modified in respect of above matter in earlier quarters / years also.

**Emphasis of matters**

6. Attention is invited to note 3(a) of the Statement which state that in respect of borrowings, there are non-payment of stipulated instalments comprising of principal and interest due to the lenders. The cumulative unpaid instalments amounts to Rs. 13,343.12 lakhs (this includes instalments of Rs. 1,379.25 lakhs which was due in the current quarter).
  - i. During the quarter ended 30<sup>th</sup> September 2021, the Company has received letter from one of the lender demanding outstanding amount to be paid immediately. The Company has responded stating its inability to make the payments on account of severe impact on the business caused by COVID-19 pandemic as well as government restrictions imposed through various notifications and has further requested for extension upto December 2021. In respect of all other lenders (other than bank as mentioned below), considering COVID-19 pandemic, the Company had sent signed letters by emails in the month of March 2021 and June 2021 for extension of dues upto the 31<sup>st</sup> December 2021. Further restructuring proposals were also submitted by the Company to which in-principle approval was received in writing from two lenders in the quarter ended 31<sup>st</sup> March 2021. The Company have also sent signed letters by emails in the month of July 2021 to the lenders for extension upto 31<sup>st</sup> December 2021. We are informed that all the aforesaid lenders have verbally agreed for the extension whenever sought. In the absence of written communication from lenders approving the extension, we are unable to validate the extension granted to the Company by the lenders.
  - ii. In respect of loan from the bank, in quarter ended 30<sup>th</sup> June 2021 outstanding loan was restructured whereby it sanctioned Funded Interest Term Loan (FITL). Additional finance of Rs. 720 lakhs was advanced in quarter ended 31<sup>st</sup> March, 2021 and in quarter ended 30<sup>th</sup> September 2021.

Considering the above, in the opinion of the management, event of default is not triggered, hence there is no other accounting implications and reclassification of non-current borrowings to current financial liabilities is not required. Impact if any, will be considered in the period in which the Company and the lenders agree on the revised terms. In continuation of the view taken in the earlier quarters and considering the above, in the opinion of the management, no intimation is required to be given to the stock exchange for unpaid loan instalments as at 30<sup>th</sup> September, 2021 as required by SEBI circular dated 21<sup>st</sup> November 2019.

**Limited Review Report on unaudited standalone financial results for the quarter and half year ended 30<sup>th</sup> September 2021 of Kamat Hotels India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (..continued)**

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

Our conclusion is not modified in respect of the above matters. In respect of above matters, attention was also drawn by us in our report for previous quarter, quarters of previous year and reports for the year ended 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2020. Our conclusion / opinion was not modified in respect of above matter in earlier quarter / year also.

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

**SANDEEP  
NATWARLAL  
SHAH**

Digitally signed by SANDEEP NATWARLAL SHAH  
DN: cn=Personal, c=SANDEEP NATWARLAL SHAH,  
serialNumber=909914116cd05e956e23c5b  
c78e01723291f947856e23198385e25006cd  
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7d5f62ee3814279c8472068d8d13006f,  
st=Maharashtra  
Date: 2021.11.12 13:31:49 +05'30'

**Sandeep Shah**  
Partner  
Membership number: 37381  
UDIN: 21037381AAAAF16597

Place: Mumbai  
Date: 12<sup>th</sup> November, 2021

**Statement of standalone financial results for the quarter and half year ended 30th September 2021**

Sr. No.	Particulars	(Rs. in lakhs except earnings per share)					
		Quarter ended 30th Sept 2021 Unaudited	Quarter ended 30th June 2021 Unaudited	Quarter ended 30th Sept 2020 Unaudited	Half year ended 30th Sept 2021 Unaudited	Half year ended 30th Sept 2020 Unaudited	Year ended 31st Mar 2021 Audited
1	<b>Income</b>						
	(a) Revenue from operations (Refer note 10)	2,428.95	1,130.63	864.30	3,559.58	1,440.55	5,162.26
	(b) Other income	14.18	14.39	17.05	28.57	35.91	100.49
	<b>Total income</b>	<b>2,443.13</b>	<b>1,145.02</b>	<b>881.35</b>	<b>3,588.15</b>	<b>1,476.46</b>	<b>5,262.75</b>
2	<b>Expenses</b>						
	(a) Consumption of food and beverages	235.71	99.70	41.13	335.41	88.47	508.82
	(b) Employee benefits expense (Refer note 9)	548.75	405.25	254.73	954.00	386.85	1,191.44
	(c) Finance cost	1,233.52	1,089.32	978.38	2,322.84	1,858.96	3,890.77
	(d) Depreciation and amortisation expense	245.48	244.89	251.77	490.37	501.52	1,000.86
	(e) Other expenses						
	(i) Heat, light and power	207.90	147.44	106.87	355.34	165.41	487.04
	(ii) Others	888.90	597.23	472.07	1,486.13	881.31	2,271.75
	<b>Total expenses</b>	<b>3,360.26</b>	<b>2,583.83</b>	<b>2,104.95</b>	<b>5,944.09</b>	<b>3,882.52</b>	<b>9,350.68</b>
3	<b>(Loss) before exceptional items and tax [1-2]</b>	<b>(917.13)</b>	<b>(1,438.81)</b>	<b>(1,223.60)</b>	<b>(2,355.94)</b>	<b>(2,406.16)</b>	<b>(4,087.93)</b>
4	Exceptional items - income (Refer note 5(a))	-	-	-	-	373.17	373.17
5	<b>(Loss) for the period / year before tax [3-4]</b>	<b>(917.13)</b>	<b>(1,438.81)</b>	<b>(1,223.60)</b>	<b>(2,355.94)</b>	<b>(2,032.99)</b>	<b>(3,714.76)</b>
6	<b>Tax expense</b>						
	Current tax (Refer note 8)	-	-	-	-	-	-
	Deferred tax - (credit) for current period / year (net) (Refer note 8)	(229.82)	(357.92)	(304.59)	(587.74)	(521.30)	(946.71)
	(Excess) provision for current tax / deferred tax (net)	-	-	-	-	-	(10.85)
7	<b>Total tax expenses</b>	<b>(229.82)</b>	<b>(357.92)</b>	<b>(304.59)</b>	<b>(587.74)</b>	<b>(521.30)</b>	<b>(957.56)</b>
8	<b>(Loss) for the period / year [5-6]</b>	<b>(687.31)</b>	<b>(1,080.89)</b>	<b>(919.01)</b>	<b>(1,768.20)</b>	<b>(1,511.69)</b>	<b>(2,757.20)</b>
	<b>Other comprehensive income</b>						
	Items that will not be reclassified to profit or loss						
	(i) Remeasurement of defined benefit plans - gain	-	11.41	3.35	11.41	6.70	45.64
	(ii) Income taxes effect on above	-	(2.87)	(0.84)	(2.87)	(1.68)	(11.49)
	<b>Total other comprehensive income</b>	<b>-</b>	<b>8.54</b>	<b>2.51</b>	<b>8.54</b>	<b>5.02</b>	<b>34.15</b>
9	<b>Total comprehensive income for the period / year [7+8]</b>	<b>(687.31)</b>	<b>(1,072.35)</b>	<b>(916.50)</b>	<b>(1,759.66)</b>	<b>(1,506.67)</b>	<b>(2,723.05)</b>
10	Paid-up equity share capital (including forfeited shares) (Face value per share of Rs. 10/- each)	2,417.26	2,417.26	2,417.26	2,417.26	2,417.26	2,417.26
11	Reserve excluding revaluation reserves						(4,293.24)
12	Earnings per share (Face value per share of Rs. 10/- each)						
	(a) Basic (Rs.)	(2.91)	(4.58)	(3.90)	(7.50)	(6.41)	(11.69)
	(b) Diluted (Rs.)	(2.91)	(4.58)	(3.90)	(7.50)	(6.41)	(11.69)

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 standalone financial results have been reviewed by the Audit Committee and are approved by the Board of Directors at their meeting held on 12th November, 2021. The statutory auditors have carried out a limited review of the standalone financial results for the half year ended 30th September 2021.
- 2 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.
- 3 (a) As on 30th September, 2021, there are non-payment of stipulated instalments comprising of principal and interest due to the lenders. The cumulative unpaid instalments amounts to Rs. 13,343.12 lakhs (this includes instalments of Rs. 1,379.25 lakhs which was due in the quarter ended 30th September 2021).  
(i) During the quarter ended 30th September 2021, one of the lender has 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 Government restrictions imposed through various notifications and has further requested for extension upto 31st December 2021. In respect of all other lenders (other than bank as mentioned below), considering COVID-19 pandemic, the Company had sent signed letters by emails in the month of March 2021 and June 2021 for extension of dues upto 31st December 2021. Further restructuring proposals were also submitted by the company to which in-principle approval was received in writing from two lenders in the quarter ended 31st March 2021. The Company have also sent signed letters by emails in the month of July 2021 to the lenders for extension upto 31st December 2021. During the discussion, all the aforesaid lenders have agreed for extension, which is under process.  
(ii) In respect of loan from the bank, in the quarter ended 30th June 2021 outstanding loan was restructured whereby it sanctioned Funded Interest Term Loan (FITL). Additional finance of Rs. 720 lakhs was advanced in the quarter ended 31st March, 2021 and in the quarter ended 30th September 2021.  
Considering the above, in the opinion of the management, event of default is not triggered and hence there is no other accounting implications and reclassification of non-current borrowings to current financials liabilities is not required. Impact if any, will be considered in the period in which the Company and the lenders agree on the revised terms. Loan balance confirmations from three lenders for balance instalment amounting to Rs. 3,489.00 lakhs are awaited.
- (b) As per 3(a) above and in continuation of the view taken in the earlier quarters and previous year, in the opinion of the management, no intimation is required to be given to the stock exchange for unpaid loan instalments as at 30th September, 2021 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 limited review report for the quarter ended 30th June 2021, quarters of previous year and report for the year ended 31st March 2021, 31st March, 2020.
- 4 As per the standalone financial results, Company's accumulated losses are in excess of its paid up capital and reserves as at 30th September, 2021 and its current liabilities are significantly greater than the current assets as on 30th September, 2021 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 6 of the Statement which is also demonstrated through positive earning before interest, taxes and depreciation (EBITDA) for the half year ended 30th September, 2021 and for the year ended 31st March 2021, restructuring which are approved by the lenders and management's request for seeking extension of the loan dues as stated in note 3(a) above, the future business prospects from prime hotel properties situated nearby domestic and international airports in Mumbai, the fact that the fair values of the assets of the Company are significantly higher than the borrowings/debts and that the Company has been exploring possibilities to divest/liquidate some of its properties, these standalone financial results have been prepared on a going concern basis which contemplates realisation of assets and settlement of liabilities in the normal course of Company's business. The statutory auditors have drawn attention of above matter in their report on the financial results for the quarter ended 30th September, 2021. Further, attention was also drawn by the statutory auditors in their limited review report on the financial results for the quarter ended 30th June 2021, quarters of earlier years and also in the reports for the year ended 31st March 2021, 31st March 2020.

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

- 5 a) Exceptional item of Rs. 373.17 lakhs recognised in the half year ended 30th September 2020 represents insurance claim received in respect of a hotel property in Orissa which was affected due to "Cyclone Fani".  
b) During the quarter ended 30th June 2021, Company's one hotel property in Orissa was affected due to 'Cyclone Yaas'. Management does not expects any charge in statement of profit and loss to be accounted due to this event considering insurance coverage, the claim of which is yet to be filed.
- 6 The business is continued to be severely impacted during the year on account of COVID-19. The Company expects recovery in business to be driven by domestic and international leisure and business travel as the normalcy restores. On account of above, the Company has carried out impairment assessment for the carrying value of property, plant & equipment, right of use asset, intangible assets, trade receivables, inventories and other assets based on the internal and external information upto the date of approval of these financial results including potential impact of COVID-19. Based on such assessment, in the opinion of management no further provision is required to be made as the Company expects to recover the carrying amounts of all the assets. Further, the Company has requested its lenders for extension of payment of dues in view of the challenges faced on account of COVID-19. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to monitor the future economic conditions and assess its impact on financial results. The statutory auditors have reported emphasis of matter in their report on the financial results for the quarter ended 30th September, 2021. Further, the statutory auditors had also reported emphasis of matter in their limited review report for the quarter ended 30th June 2021, quarters of previous year and report for the year ended 31st March 2021, 31st March, 2020.
- 7 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.
- 8 Effective from 1st April 2020, the Company has opted for lower tax rate under Section 115BAA of the Income Tax Act, 1961. Deferred tax asset has been created on losses incurred, considering there is a deferred tax liability on net basis.
- 9 The Company had paid excess remuneration of Rs. 72.55 lakhs (Rs. 30.61 lakhs in the financial year ended 31st March, 2021 and Rs. 41.94 lakhs in the financial year ended 31st March, 2020) to its Executive Chairman and Managing Director (ECMD). Excess remuneration paid has been fully recovered as on 30th June, 2021. For the period commencing from 1st April 2021, in light of the adverse impact of the pandemic and seeing the current market condition of the industry and sector, no remuneration has been provided / paid to ECMD.
- 10 Revenue from operations for the year ended 31st March, 2021 includes Rs. 150.94 lakhs being grant of indirect taxes refund accrued based on application made by the Company during the year under Maharashtra Package Scheme of Incentives for a hotel unit.
- 11 Previous periods / year figures are regrouped and rearranged wherever necessary including on account of amendment in division II to schedule III of Companies Act 2013 to conform current period presentation.

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**12 Standalone statement of assets and liabilities as at 30th September 2021**

Particulars	As at 30th September 2021	As at 31st March 2021
	Unaudited	Audited
<b>Assets</b>		
Non-current assets		
(a) Property, plant and equipment	24,682.64	25,129.25
(b) Capital work in progress	666.88	617.65
(c) Right of use assets	413.08	420.25
(d) Investment property	1,004.31	1,016.28
(e) Other intangible assets	70.88	75.42
(f) Financial assets		
(i) Investments in subsidiaries and joint ventures	4.00	4.00
(ii) Investments	21.85	19.66
(iii) Other financial assets	2,117.55	2,063.30
(g) Income tax assets (net)	1,057.54	1,015.91
(h) Other non-current assets	3,455.86	3,497.36
<b>Sub- total</b>	<b>33,494.59</b>	<b>33,859.08</b>
Current assets		
(a) Inventories	163.84	156.77
(b) Financial assets		
(i) Investments	6.43	5.28
(ii) Trade receivables	672.86	607.55
(iii) Cash and cash equivalents	350.32	659.19
(iv) Bank balances other than (iii) above	60.98	57.68
(v) Loans	0.07	58.75
(vi) Other financial assets	38.90	36.10
(c) Other current assets	345.43	398.30
<b>Sub- total</b>	<b>1,638.83</b>	<b>1,979.62</b>
<b>Total Assets</b>	<b>35,133.42</b>	<b>35,838.70</b>
<b>Equity and liabilities</b>		
Equity		
(a) Equity share capital	2,417.26	2,417.26
(b) Other equity	(6,052.90)	(4,293.24)
<b>Sub- total</b>	<b>(3,635.64)</b>	<b>(1,875.98)</b>
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	2,942.95	4,480.79
(ii) Lease liabilities	101.85	100.21
(iii) Other financial liabilities	96.06	107.96
(b) Provisions	330.99	388.23
(c) Deferred tax liabilities (net)	785.20	1,370.07
(d) Other non-current liabilities	341.61	378.84
<b>Sub- total</b>	<b>4,598.66</b>	<b>6,826.10</b>
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	22,184.17	21,222.09
(ii) Lease liabilities	13.17	14.11
(iii) Trade payables		
- Amount due to micro and small enterprises	324.52	330.59
- Amount due to other than micro and small enterprises	1,940.42	1,938.82
(iv) Other financial liabilities (includes interest payable on borrowings)	7,744.07	5,739.39
(b) Provisions	87.82	102.09
(c) Other current liabilities	1,876.23	1,541.49
<b>Sub- total</b>	<b>34,170.40</b>	<b>30,888.58</b>
<b>Total equity and liabilities</b>	<b>35,133.42</b>	<b>35,838.70</b>



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**13 Standalone statement of cash flows for the half year ended 30th September 2021**

Particulars	For the half year ended 30th September 2021	For the half year ended 30th September 2020
	Unaudited	Unaudited
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss) before taxes and other comprehensive income	(2,355.94)	(2,032.99)
<b>Adjustments for:</b>		
Finance cost	2,322.84	1,858.96
Interest income	(7.40)	(12.45)
Depreciation and amortization expense	490.37	501.62
Liabilities and provisions written back	(31.21)	(30.27)
Provision for expected credit loss and doubtful advances	75.86	132.32
Loss on sale / discard of property, plant and equipment	3.67	-
Rent income	(17.63)	(20.61)
Insurance claim (exceptional item)	-	(373.17)
(Gain) on fair value of investments	(3.33)	(2.34)
<b>Operating profit before working capital changes</b>	<b>477.23</b>	<b>21.07</b>
Movements in working capital : [Including Current and Non-current]		
(Increase) / decrease in loans, trade receivable and other assets	(36.74)	568.31
(Increase) / decrease in inventories	(7.07)	63.13
Increase / (decrease) in trade payable, other liabilities and provisions	108.70	(536.57)
Adjustment for:		
Direct taxes (paid) (including tax deducted at source) / refund (net)	(40.89)	178.07
<b>Net cash generated/ (used in) from operating activities...(A)</b>	<b>501.23</b>	<b>294.01</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (Including capital work in progress and capital advances)	(87.85)	(17.85)
Sale of property, plant and equipment	0.62	-
Temporary fund received from wholly owned subsidiary	180.00	360.00
Repayment of temporary fund received from wholly owned subsidiary	(180.00)	(360.00)
Insurance claim received	-	148.17
Rent income received	12.34	20.61
Interest income	4.45	10.98
(Increase)/decrease in bank balance [Current and non-current] (other than cash and cash equivalent)	(3.49)	13.13
Adjustment for:		
Direct taxes (paid including tax deducted at source)	(0.74)	(1.25)
<b>Net cash (used in) / from investing activities... (B)</b>	<b>(74.67)</b>	<b>173.79</b>

**Kamat Hotels (India) Limited**

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CIN: L55101MH1986PLC039307, Tel. No. 022 26164000

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

Particulars	For the half year ended 30th September 2021	For the half year ended 30th September 2020
	Unaudited	Unaudited
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	414.00	6.44
Repayment of long term borrowings	(927.68)	-
Payments of lease liabilities	(12.37)	(12.32)
Interest paid (Including other borrowing cost)	(281.66)	(48.10)
<b>Net cash (used in) / from financing activities... (C)</b>	<b>(807.71)</b>	<b>(53.98)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+ B+C)</b>	<b>(381.15)</b>	<b>413.82</b>
Cash and cash equivalents at beginning of the year (net of book overdraft)	659.19	48.20
Cash and cash equivalents at end of the year	278.04	462.02
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(381.15)</b>	<b>413.82</b>

For and on behalf of the Board of Directors of  
**Kamat Hotels (India) Limited****VITHAL  
VENKETESH  
KAMAT**Digitally signed by  
VITHAL VENKETESH  
KAMAT  
Date: 2021.11.12  
12:32:26 +05'30'**Dr. Vithal V. Kamat****Executive Chairman & Managing Director**  
(DIN : 00195341)

Place: Mumbai

Date: 12th November, 2021

# N. A. SHAH ASSOCIATES LLP

Chartered Accountants

## Limited Review Report on unaudited consolidated financial results for the quarter and half year ended 30<sup>th</sup> September 2021 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 share of the net (loss) after tax and total comprehensive (loss) of its joint venture for the quarter and half year ended 30<sup>th</sup> September, 2021 ('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.

### Auditor's responsibility

3. 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.

4. 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')	
Kamats 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

**Limited Review Report on unaudited consolidated financial results for the quarter and half year ended 30<sup>th</sup> September 2021 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**

5. In respect of subsidiary company ('OHPPL'), reference is invited to note 6(i) to the Statement. Vide agreement dated 24<sup>th</sup> 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 30<sup>th</sup> September, 2013). The interest amount from 1<sup>st</sup> October, 2013 till 30<sup>th</sup> September, 2021 has not been provided in the books nor has the same been quantified. Non-provision of interest is not in compliance with the accounting treatment as prescribed under Ind AS 23 Borrowing Cost. As per the legal opinion obtained by the management, no further liability is required to be accounted now considering the terms of settlement and pending execution of the definitive agreement (the modalities of which are being worked out).

Had the provision been made, borrowing cost and loss for the current period and previous year and negative net worth as at 30<sup>th</sup> September, 2021 would increase by the amount of interest for the period 1<sup>st</sup> October, 2013 to 30<sup>th</sup> September, 2021 which has not been provided as per the management's view mentioned above.

In respect of above matter, qualification was also given in our report for the previous quarter, quarters of earlier years and report for the year ended 31<sup>st</sup> March, 2021, 31<sup>st</sup> March, 2020.

**Qualified conclusion**

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and except for the effect of matter described in paragraph 5 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**

7. Attention is invited to note 5, 6(ii) and 7 of the Statement, which indicates that there is material uncertainty related to continuity as going concern of the Holding Company, OHPPL (subsidiary company), MPPL (subsidiary company) respectively and note 8(i) related to material uncertainty related to going concern at Group level. In Consolidated financial results, material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern on account of accumulated losses, negative net worth and negative working capital in Holding Company and two subsidiaries as mentioned in those notes. For preparation of standalone financials results of Holding Company and two subsidiaries, going concern assumption is considered appropriate by the management as appropriate steps are being taken to mitigate the impact of accumulated losses, improve the cash flows, management's request for seeking extension of the loan dues where applicable [also refer para 9 in emphasis of matter section below], management's action to mitigate the impact of COVID-19 as described in note 11 of the Statement, fair value of the assets of Holding Company are significantly higher than the borrowing/debts and that the Holding Company is exploring possibilities to divest / liquidate some of its properties. In view of the above and in the opinion of management, the consolidated financial results have also been prepared on a going concern basis.

Our conclusion is not modified in respect of above matter. In respect of above matter, attention was also drawn by us in our report for the previous quarter, quarters of earlier years and reports for the year ended 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2020. 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 and half year ended 30<sup>th</sup> September 2021 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**

8. 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 1<sup>st</sup> November, 2014 to 30<sup>th</sup> September, 2021, the subsidiary company (OHPPL) has accounted for the liability amounting to Rs. 1,665.99 lakhs. Further, in the year ended 31<sup>st</sup> 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.
9. 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 stipulated instalments comprising of principal and interest due to the lenders. The Cumulative unpaid instalments amount to Rs. 13,343.12 lakhs (this includes instalments of Rs. 1,379.25 lakhs which became due in the current quarter).
  - i. During the quarter ended 30<sup>th</sup> September 2021, the holding company has received letter from one of the lender demanding outstanding amount to be paid immediately. The holding company has responded stating its inability to make the payments on account of severe impact on the business caused by COVID-19 pandemic as well as government restrictions imposed through various notifications and has further requested for extension upto December 2021. In respect of all other lenders (other than bank as mentioned below), considering COVID-19 pandemic, the holding company had sent signed letters by emails in the month of March 2021 and June 2021 for extension of dues upto the 31<sup>st</sup> December 2021. Further restructuring proposals were also submitted by the holding company to which in-principle approval was received in writing from two lenders in the quarter ended 31<sup>st</sup> March 2021. The holding company have also sent signed letters by emails in the month of July 2021 to the lenders for extension upto 31<sup>st</sup> December 2021. We are informed that all the aforesaid lenders have verbally agreed for the extension whenever sought. In the absence of written communication from lenders approving the extension, we are unable to validate the extension granted to the holding company by the lenders.
  - ii. In respect of loan from the bank, in the quarter ended 30<sup>th</sup> June 2021 outstanding loan was restructured whereby it sanctioned Funded Interest Term Loan (FITL). Additional finance of Rs. 720 lakhs was advanced in quarter ended 31<sup>st</sup> March, 2021 and in quarter ended 30<sup>th</sup> September 2021.

Considering the above, in the opinion of the management, event of default is not triggered, hence there is no other accounting implications and reclassification of non-current borrowings to current financial liabilities is not required. Impact if any, will be considered in the period in which the holding company and the lenders agree on the revised terms. In continuation of the view taken in the earlier quarters and considering the above, in the opinion of the management, no intimation is required to be given to the stock exchange for unpaid loan instalments as at 30<sup>th</sup> September, 2021 as required by SEBI circular dated 21<sup>st</sup> November 2019.

10. Attention is invited to note 11 of the Statement, in respect of the possible effect of uncertainties relating to COVID-19 pandemic on the Group and joint venture's financial performance as assessed by the management.
11. Attention is invited to note 6(iv) of the Statement in respect of payment of unsecured advance by the subsidiary company (OHPPL) of Rs. 600 lakhs to Joint Developer for cost to be incurred in respect of joint development agreement entered in September 2019 to develop and commercially exploit certain properties over the land on which the OHPPL holds leasehold rights. As per the terms agreed between the joint developer and the subsidiary company, the said amount would be utilised for obtaining / seeking the necessary approvals for the development of above-mentioned property. Further, as per confirmation received as at 30<sup>th</sup> September, 2021 from the joint developer, no cost has been incurred against the above advance.



# N. A. SHAH ASSOCIATES LLP

Chartered Accountants

**Limited Review Report on unaudited consolidated financial results for the quarter and half year ended 30<sup>th</sup> September 2021 of Kamat Hotels India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (continued...)**


Our conclusion is not modified in respect of above matters. In respect of the matter covered in paragraph 8 above, attention was also drawn by us in our report for the previous quarter, quarters of earlier years and reports for year ended 31<sup>st</sup> March 2021, 31<sup>st</sup> March, 2020. In respect of matter covered in paragraphs 9 and 10 above, attention was also drawn by us in our report for the previous quarter, quarters of previous year and report for the year ended 31<sup>st</sup> March, 2021 and 31<sup>st</sup> March, 2020. In respect of matter covered in paragraphs 11 above, attention was also drawn by us in our report for previous quarter and the quarter / year ended 31<sup>st</sup> March, 2021. 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  
DN: cn=SANDEEP NATWARLAL SHAH,  
o=N. A. SHAH ASSOCIATES LLP,  
ou=116560WW100149, email=sandee@nashah.com,  
c=IN

**Sandeep Shah**

Partner

Membership number: 37381

UDIN: 21037381AAAAFJ4224

Place: Mumbai

Date: 12<sup>th</sup> November, 2021

**Kamat Hotels (India) Limited**

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**Statement of consolidated financial results for the quarter and half year ended 30th September, 2021**

(Rs. In lakhs except earnings per share)

Sr. No.	Particulars	Quarter ended 30th Sept. 2021		Quarter ended 30th Sept. 2020		Half year ended 30th Sept. 2021		Half year ended 30th Sept. 2020		Year ended 31st March 2021	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income</b>										
	(a) Revenue from operations (Refer note 9)	3,311.69	1,379.55	1,090.81	4,691.24	1,790.65	6,599.35				
	(b) Other income	23.51	23.15	28.63	46.66	60.64	150.04				
	<b>Total income</b>	<b>3,335.20</b>	<b>1,402.70</b>	<b>1,119.44</b>	<b>4,737.90</b>	<b>1,851.29</b>	<b>6,749.39</b>				
2	<b>Expenses</b>										
	(a) Consumption of food and beverages	346.39	131.30	58.95	477.69	113.49	670.82				
	(b) Employee benefits expense (Refer note 14)	699.55	513.53	327.23	1,213.08	506.45	1,533.10				
	(c) Finance cost	1,305.34	1,160.15	1,052.85	2,465.49	2,004.69	4,177.85				
	(d) Depreciation and amortisation expense	426.05	430.95	441.80	857.00	879.58	1,754.41				
	(e) Other expenses										
	(i) Heat, light and power	304.22	204.72	162.61	508.94	251.72	702.48				
	(ii) Others	1,152.51	731.04	586.68	1,883.55	1,095.34	2,807.59				
	<b>Total expenses</b>	<b>4,234.06</b>	<b>3,171.69</b>	<b>2,630.12</b>	<b>7,405.75</b>	<b>4,851.27</b>	<b>11,646.25</b>				
3	<b>(Loss) before share of (loss) of joint venture, exceptional items &amp; tax [1-2]</b>	<b>(898.86)</b>	<b>(1,768.99)</b>	<b>(1,510.68)</b>	<b>(2,667.85)</b>	<b>(2,999.98)</b>	<b>(4,896.86)</b>				
4	Share of (loss) from joint venture accounted for using equity method	(14.50)	(25.84)	(20.79)	(40.34)	(42.89)	(67.18)				
5	<b>(Loss) before exceptional items and tax [3+4]</b>	<b>(913.36)</b>	<b>(1,794.83)</b>	<b>(1,531.47)</b>	<b>(2,708.19)</b>	<b>(3,042.87)</b>	<b>(4,964.04)</b>				
6	Exceptional items - income - net (Refer note 10 (a))	-	-	-	-	373.17	373.17				
7	<b>(Loss) for the period / year before tax [5+6]</b>	<b>(913.36)</b>	<b>(1,794.83)</b>	<b>(1,531.47)</b>	<b>(2,708.19)</b>	<b>(2,669.70)</b>	<b>(4,590.87)</b>				
8	<b>Tax expense</b>										
	Current tax (Refer note 12)	0.09	0.14	-	0.23	-	-				
	Deferred tax - (credit) for current period / year (net) (Refer note 12)	(230.59)	(361.55)	(309.06)	(592.14)	(530.29)	(950.63)				
	(Excess) provision for current tax / deferred tax (net)	-	-	-	-	-	(10.85)				
9	<b>Total tax expenses</b>	<b>(230.50)</b>	<b>(361.41)</b>	<b>(309.06)</b>	<b>(591.91)</b>	<b>(530.29)</b>	<b>(961.48)</b>				
10	<b>(Loss) for the period / year [7-8]</b>	<b>(682.86)</b>	<b>(1,433.42)</b>	<b>(1,222.41)</b>	<b>(2,116.28)</b>	<b>(2,139.41)</b>	<b>(3,629.39)</b>				
	<b>Other comprehensive income</b>										
	Items that will not be reclassified to profit or loss										
	(i) Remeasurement of defined benefit plans - gain	-	16.75	2.80	16.75	5.60	65.34				
	(ii) Income taxes effect on above	-	(2.87)	(0.84)	(2.87)	(1.68)	(11.49)				
	<b>Total other comprehensive income</b>	<b>-</b>	<b>13.88</b>	<b>1.96</b>	<b>13.88</b>	<b>3.92</b>	<b>53.85</b>				
11	<b>Total comprehensive income for the period / year [9+10]</b>	<b>(682.86)</b>	<b>(1,419.54)</b>	<b>(1,220.45)</b>	<b>(2,102.40)</b>	<b>(2,135.49)</b>	<b>(3,575.54)</b>				

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**Statement of consolidated financial results for the quarter and half year ended 30th September, 2021**

Sr. No.	Particulars	(Rs. In lakhs except earnings per share)					
		Quarter ended 30th Sept 2021 Unaudited	Quarter ended 30th June 2021 Unaudited	Quarter ended 30th Sep 2020 Unaudited	Half year ended 30th Sept 2021 Unaudited	Half year ended 30th Sept 2020 Unaudited	Year ended 31st March 2021 Audited
12	<b>Total comprehensive income for the period / year attributable to:</b> (a) To owner of parent (b) To non controlling interest	(682.86) -	(1,419.54) -	(1,220.45) -	(2,102.40) -	(2,135.49) -	(3,575.54) -
13	<b>Out of total comprehensive income for the period / year:</b> <b>(Loss) for the period / year attributable to:</b> (a) To owner of parent (b) To non controlling interest <b>Other comprehensive income attributable to:</b> (a) To owner of parent (b) To non controlling interest	(682.86) - - - -	(1,433.42) - 13.88 - -	(1,222.41) - 1.96 - -	(2,116.28) - 13.88 - -	(2,139.41) - 3.92 - -	(3,629.39) - 53.85 - -
14	Paid-up equity share capital (including forfeited shares) (Face value per share of Rs. 10/- each)	2,417.26	2,417.26	2,417.26	2,417.26	2,417.26	2,417.26
15	Reserve excluding revaluation reserves	(2.90)	(6.08)	(5.18)	(8.97)	(9.07)	(15.39)
16	Earnings per share (Face value per share of Rs. 10/- each) (a) Basic (Rs.) (b) Diluted (Rs.)	(2.90) (2.90)	(6.08) (6.08)	(5.18) (5.18)	(8.97) (8.97)	(9.07) (9.07)	(15.39) (15.39)

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**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 November, 2021. The statutory auditors have carried out limited review of the consolidated financial results for the half year ended 30th September, 2021.
- 2 The above consolidated financial results have been prepared in accordance with guidelines issued by Securities and Exchange Board of India ('SEBI') and the Indian Accounting Standards [Ind AS] prescribed under section 133 of the Companies Act, 2013 ('the Act').
- 3 The consolidated financial results for the half year ended 30th September, 2021, and previous quarter / year include financial results in respect of following entities: Wholly owned subsidiary companies (a) Orchid Hotels Pune Private Limited (OHPPL), (b) Fort 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 September, 2021, there are non-payment of stipulated instalments comprising of principal and interest due to the lenders. The cumulative unpaid instalments amounts to Rs. 13,343.12 lakhs (this includes instalments of Rs. 1,379.25 lakhs which was due in the quarter ended 30th September 2021).  
(i) During the quarter ended 30th September 2021, one of the lender has 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 Government restrictions imposed through various notifications and has further requested for extension upto 31st December 2021. In respect of all other lenders (other than bank as mentioned below), considering COVID-19 pandemic, the holding company had sent signed letters by emails in the month of March 2021 and June 2021 for extension of dues upto 31st December 2021. Further restructuring proposals were also submitted by the holding company to which in-principle approval was received in writing from two lenders in the quarter ended 31st March 2021. The holding company have also sent signed letters by emails in the month of July 2021 to the lenders for extension upto 31st December 2021. During the discussion, all the aforesaid lenders have agreed for extension, which is under process.  
(ii) In respect of loan from the bank, in the quarter ended 30th June 2021 outstanding loan was restructured whereby it sanctioned Funded Interest Term Loan (FITL). Additional finance of Rs. 720 lakhs was advanced in the quarter ended 31st March, 2021 and in the quarter ended 30th September 2021.  
Considering the above, in the opinion of the management, event of default is not triggered and hence there is no other accounting implications and reclassification of non-current borrowings to current financial liabilities is not required. Impact if any, will be considered in the period in which the holding company and the lenders agree on the revised terms. Loan balance confirmations from three lenders for balance instalment amounting to Rs. 3,489.00 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 September 2021 as required by SEBI circular dated 21st November, 2019.  
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 and half year ended 30th September 2021. Further, the statutory auditors had also reported emphasis of matter in their limited review report for the quarter ended 30th June, 2021, quarters of previous year and report for the year ended 31st March, 2021, 31st March, 2020.
- 5 As per the standalone financial results, the holding company's accumulated losses are in excess of its paid up capital and reserves as at 30th September, 2021 and its current liabilities are significantly greater than the current assets as on 30th September, 2021 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 11 of the Statement which is also demonstrated through positive earnings before interest, taxes and depreciation (EBITDA) for the year half year ended 30th September 2021 and for the year ended 31st March, 2021, restructuring which are approved by the lenders and management's request for seeking extension of the loan dues 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, 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.

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6 In respect of subsidiary company (OHPL),

(i) Vide agreement dated 24th December 2018, International Asset Reconstruction Company Private Limited (IARC) purchased the loan from M/s Asset Reconstruction Company India Limited (ARCIL) [lender to whom loan was sold/assigned by ICICI Bank in earlier years] for an aggregate amount of Rs. 13,500.00 lakhs on cash basis which as per the legal advice received by the subsidiary company is not in compliance of the circulars / notifications issued by Reserve Bank of India. Even otherwise, the said sale could not be termed either as sale or assignment as there existed non-compliance of mandatory provisions of law in order to effectuate such a transactions in compliance with the provisions of law. As per the books of the subsidiary company, total outstanding towards this loan is Rs. 18,833.99 lakhs (including interest liability accounted in books upto 30th September, 2013). The interest amount from 1st October, 2013 till 30th September, 2021 has not been provided in books nor has the same been quantified. Non provision of interest is not in compliance with the accounting treatment as prescribed under Ind. AS 23 Borrowing Cost. As per the legal opinion obtained by the subsidiary company and in accordance with the settlement arrangement between holding company, the subsidiary company and IARC, the liability shown in financial statement of the subsidiary company as well as loan to subsidiary and guaranties in the financial statement of the holding company (i.e. Guarantors) would get extinguished. Further, the holding company has agreed to transfer 100% equity shares of the subsidiary company to IARC for a consideration of Rs. 1/- and in turn thereof IARC shall release all the corporate and personal guarantees unconditionally. The other terms/conditions and obligation as agreed between the parties along with the extinguishment as mentioned above will be accounted when the definitive agreement is executed. IARC has replied to the subsidiary company, in principle agreeing to the terms of the settlement and also suggested that modalities for achieving this are being worked out. Accordingly as per the subsidiary company, no further liability is required to be accounted now. The statutory auditors have continued to comment on this matter in their report on the financial results for the quarter and half year ended 30th September, 2021 in line with their earlier reports.

(ii) The subsidiary company has incurred loss in the half year ended 30th September 2021 and also in the previous year, its net worth is fully eroded and its current liabilities exceeds the current assets as on 30th September, 2021. 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 and management's action to mitigate the impact of COVID-19 as described in note 11, in the opinion of the management, the financial results of the subsidiary company are prepared on going concern basis.

(iii) In respect of dispute over lease rent levied by Director of Sports, the subsidiary company has accounted for the liability amounting to Rs. 1,665.99 lakhs for the period from 1st November, 2014 to 30th September, 2021; which is after making the part payment of Rs. 129.83 lakhs in the quarter ended 30th September 2020. Further, during the previous year, the Hon'ble Bombay High Court had appointed sole arbitrator to resolve the disputes. Interest / penalty, if any, will be accounted in the period / year in which dispute will be resolved. Further, during the quarter ended 30th June 2020, the subsidiary company, by invoking COVID-19 as the force majeure event, had applied to the authorities for waiver of lease rent during the lockdown imposed by the Government. The said application is pending and waiver, if any, will be accounted in the period/year in which it will be approved.

(iv) In the quarter ended 31st March 2021, the subsidiary company has paid unsecured advance of Rs. 600 lakhs to Joint Developer for cost to be incurred in respect of joint development agreement entered in September 2019 to develop and commercially exploit certain properties over the land on which the subsidiary company holds leasehold rights. As per the terms agreed between the joint developer and the subsidiary company, the said amount would be utilised for obtaining / seeking the necessary approvals for the development of above-mentioned property. Further, as per the mutual understanding, if the joint developer is not able to obtain the requisite development approvals within reasonable time, the said amount subject to deduction for expense incurred by the joint developer would be refunded to the subsidiary company. The project is still at a nascent stage and more clarity would emerge over the next few months.

7 In respect of subsidiary company (MPPL),

The subsidiary company has incurred losses in the half year ended 30th September 2021 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) management's action to mitigate the impact of COVID-19 as described in note 11.



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- 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 September 2021. Further, the statutory auditors had also drawn attention of above matter in their report on the consolidated financial results for the quarter ended 30th June 2021, quarters of previous year and reports for the year ended 31st March, 2021, 31st March, 2020.
- (ii) In respect of matter covered in note 6(iii), the statutory auditors have reported the emphasis of matter in their report on the consolidated financial results for the quarter ended 30th September 2021. Further, emphasis of matter was also reported by the statutory auditors in their limited review report on consolidated financial results for the quarter ended 30th June 2021, in quarters of earlier years and reports for year ended 31st March, 2021, 31st March, 2020.
- (iii) In respect of matter covered in note 6(iv), The statutory auditors have reported emphasis of matter in their report on the financial results for the quarter ended 30th September 2021, quarter ended 30th June, 2021 and year ended 31st March, 2021.
- 9 Revenue from Operations for the year ended 31st March, 2021 includes 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.
- 10 In respect of holding company,  
a) Exceptional item of Rs. 373.17 lakhs recognised in the half year ended 30th September 2020 represents insurance claim received in respect of a hotel property in Orissa which was affected due to "Cyclone Fani".  
b) During the quarter ended 30th June 2021, holding company's one hotel property in Orissa was affected due to 'Cyclone Yaas'. Management does not expects any charge in statement of profit and loss to be accounted due to this event considering insurance coverage, the claim of which is yet to be filed.
- 11 Due to outbreak of COVID-19 pandemic, operations of the Group and joint venture are continued to be severely impacted. The Group and joint venture expects recovery in business to be driven by domestic and international leisure and business travel as the normalcy restores. On account of above, the Group and joint venture have carried out impairment assessment for the carrying value of property, plant & equipment, right of use asset, intangible assets, trade receivables, inventories and other assets based on the internal and external information upto the date of approval of these financial results including potential impact on account of COVID-19. Based on such assessment, in the opinion of management of Group and joint venture, no further provision for impairment is required to be made as the carrying amount of all the assets is expected to be recovered. Further, the Holding Company and joint venture have requested its lenders for extension of payment of dues in view of the challenges faced on account of COVID-19. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Group and joint venture will continue to monitor the future economic conditions and assess its impact on consolidated financial results. In this respect, the statutory auditors have reported emphasis of matter in their report on the consolidated financial results for the quarter ended 30th September 2021. Further, the statutory auditors had also reported emphasis of matter in their limited review report for the quarter ended 30th June 2021, quarters of previous year and report for the year ended 31st March, 2021 and 31st March, 2020.
- 12 W.e.f. 1st April, 2020, the holding company has opted for lower tax rate under Section 115BAA of the Income Tax Act, 1961. Deferred tax asset has been created on losses incurred during the year, considering there is a deferred tax liability on net basis.
- 13 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.
- 14 The holding company had paid excess remuneration of Rs. 72.55 lakhs (Rs. 30.61 lakhs in the financial year ended 31st March, 2021 and Rs. 41.94 lakhs in the financial year ended 31st March, 2020) to its Executive Chairman and Managing Director (ECMD). Excess remuneration paid has been fully recovered as on 30th June, 2021. For the period commencing from 1st April 2021, in light of the adverse impact of the pandemic and seeing the current market condition of the industry and sector, no remuneration has been provided / paid to ECMD.
- 15 Previous periods / year figures are regrouped and rearranged wherever necessary on account of amendment in division II to schedule III of Companies Act 2013 to conform current period presentation.

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**16 Consolidated statement of assets and liabilities as at 30th September, 2021**

(Rs. In lakhs)

Particulars	As at	As at
	30th Sep 2021	31st Mar 2021
	Unaudited	Audited
<b>Assets</b>		
Non-current assets		
(a) Property, plant and equipment	31,549.97	32,343.28
(b) Capital work-in-progress	678.86	628.04
(c) Right of use assets	2,094.54	2,120.06
(d) Investment property	1,004.31	1,016.28
(e) Other intangible assets	83.03	88.45
(f) Financial assets		
(i) Investment in joint venture	0.99	41.33
(ii) Investments	21.85	19.66
(iii) Other financial assets	2,162.61	2,107.52
(g) Income tax assets (net)	1,180.24	1,132.95
(h) Other non-current assets	4,200.90	4,097.45
<b>Sub- total</b>	<b>42,977.30</b>	<b>43,595.02</b>
Current assets		
(a) Inventories	195.48	187.08
(b) Financial assets		
(i) Investments	6.43	5.28
(ii) Trade receivables	648.48	567.54
(iii) Cash and cash equivalents	1,194.42	1,346.85
(iv) Other bank balances	109.11	103.78
(v) Loans	0.07	58.75
(vi) Other financial assets	47.45	42.81
(c) Other current assets	512.06	559.82
<b>Sub- total</b>	<b>2,713.50</b>	<b>2,871.91</b>
<b>Total Assets</b>	<b>45,690.80</b>	<b>46,466.93</b>
<b>Equity and liabilities</b>		
Equity		
(a) Equity share capital	2,417.26	2,417.26
(b) Other equity	(20,394.29)	(18,291.89)
<b>Sub- total</b>	<b>(17,977.03)</b>	<b>(15,874.63)</b>
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,926.92	6,419.49
(ii) Lease liabilities	1,710.11	1,697.05
(iii) Other financial liabilities	96.06	107.96
(b) Provisions	378.78	446.91
(c) Deferred tax liabilities (net)	910.72	1,499.90
(d) Other non current liabilities	341.61	378.84
<b>Sub- total</b>	<b>8,364.20</b>	<b>10,550.15</b>
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	39,599.48	38,637.40
(ii) Lease liabilities	185.51	197.58
(iii) Trade payables		
- Amount due to micro and small enterprises	345.94	365.59
- Amount due to other than micro and small enterprises	2,116.13	2,042.98
(b) Other financial liabilities (includes interest payable on borrowings)	11,016.53	8,865.87
(c) Provisions	90.14	107.56
(d) Other current liabilities	1,949.84	1,574.43
(e) Current tax liabilities(net)	0.06	-
<b>Sub- total</b>	<b>55,303.63</b>	<b>51,791.41</b>
<b>Total equity and liabilities</b>	<b>45,690.80</b>	<b>46,466.93</b>

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**17 Consolidated statement of cash flows for the half year ended 30th September, 2021**

(Rs. In lakhs)

Particulars	For the half year ended	For the half year ended
	30th Sept 2021	30th Sept 2020
	Unaudited	Unaudited
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss) before taxes and other comprehensive income	(2,708.19)	(2,669.70)
<b>Adjustments for:</b>		
Finance cost	2,465.49	2,004.69
Interest income	(20.06)	(36.06)
Depreciation and amortization expense	857.01	879.58
Liabilities and provisions written back	(31.21)	(30.27)
Provision for expected credit loss and doubtful debts / advances	77.25	135.81
Loss on account of cyclone	-	5.97
Loss / (gain) on sale/ discard of property, plant and equipments	3.67	(0.18)
Share in loss of joint venture (accounted as per equity method)	40.34	42.89
Rent income	(17.63)	(20.61)
Insurance claim (exceptional item)	-	(373.17)
(Gain) on fair value of investments	(3.33)	(2.34)
<b>Operating profit / (loss) before working capital changes</b>	<b>663.34</b>	<b>(63.39)</b>
Movements in working capital : [Including Current and Non-current]		
(Increase) / decrease in loans, trade receivable and other assets	(26.27)	692.14
(Increase) / decrease in inventories	(8.40)	71.66
Increase / (decrease) in trade payable, other liabilities and provisions	179.85	(541.61)
	<b>808.52</b>	<b>158.80</b>
Adjustment for:		
Direct taxes (paid) (including tax deducted at source) / refund (net)	(45.46)	250.72
<b>Net cash generated/ (used in) from operating activities...(A)</b>	<b>763.06</b>	<b>409.52</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (Including capital work in progress and capital advances)	(233.65)	(26.78)
Sale of property, plant and equipment	0.62	0.23
Insurance claim received	-	182.20
Temporary refund received of advance given	(60.00)	30.00
Repayment of temporary refund received	60.00	(30.00)
Rent income received	12.34	20.61
Interest income	15.27	40.41
(Increase) / decrease in bank balance [Current and non-current] (other than cash and cash equivalent)	(5.96)	7.10
	<b>(211.38)</b>	<b>223.77</b>
Adjustment for:		
Direct taxes (paid including tax deducted at source)	(1.90)	(3.60)
<b>Net cash (used in) / from investing activities... (B)</b>	<b>(213.28)</b>	<b>220.17</b>

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Particulars	For the half year ended	For the half year ended
	30th Sept 2021	30th Sept 2020
	Unaudited	Unaudited
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	639.26	6.44
Repayment of long term borrowings	(1,107.68)	-
Interest paid (Including other borrowing cost)	(283.09)	(51.24)
Payments of lease liabilities	(22.98)	(150.86)
<b>Net cash (used in) / from financing activities... (C)</b>	<b>(774.49)</b>	<b>(195.66)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+ B+C)</b>	<b>(224.71)</b>	<b>434.03</b>
Cash and cash equivalents at beginning of the year (net of book overdraft)	1,346.85	1,194.83
Cash and cash equivalents at end of the year	1,122.14	1,628.86
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(224.71)</b>	<b>434.03</b>

For and on behalf of the Board

**Kamat Hotels (India) Limited**VITHAL VENKETESH KAMAT  
KAMATDigitally signed by VITHAL  
VENKETESH KAMAT  
Date: 2021.11.12 12:31:44  
+05'30'**Dr. Vithal V. Kamat**  
Executive Chairman and Managing Director  
[DIN : 00195341]

Place: Mumbai

Date: 12th November, 2021