

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

14th February, 2023

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. 14th February, 2023 have inter-alia accorded their approval for the following matters:

Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended 30th September, 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:

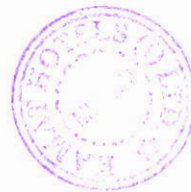
- i) Unaudited Standalone and Consolidated Financial Results for the quarter and nine months ended 31st December, 2022
- ii) Limited Review Report of the Standalone and Consolidated financial results for the quarter and nine months ended 31st December, 2022 issued by the Statutory Auditors of the Company.

The Meeting commenced at 12.15 p.m. and concluded at 1.30 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.:022 2616 4000, Fax :022 2616 4203
Email-Id : cs@khil.com | Website: www.khil.com | CIN: L55101MH1986PLC039307

Limited Review Report on unaudited standalone financial results for the quarter and nine months ended 31st December, 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 and nine months ended 31st December, 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') which has been initiated by us for identification purpose.

Management's Responsibility

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, as amended, 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 is 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, as amended, 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 8 of the Statement. As per the standalone financial results, the Company's accumulated losses are in excess of its paid-up capital and reserves and its current liabilities are significantly greater than the current assets as on 31st December, 2022 and 31st March, 2022. In the opinion of the management, considering positive earnings before interest, taxes and depreciation (EBITDA) for the nine months ended 31st December, 2022 and year ended 31st March, 2022, increase in operations and profit during the nine months ended 31st December, 2022, settlement of secured debts during the quarter and subsequent to the quarter, advance receipts against arrangement to sell immovable assets, term sheet for transfer of one of the hotel properties, issue of Non-Convertible Debentures (NCDs) subsequent to quarter and further developments as stated in note 3 to 6 of the Statement, considering the future business prospects and the fair value of the assets of the Company being significantly higher than the borrowings / debts, these standalone results have been prepared on a going concern basis which

N. A. SHAH ASSOCIATES LLP

Chartered Accountants

Limited Review Report on unaudited standalone financial results for the quarter and nine months ended 31st December, 2022 of Kamat Hotels India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (continued)

contemplates realisation 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 us in our earlier limited review reports and independent auditor's reports. Our conclusion / opinion was not modified in earlier quarters / years also.

Emphasis of matters

6. Attention is invited to note 3(b) and 3(c) of the Statement in respect of borrowing,

During the earlier quarters, the Company had proposed for settlement of outstanding loan and interest due, which was in-principle approved by the respective lenders. Further developments in this respect are as below:

- (i) During the quarter ended 31st December, 2022, the Company settled / paid the dues of two ARCs and No Dues Certificates (NDCs) have been received. The Company has accounted for settlement and derecognized the loan liability (principal and interest), the difference between liability as per books and the settlement amount is accounted as under:
 - Rs. 1,043.75 lakhs is disclosed as income under "Exceptional Item" and
 - Rs. 324.51 lakhs is reversed from the finance cost of the current quarter / period.Consequential tax impact for the above has also been given in the books.
- (ii) Subsequent to the quarter, the Company has settled / paid the dues of the remaining two ARCs (having book value of Rs. 22,057.61 lakhs as at 31st December, 2022) at an agreed amount of Rs. 12,293.75 lakhs and NDCs are received. The impact of settlement [i.e. derecognition of loan liability (principal and interest) and gain on settlement of Rs. 9,763.86 lakhs] will be given in the books of the Company in the subsequent quarter.

In the opinion of the management, in continuation of the view taken earlier and considering the settlement above, reporting for the event of default is not warranted and hence no intimation is required to be given to the stock exchange for unpaid loan instalments / settlement amounts as at 31st December, 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 us in our earlier limited review reports and independent auditor's reports. Our conclusion / opinion was not modified in earlier quarters / years also.

For N. A. Shah Associates LLP

Chartered Accountants

Firm's Registration No. 116560W/W100149



Sandeep Shah

Partner

Membership number: 37381

UDIN: 23037381BCPYAD1977

Place: Mumbai

Date: 14th February, 2023

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 standalone financial results for the quarter and nine months ended 31st December 2022

(Rs. in lakhs except earnings per share)

Sr. No.	Particulars	Quarter ended 31st Dec 2022	Quarter ended 30th Sept 2022	Quarter ended 31st Dec 2021	Nine months ended 31st Dec 2022	Nine months ended 31st Dec 2021	Year ended 31st March 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations	6,372.62	4,561.74	3,821.20	16,155.05	7,380.78	10,818.68
	(b) Other income	62.70	34.74	18.32	197.30	46.89	60.59
	Total income	6,435.32	4,596.48	3,839.52	16,352.35	7,427.67	10,879.27
2	Expenses						
	(a) Consumption of food and beverages	508.94	382.52	423.95	1,320.06	759.36	1,085.25
	(b) Employee benefits expense (Refer note 9)	917.48	851.20	685.20	2,571.11	1,639.20	2,415.74
	(c) Finance cost	532.17	1,214.27	1,174.98	2,961.21	3,497.82	4,752.76
	(d) Depreciation and amortisation expense	257.91	248.42	254.96	755.59	745.33	1,003.33
	(e) Other expenses						
	(i) Heat, light and power	308.57	307.95	250.81	926.73	606.15	818.73
	(ii) Others	1,994.09	1,564.91	1,223.31	4,929.77	2,709.44	3,773.62
	Total expenses	4,519.16	4,569.27	4,013.21	13,464.47	9,957.30	13,849.43
3	Profit / (Loss) before exceptional items and tax [1-2]	1,916.16	27.21	(173.69)	2,887.88	(2,529.63)	(2,970.16)
4	Exceptional item - income (Refer note 3(b)(i))	1,043.75	-	-	1,043.75	-	-
5	Profit / (Loss) for the period / year before tax [3+4]	2,959.91	27.21	(173.69)	3,931.63	(2,529.63)	(2,970.16)
6	Tax expense						
	Current tax	-	-	-	-	-	-
	Deferred tax expense / (credit) for current period / year (net)	661.02	6.63	(38.30)	904.58	(626.04)	(736.49)
	Short provision for current tax / deferred tax (net)	-	1.46	-	1.46	-	0.73
	Total tax expenses	661.02	8.09	(38.30)	906.04	(626.04)	(735.76)
7	Profit / (Loss) for the period / year [5-6]	2,298.89	19.12	(135.39)	3,025.59	(1,903.59)	(2,234.40)
8	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	(i) Remeasurement of defined benefit plans	(2.98)	14.81	-	24.07	11.41	24.98
	(ii) Income taxes effect on above	0.75	(3.73)	-	(6.06)	(2.87)	(6.29)
	Total other comprehensive income	(2.23)	11.08	-	18.01	8.54	18.69
9	Total comprehensive income for the period / year [7+8]	2,296.66	30.20	(135.39)	3,043.60	(1,895.05)	(2,215.71)
10	Paid-up equity share capital (including forfeited shares) (Face value 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						(6,508.95)
12	Earnings per share (Face value of Rs. 10/- each)						
	(a) Basic	9.75	0.08	(0.57)	12.83	(8.07)	(9.47)
	(b) Diluted	9.75	0.08	(0.57)	12.83	(8.07)	(9.47)

See accompanying notes to financial results



Kamat Hotels (India) Limited

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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 14th February, 2023. The statutory auditors have carried out limited review of the standalone financial results for the quarter and nine months ended 31st December, 2022.
- 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) During the quarter ended 31st December, 2022, the Company has foreclosed the entire dues of one bank and No Dues Certificate (NDC) has been received.

(b) During the earlier quarters, the Company had proposed for settlement of outstanding loan and interest due, which was in-principle approved by the respective lenders. Further developments in this respect are as below:

(i) During the quarter ended 31st December, 2022, the Company settled / paid the dues of two ARCs and NDCs have been received. The Company has accounted for settlement and derecognized the loan liability (principal and interest), the difference between liability as per books and the settlement amount is accounted as under :
 - Rs.1,043.75 lakhs is disclosed as income under "Exceptional Item" and
 - Rs. 324.51 lakhs is reversed from the finance cost of the current quarter / period.Consequential tax impact for the above has also been given in the books.

(ii) Subsequent to the quarter, the Company has settled / paid the dues of the remaining two ARCs (having book value of Rs. 22,057.61 lakhs as at 31st December, 2022) at an agreed amount of Rs. 12,293.75 lakhs and NDCs are received. The impact of settlement [i.e. derecognition of loan liability (principal and interest) and gain on settlement of Rs. 9,763.86 lakhs] will be given in the books of the Company in the subsequent quarter.

(c) In the opinion of the management, in the case of 3(b) above and in continuation of the view taken earlier, reporting for the event of default is not warranted and hence no intimation is required to be given to the stock exchange for unpaid loan instalments / settlement amounts as at 31st December, 2022 as required by SEBI circular dated 21st November, 2019.

The statutory auditors have reported emphasis of matter on the above note 3(b) and 3(c) in their report on the financial results for the quarter and nine months ended 31st December, 2022 in line with their earlier limited review reports / independent auditor's reports.
- 4 During the quarter ended 31st December, 2022, the Company has received advances towards proposed sale of immovable properties at Nagpur belonging to the Company. The advance money was utilized by the Company to foreclose the secured debt due to bank (Refer Note 3(a) above). Subsequent to the quarter, deed of conveyance was executed for giving effect of transfer of above immovable properties and accordingly the gain on transfer of Rs.1,038.53 lakhs will be accounted in subsequent quarter.
- 5 Subsequent to the quarter, the Company has allotted 29,750 "14% rated listed secured Redeemable Non-Convertible Debentures" (NCDs) having face value of Rs. 1 lakh each amounting to Rs. 29,750.00 lakhs through private placement. The Company has utilized the issue proceeds towards settlement of secured debts of the Company, a subsidiary company, a joint venture company and providing loan to a company belonging to the promoter.
- 6 Subsequent to the quarter, the Company has entered into a binding term sheet with a buyer agreeing to transfer one of the hotel properties on or before 12 months from the date of term sheet.



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- 7 During the quarter ended 31st December, 2022, the Hon'ble Supreme Court dismissed the appeal filed by the Bombay Municipal Corporation (BMC) and upheld the order of the Hon'ble Bombay High Court who had given some reliefs to the property owners of Mumbai in property tax dispute. Consequent to these orders, the Company is expected to get partial relief and reduction in property tax demanded by BMC under Capital Value Method effective from 1st April, 2010. The amount of relief is not quantifiable and impact on reduction of liability will be accounted when revised bills / demand notice will be received from BMC.
- 8 As per the standalone financial results, the Company's accumulated losses are in excess of its paid-up capital and reserves and its current liabilities are significantly greater than the current assets as on 31st December, 2022 and 31st March, 2022. In the opinion of the management, considering positive earnings before interest, taxes and depreciation (EBITDA) for the nine months ended 31st December, 2022 and year ended 31st March, 2022, increase in operations and profit during the nine months ended 31st December, 2022, settlement of secured debts during the quarter and subsequent to the quarter, advance receipts against arrangement to sell the immovable assets, term sheet for transfer of one of the hotel properties, issue of NCDs subsequent to quarter and further developments as stated in note 3 to 6 above, considering the future business prospects and the fair value of the assets of the Company being significantly higher than the borrowings / debts, these standalone 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 on the above matter in their report on the financial results for the quarter and nine months ended 31st December, 2022 in line with their earlier limited review reports / independent auditor's reports.
- 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 to Executive Chairman and Managing Director.
- 10 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. Therefore, results for the quarter and nine months ended 31st December, 2022 are not comparable with the results for the corresponding period of the previous year.
- 11 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.
- 12 Deferred tax asset was created on losses incurred upto previous year, considering there is a deferred tax liability on net basis.
- 13 Previous periods / year figures are regrouped and rearranged wherever necessary.

Place: Mumbai
Date: 14th February, 2023



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

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



Limited Review Report on unaudited consolidated financial results for the quarter and nine months ended 31st December, 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 and nine months ended 31st December, 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') which has been initiated by us for identification purpose.

Management's Responsibility

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, as amended, 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') Mahodadhi Palace Private Limited ('MPPL') Kamats Restaurants (India) Private Limited ('KRIPL') Orchid Hotels Eastern (I) Private Limited ('OHEIPL') Fort Jadhavgadh Hotels Private Limited ('FJHPL')	Subsidiaries
Ilex Developers & Resorts Limited ('IDRL')	Joint Venture



Limited Review Report on unaudited consolidated financial results for the quarter and nine months ended 31st December, 2022 of Kamat Hotels India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (continued)

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, as amended, 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

6. Attention is invited to note 9, 10(ii) and 11 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 13(i) of the Statement which indicates the 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 31st December, 2022 and 31st March 2022. In the opinion of the management, positive earnings before interest, taxes and depreciation (EBITDA) for quarter and nine months ended 31st December, 2022 and year ended 31st March, 2022, increase in operations and profit during the nine months ended 31st December, 2022, settlement of secured debts during the quarter and subsequent to the quarter, advance receipts against arrangement to sell immovable assets, term sheet for transfer of hotel property, issue of Non-Convertible Debentures (NCDs) subsequent to quarter and further developments as stated in the Statement, considering the future business prospects, opportunity to expand the hotel capacity and the fair value of the assets of the Holding Company being significantly higher than the borrowings / debts, these financial results have been prepared on a going concern basis which contemplates realization of assets and settlement of liabilities in the normal course of Group's business.

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

Emphasis of Matter

7. Attention is invited to note 10(i) of the Statement, as per the books of the subsidiary company (OHPPL), total outstanding towards secured debt due to International Asset Reconstruction Company Private Limited (IARC) is Rs. 18,833.99 lakhs (including interest liability of Rs. 1,418.68 lakhs accounted in books upto 30th September, 2013).

Subsequent to the quarter, the subsidiary company has settled / paid the above dues at an agreed amount of Rs. 14,200 lakhs and No Due Certificate (NDC) is received. The impact of settlement [i.e. derecognition of loan liability (principal and interest) and gain on settlement of Rs. 4,633.99 lakhs] will be given in the books of the subsidiary company in the subsequent quarter. Further, the suit seeking specific performance from IARC is withdrawn by the subsidiary company from District Court, Pune as well as application filed against the subsidiary company is withdrawn by IARC from DRT I Mumbai.

In view of the above, the management is of the opinion that provision of interest from 1st October, 2013 till 31st December, 2022 (which was not quantified) is no longer required as the total loan liability as per the books is greater than the settlement amount.



N. A. SHAH ASSOCIATES LLP

Chartered Accountants

Limited Review Report on unaudited consolidated financial results for the quarter and nine months ended 31st December, 2022 of Kamat Hotels India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (continued)

8. Attention is invited to note 10(iii) of the Statement, in respect of dispute over lease rent levied by Director of Sports, pertaining to the period from 1st November, 2014 to 31st December, 2022 the subsidiary company (OHPPL) has accounted for the liability amounting to Rs. 1,731.45 lakhs. Further, during 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.
9. Attention is invited to note 4(b) and note 4(c) of the Statement in respect of borrowing,

During the earlier quarters, the Holding Company had proposed for settlement of outstanding loan and interest due, which was in-principle approved by the respective lenders. Further developments in this respect are as below:

- (i) During the quarter ended 31st December, 2022, the Holding Company settled / paid the dues of two ARCs and No Dues Certificates (NDCs) have been received. The Holding Company has accounted for settlement and derecognized the loan liability (principal and interest), the difference between liability as per books and the settlement amount is accounted as under:
- Rs.1,043.75 lakhs is disclosed as income under "Exceptional Item" and
 - Rs. 324.51 lakhs is reversed from the finance cost of the current quarter / period.
- Consequential tax impact for the above has also been given in the books.
- (ii) Subsequent to the quarter, the Holding Company has settled / paid the dues of the remaining two ARCs (having book value of Rs. 22,057.61 lakhs as at 31st December, 2022) at an agreed amount of Rs. 12,293.75 lakhs and NDCs are received. The impact of settlement [i.e. derecognition of loan liability (principal and interest) and gain on settlement of Rs. 9,763.86 lakhs] will be given in the books of the Holding Company in the subsequent quarter.

In the opinion of the management, in continuation of the view taken earlier and considering the settlement above, reporting for the event of default is not warranted and hence no intimation is required to be given to the stock exchange for unpaid loan instalments / settlement amounts as at 31st December, 2022 as required by SEBI circular dated 21st November, 2019.

10. Attention is invited to note 10(v) of the Statement, the subsidiary company (OHPPL) 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. 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.
11. Attention is invited to note 12 of the Statement, in respect of joint venture (IDRL), as on 31st December, 2022, there are non-payments of instalments amounting to Rs. 1,577.00 lakhs and delayed interest provision of Rs. 486.98 lakhs. In previous year, joint venture had requested for extension upto 30th June, 2022 and in the previous quarter, further extension had been requested for repayment of instalments and the same was verbally approved by the lender.

Subsequent to the quarter, the joint venture has settled / paid the above dues at an agreed amount of Rs. 1,260 lakhs and NDC is received. The impact of settlement [i.e. derecognition of loan liability (principal and interest) and gain on settlement of Rs. 803.98 lakhs] will be given in the books of the joint venture in the subsequent quarter.



N. A. SHAH ASSOCIATES LLP

Chartered Accountants

Limited Review Report on unaudited consolidated financial results for the quarter and nine months ended 31st December, 2022 of Kamat Hotels India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (continued)

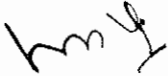
In view of the above, in the opinion of the management, reporting for the event of default is not warranted.

Our conclusion is not modified in respect of the above matters. In respect of matters stated in note 8 to note 11, attention was also drawn by us in our earlier limited review reports and independent auditor's reports. Our conclusion / opinion was modified in respect note 7 in earlier quarters / years.

For N. A. Shah Associates LLP

Chartered Accountants

Firm's Registration No. 116560W/W100149



Sandeep Shah

Partner

Membership number: 37381

UDIN: 23037381BGP4AEC169

Place: Mumbai

Date: 14th February, 2023

Kamat Hotels (India) Limited

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CIN: L55101MH1986PLC039307, Tel. No. 022 26164000

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

Statement of unaudited consolidated financial results for the quarter and nine months ended 31st December, 2022**(Rs. in lakhs except earnings per share)**

Sr. No.	Particulars	Quarter ended 31st Dec 2022	Quarter ended 30th Sept 2022	Quarter ended 31st Dec 2021	Nine months ended 31st Dec 2022	Nine months ended 31st Dec 2021	Year ended 31st March 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations	8,381.06	6,173.24	5,137.59	21,447.95	9,828.83	14,448.84
	(b) Other income	63.40	49.41	31.90	234.16	78.56	114.11
	Total income	8,444.46	6,222.65	5,169.49	21,682.11	9,907.39	14,562.95
2	Expenses						
	(a) Consumption of food and beverages	706.48	520.53	578.87	1,811.94	1,056.56	1,493.51
	(b) Employee benefits expense (Refer note 14)	1,273.11	1,222.16	892.23	3,571.05	2,105.31	3,138.13
	(c) Finance cost	603.70	1,285.82	1,246.13	3,174.88	3,711.62	5,045.19
	(d) Depreciation and amortisation expense	401.07	385.19	426.44	1,163.54	1,283.44	1,702.16
	(e) Other expenses						
	(i) Heat, light and power	429.75	421.90	353.09	1,299.45	862.03	1,165.43
	(ii) Others	2,649.11	2,141.93	1,584.58	6,639.94	3,468.13	4,984.02
	Total expenses	6,063.22	5,977.53	5,081.34	17,660.80	12,487.09	17,528.44
3	Profit / (Loss) before share of Profit / (loss) of joint venture, exceptional items and tax [1-2]	2,381.24	245.12	88.15	4,021.31	(2,579.70)	(2,965.49)
4	Share of profit / (loss) from joint venture accounted for using equity method (Refer note 18)	13.21	-	(0.99)	13.21	(41.33)	(41.33)
5	Profit / (Loss) before exceptional items and tax [3+4]	2,394.45	245.12	87.16	4,034.52	(2,621.03)	(3,006.82)
6	Exceptional item - income - net (Refer note 4(b)(i))	1,043.75	-	-	1,043.75	-	-
7	Profit / (Loss) for the period / year before tax [5+6]	3,438.20	245.12	87.16	5,078.27	(2,621.03)	(3,006.82)
8	Tax expense						
	Current tax	0.10	0.13	0.11	0.38	0.34	0.49
	Deferred tax expenses / (credit) for current period / year (net) (Refer note 16)	661.02	6.63	(39.53)	904.58	(631.67)	(740.86)
	Short provision for current tax / deferred tax (net)	-	1.46	1.23	1.46	1.23	0.73
	Total tax expenses	661.12	8.22	(38.19)	906.42	(630.10)	(739.64)
9	Profit / (Loss) for the period / year [7-8]	2,777.08	236.90	125.35	4,171.85	(1,990.93)	(2,267.18)
10	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	(i) Remeasurement of defined benefit plans	(0.52)	16.98	-	32.33	16.75	31.39
	(ii) Income taxes effect on above	0.75	(3.73)	-	(6.06)	(2.87)	(6.29)
	Total other comprehensive income	0.23	13.25	-	26.27	13.88	25.10
11	Total comprehensive income for the period / year [9+10]	2,777.31	250.15	125.35	4,198.12	(1,977.05)	(2,242.08)
12	Total comprehensive income for the period / year attributable to:						
	(a) To owner of parent	2,777.31	250.15	125.35	4,198.12	(1,977.05)	(2,242.08)
	(b) To non controlling interest	-	-	-	-	-	-



Kamat Hotels (India) Limited

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13	Out of total comprehensive income for the period / year:						
	Profit / (Loss) for the period / year attributable to:						
	(a) To owner of parent	2,777.08	236.90	125.35	4,171.85	(1,990.93)	(2,267.18)
	(b) To non controlling interest	-	-	-	-	-	-
	Other comprehensive income attributable to:						
	(a) To owner of parent	0.23	13.25	-	26.27	13.88	25.10
	(b) To non controlling interest	-	-	-	-	-	-
14	Paid-up equity share capital (including forfeited shares) (Face value 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						(20,533.97)
16	Earnings per share (Face value of Rs. 10/- each)						
	(a) Basic	11.77	1.00	0.53	17.69	(8.44)	(9.61)
	(b) Diluted	11.77	1.00	0.53	17.69	(8.44)	(9.61)

Notes:

- 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 14th February, 2023. The statutory auditors have carried out limited review of the consolidated financial results for the quarter and nine months ended 31st December, 2022.
- 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').
- The consolidated financial results for the quarter and nine months ended 31st December, 2022, and previous quarters / year include financial results in respect of following entities: Wholly owned subsidiary companies (a) Orchid Hotels Pune Private Limited (OHPPL), (b) Fort Jadhavgadhd 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).
- In respect of Holding company,
 - During the quarter ended 31st December, 2022, the Holding Company has foreclosed the entire dues of one bank and No Dues Certificate (NDC) has been received.
 - During the earlier quarters, the Holding Company had proposed for settlement of outstanding loan and interest due, which was in-principle approved by the respective lenders. Further developments in this respect are as below:
 - During the quarter ended 31st December, 2022, the Holding Company settled / paid the dues of two ARCs and NDCs have been received. The Holding Company has accounted for settlement and derecognized the loan liability (principal and interest), the difference between liability as per books and the settlement amount is accounted as under:
 - Rs.1,043.75 lakhs is disclosed as income under "Exceptional Item" and
 - Rs. 324.51 lakhs is reversed from the finance cost of the current quarter / period.
 Consequential tax impact for the above has also been given in the books.
 - Subsequent to the quarter, the Holding Company has settled / paid the dues of the remaining two ARCs (having book value of Rs. 22,057.61 lakhs as at 31st December, 2022) at an agreed amount of Rs. 12,293.75 lakhs and NDCs are received. The impact of settlement [i.e. derecognition of loan liability (principal and interest) and gain on settlement of Rs. 9,763.86 lakhs] will be given in the books of the Holding Company in the subsequent quarter.
 - In the opinion of the management, in the case of 4(b) above and in continuation of the view taken earlier, reporting for the event of default is not warranted and hence no intimation is required to be given to the stock exchange for unpaid loan instalments / settlement amounts as at 31st December, 2022 as required by SEBI circular dated 21st November, 2019.

The statutory auditors have reported emphasis of matter on the above note 4(b) and 4(c) in their report on the consolidated financial results for the quarter and nine months ended 31st December, 2022 in line with their earlier limited review reports / independent auditor's reports.



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- 5 During the quarter ended 31st December, 2022, the Holding Company has received advances towards proposed sale of immovable properties at Nagpur belonging to the Holding company. The advance money was utilized by the Holding Company to foreclose the secured debt due to bank (Refer Note 4(a) above). Subsequent to the quarter, deed of conveyance was executed for giving effect of transfer of above immovable properties and accordingly the gain on transfer of Rs.1,038.53 lakhs will be accounted in subsequent quarter.
- 6 Subsequent to the quarter, the Holding Company has allotted 29,750 "14% rated listed secured redeemable Non-Convertible Debentures" (NCDs) having face value of Rs. 1 lakh each amounting to Rs. 29,750.00 lakhs through private placement. The Holding Company has utilized the issue proceeds towards settlement of secured debts of the Holding Company, a subsidiary company, a joint venture company and providing loan to a company belonging to the promoter.
- 7 Subsequent to the quarter, the Holding Company has entered into a binding term sheet with a buyer agreeing to transfer one of the hotel properties on or before 12 months from the date of term sheet.
- 8 During the quarter ended 31st December, 2022, the Hon'ble Supreme Court dismissed the appeal filed by the Bombay Municipal Corporation (BMC) and upheld the order of the Hon'ble Bombay High Court who had given some reliefs to the property owners in Mumbai in property tax dispute. Consequent to these orders, the Holding Company is expected to get partial relief and reduction in property tax demanded by BMC under Capital Value Method effective from 1st April, 2010. The amount of relief is not quantifiable and impact on reduction of liability will be accounted when revised bills / demand notice will be received from BMC.
- 9 As per the standalone financial results, the Holding Company's accumulated losses are in excess of its paid-up capital and reserves and its current liabilities are significantly greater than the current assets as on 31st December, 2022 and 31st March, 2022. In the opinion of the management, considering positive earnings before interest, taxes and depreciation (EBITDA) for the nine months ended 31st December, 2022 and year ended 31st March, 2022, increase in operations and profit during the nine months ended 31st December, 2022, settlement of secured debts during the quarter & subsequent to the quarter, advance receipts against arrangement to sell the immovable assets, term sheet for transfer of one of the hotel properties, issue of NCDs subsequent to quarter and further developments as stated in note 4 to 7 above, considering the future business prospects and the fair value of the assets of the Holding Company being significantly higher than the borrowings / debts, the standalone 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 the above matter in their report on the consolidated financial results for the quarter and nine months ended 31st December, 2022 in line with their earlier limited review reports / independent auditor's reports.

10 In respect of Subsidiary Company (OHPPL):

(i) As per the books of the Subsidiary Company, total outstanding towards secured debt due to International Asset Reconstruction Company Private Limited (IARC) is Rs. 18,833.99 lakhs (including interest liability of Rs. 1,418.68 lakhs accounted in books upto 30th September, 2013).

Subsequent to the quarter, the Subsidiary Company has settled / paid the above dues at an agreed amount of Rs. 14,200 lakhs and NDC is received. The impact of settlement [i.e. derecognition of loan liability (principal and interest) and gain on settlement of Rs. 4,633.99 lakhs] will be given in the books of the Subsidiary Company in the subsequent quarter. Further, the suit seeking specific performance from IARC is withdrawn by the Subsidiary Company from District Court, Pune as well as application filed against Subsidiary Company is withdrawn by IARC from DRT I Mumbai.

In view of the above, the management is of the opinion that provision of interest from 1st October, 2013 till 31st December, 2022 (which was not quantified) is no longer required as the total loan liability as per the books is greater than the settlement amount.

The statutory auditors have reported the above under emphasis of matter in their report on the financial results for the quarter and nine months ended 31st December, 2022. In the absence of settlement, this matter was qualified by the auditors in their earlier limited review reports / independent audit reports.



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(ii) The Subsidiary Company's net worth is fully eroded and also its current liabilities exceed the current assets as on 31st December, 2022 and as on 31st March, 2022. Considering, the improvement in performance of the Subsidiary Company which has resulted into profits in the nine months ended 31st December, 2022 and previous year; considering provision for impairment of property, plant and equipment made in the earlier years; management's action to mitigate the impact of COVID-19 as described in note 15 below and infusion of funds by the Holding Company, which was utilized to settle the dues of the Subsidiary Company as stated in note 10(i) above, in the opinion of the management, the financial results are prepared on going concern basis. The statutory auditors have drawn attention of above matter in their report on the financial results for the quarter and nine months 31st December, 2022 in line with their earlier limited review reports / independent auditor's reports.

(iii) In respect of dispute over lease rent levied by Director of Sports, pertaining to the period from 1st November, 2014 to 31st December, 2022 the Subsidiary Company has accounted for the liability amounting to Rs. 1,731.45 lakhs, which is net of payment of Rs. 129.85 lakhs made during the current quarter. Further, during 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.

(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.

11 In respect of subsidiary company (MPPL),

The subsidiary company has incurred losses in the nine month ended 31st December, 2022 and year ended 31st March, 2022 and also its net worth fully eroded and also its current liabilities exceed the current assets as on 31st December, 2022. In the opinion of the management, the financial results 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) opportunity to expand the hotel capacity; (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.

12 In respect of joint venture (IDRL),

As on 31st December, 2022, there are non-payments of instalments amounting to Rs. 1,577.00 lakhs and delayed interest provision of Rs. 486.98 lakhs. In previous year, the joint venture had requested for extension upto 30th June, 2022 and in the previous quarter, further extension had been requested for repayment of instalments and the same was verbally approved by the lender.

Subsequent to the quarter, the joint venture has settled / paid the above dues at an agreed amount of Rs. 1,260 lakhs and NDC is received. The impact of settlement [i.e. derecognition of loan liability (principal and interest) and gain on settlement of Rs. 803.98 lakhs] will be given in the books of the joint venture in the subsequent quarter.

In view of the above, in the opinion of the management, reporting for the event of default is not warranted. The statutory auditors have reported emphasis of matter in their report on the financial results for the quarter and nine months ended 31st December, 2022 in line with their earlier limited review reports / independent auditor's reports.

13 (i) In view of the note 9, 10(ii) and 11 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 and nine months ended 31st December 2022 in line with their earlier limited review reports / independent audit reports.

(ii) in respect of matter covered in note 10(iii) and 10(v), the statutory auditors have reported emphasis of matter in their report on the financial results for the quarter and nine month ended 31st December 2022 in line with their earlier limited review reports / independent audit report.



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14. 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.
15. 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. Therefore, results for the quarter and nine month ended 31st December, 2022 are not comparable with the results for the corresponding period of the previous year.
16. In respect of Holding Company, deferred tax asset was created on losses incurred upto previous year, considering there is a deferred tax liability on net basis.
17. 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.
18. 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 was discontinued and the investment was reflected at Nil value, till the end of previous quarter. In the current quarter recognition of Holding Company's share in the profits of the joint venture is resumed, as the earlier unrecognised losses are fully recouped.
19. Previous periods / year figures are regrouped and rearranged wherever necessary.

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

Place: Mumbai

Date: 14th February, 2023

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


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



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MUMBAI