

November 18, 2017

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 Sir/ Madam,

**Sub: Outcome of Board Meeting**

**Submission of Unaudited Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2017 and Limited Review Report pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Further to our letter dated 11<sup>th</sup> November, 2017, on the captioned subject.

Please find enclosed herewith Unaudited Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2017 prepared as per Ind-AS which was approved by the Board of Directors of the Company at its meeting held today.

Pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are also enclosing the Limited Review Report of the financial results issued by M/s. N. A. Shah Associates LLP, Statutory Auditors of the Company.

The Meeting commenced at 12.45 p.m. and concluded at 2.30 p.m.

Kindly take the same on your record and oblige.

Thanking you,

Yours faithfully,  
For **Kamat Hotels (India) Limited**



**Amit Vyas**  
**Company Secretary**  
Encl. a/a.

REGD OFF. 70-C, NEHRU ROAD, VILE PARLE (EAST), MUMBAI 400 099. TEL.: 2616 4000 FAX : 2616 4203  
Email-Id : cs@khil.com • Website : www.khil.com • CIN : L55101MH1986PLC039307



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](http://www.khil.com), Email: [cs@khil.com](mailto:cs@khil.com)

Statement of unaudited financial results for the Quarter and Half year ended 30th September 2017

(Rupees in lakhs)

Sr. No.	Particulars	Standalone				
		Quarter ended			Half year ended	
		30-Sep-17 Unaudited	30-Jun-17 Unaudited	30-Sep-16 Unaudited	30-Sep-17 Unaudited	30-Sep-16 Unaudited
1	<b>Income</b>					
	(a) Revenue from operations	3,465.13	3,543.72	3,421.17	7,008.85	6,982.04
	(b) Other income	315.29	214.94	208.43	530.23	430.58
	<b>Total income</b>	<b>3,780.42</b>	<b>3,758.66</b>	<b>3,629.60</b>	<b>7,539.08</b>	<b>7,412.62</b>
2	<b>Expenses</b>					
	(a) Consumption of food and beverages	371.16	322.26	296.84	693.42	626.31
	(b) Employee benefit expenses	1,042.40	884.52	874.68	1,926.92	1,721.46
	(c) Finance costs	265.69	211.85	1,191.26	477.54	2,189.61
	(d) Depreciation and amortisation expense	295.57	291.77	307.99	587.34	616.17
	(e) Other expenses					
	(i) Heat, light and power	235.07	383.57	354.72	618.64	756.05
	(ii) Others	1,036.13	990.37	1,037.96	2,026.50	2,078.64
	<b>Total expenses</b>	<b>3,246.02</b>	<b>3,084.34</b>	<b>4,063.45</b>	<b>6,330.36</b>	<b>7,988.24</b>
3	<b>Profit/(loss) before exceptional items and tax [1-2]</b>	<b>534.40</b>	<b>674.32</b>	<b>(433.85)</b>	<b>1,208.72</b>	<b>(575.62)</b>
4	Exceptional items - Net income (Refer note 8 and 9)	1,293.29	629.38	-	1,922.67	-
5	<b>Profit/(loss) before tax [3+4]</b>	<b>1,827.69</b>	<b>1,303.70</b>	<b>(433.85)</b>	<b>3,131.39</b>	<b>(575.62)</b>
6	<b>Tax expense</b>					
	Current tax	-	-	-	-	-
	Deferred tax	-	-	-	-	-
7	<b>Profit/ (loss) for the period [5-6]</b>	<b>1,827.69</b>	<b>1,303.70</b>	<b>(433.85)</b>	<b>3,131.39</b>	<b>(575.62)</b>
8	<b>Other comprehensive income</b>					
	(i) Items that will not be reclassified to profit or loss					
	(a) Remeasurement of defined benefit plans	(50.93)	(8.63)	(30.99)	(59.56)	(76.27)
	(b) Income tax related to items that will not be reclassified to profit or loss	-	-	-	-	-
	(ii) Items that will be reclassified to profit or loss	-	-	-	-	-
	<b>Total other comprehensive income</b>	<b>(50.93)</b>	<b>(8.63)</b>	<b>(30.99)</b>	<b>(59.56)</b>	<b>(76.27)</b>
9	<b>Total comprehensive income for the period [7+8]</b>	<b>1,776.76</b>	<b>1,295.07</b>	<b>(464.84)</b>	<b>3,071.83</b>	<b>(651.89)</b>
10	Paid-up equity share capital (FV per share Rs. 10/- each)	2,417.26	2,417.26	2,417.26	2,417.26	2,417.26
11	<b>Earnings per share (not annualised)</b>					
	(a) Basic (Rs.)	7.75	5.53	(1.84)	13.28	(2.44)
	(b) Diluted (Rs.)	7.75	5.53	(1.84)	13.28	(2.44)

*Wm*



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

**Kamat Hotels (India) Limited**

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

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**Statement of unaudited financial results for the Quarter and Half year ended 30th September 2017**

**Notes:**

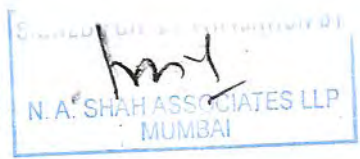
**1 Standalone statement of assets and liabilities as at 30th September 2017\***

		(Rupees in lakhs)
Particulars		As at 30th Sept 2017
		Unaudited
<b>Assets</b>		
1	Non-current Assets	
	(a) Property, plant and equipment	29,641.22
	(b) Capital work in progress	45.28
	(c) Intangible assets	52.22
	(d) Investment in subsidiaries, associates and joint venture	4.00
	(e) Financial assets	
	(i) Investments	11.03
	(ii) Loans and advances	-
	(iii) Others	5,536.67
	(f) Advance income tax (net)	1,121.14
	(g) Other non-current assets	170.08
	<b>Sub- total</b>	<b>36,581.64</b>
2	Current Assets	
	(a) Inventories	399.49
	(b) Financial assets	
	(i) Investments	103.42
	(ii) Trade receivables	1,048.46
	(iii) Cash and cash equivalents	323.65
	(iv) Bank balances other than (iii) above	60.54
	(v) Loans and advances	1.40
	(vi) Others	6,836.79
	(c) Other current assets	383.29
	<b>Sub- total</b>	<b>9,157.04</b>
	<b>Total Assets</b>	<b>45,738.68</b>
<b>Equity and liabilities</b>		
1	Equity	
	(a) Equity share capital	2,417.26
	(b) Other equity	(8,143.04)
	<b>Sub- total</b>	<b>(5,725.78)</b>
2	Non-current liabilities	
	(a) Financial liabilities	
	(i) Borrowings	22,858.44
	(ii) Other financial liabilities	733.63
	(b) Provisions	214.21
	(c) Deferred tax liabilities (net)	-
	(d) Other non-current liabilities	640.11
	<b>Sub- total</b>	<b>24,446.39</b>
3	Current liabilities	
	(a) Financial liabilities	
	(i) Borrowings	1,101.50
	(ii) Trade payables	2,595.77
	(iii) Other financial liabilities	20,325.35
	(b) Other current liabilities	2,740.12
	(c) Provisions	255.33
	<b>Sub- total</b>	<b>27,018.07</b>
	<b>Total equity and liabilities</b>	<b>45,738.68</b>

\* Also refer note 3 below

2 The above standalone results have been reviewed by the Audit Committee and were approved by the Board of Directors at the meeting held on 18th November 2017. The Statutory Auditors have carried out a limited review of the above financial results.

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**Statement of unaudited financial results for the Quarter and Half year ended 30th September 2017**

- 3 (a) The above results have been prepared in accordance with Indian Accounting Standards [Ind AS] notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015 (as amended). Beginning 1st April 2017, the Company has for the first time adopted Ind AS. The impact of transition has been provided in Other Equity [opening reserve as per previously Generally Accepted Accounting Principles (Previous GAAP)] as at 1st April 2016. The Statement does not include Ind AS compliant results for the previous year ended 31st March 2017 and statement of assets and liabilities as at 31st March 2017 as the same is voluntary as per SEBI Circular dated 5th July 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS.

(b) As per the exemption given in SEBI circular no. CIR/CFD/FAC/62/2016 dated 5th July 2016, financial results for quarter and half year ended 30th September 2016 including reconciliation of profit for these periods with reported figures under Previous GAAP are not audited or reviewed by the erstwhile and present statutory auditor. However, management has exercised necessary due diligence to ensure that the financial results provide true and fair view of its affairs.

Reconciliation of net profit for the corresponding results between Previous GAAP and Ind AS is as under :  
(Rupees in lakhs)

Particulars	(Rupees in lakhs)	
	Quarter ended 30-Sep-16	Half year ended 30-Sep-16
<b>Net profit/(loss) as per previous GAAP</b>	(375.07)	(417.59)
<b>(Add)/Less:</b>		
Remeasurement of employee benefit liability:		
(a) Actuarial gain/(loss) on defined benefit liabilities reclassified to Other Comprehensive Income	(30.99)	(76.27)
(b) Reversal of employee benefits liability pertaining to quarter ended June 2016	(27.35)	-
Fair valuation of rental deposits (net)	18.00	36.00
Fair valuation of sales tax deferral (government loan)	0.32	0.64
Fair valuation of refundable membership deposits	5.08	10.17
Interest on borrowings is now measured at amortised costs	93.48	186.98
Amortisation of upfront fees	0.25	0.50
Fair valuation of quoted investments*	(0.00)	0.00
<b>Net profit/(loss) before Other Comprehensive Income as per Ind AS ... (A)</b>	<b>(433.85)</b>	<b>(575.61)</b>
Other comprehensive income ...(B)	30.99	76.27
<b>Total Comprehensive Income/(loss) (A-B)</b>	<b>(464.84)</b>	<b>(651.89)</b>

\*Adjustment for fair valuation of quoted investments for the quarter and half year ended 30th September 2016 is (Rs. 148.50) and Rs. 332 respectively.

**4 Additional information:**

Reconciliation of profit as per Indian GAAP for the quarter and half year ended 30th September 2017 is as given below:

Particulars	(Rupees in lakhs)	
	Quarter ended 30-Sep-17	Half year ended 30-Sep-17
<b>Net profit/(loss) as per previous GAAP</b>	1,763.95	3,188.59
<b>(Add)/Less:</b>		
Actuarial gain/(loss) on defined benefit liabilities classified to Other Comprehensive Income	(50.93)	(59.56)
Prior period items adjusted in opening other equity as on 1st April 2016 [Refer note 5 below]	(142.79)	(142.79)
Fair valuation of rental deposits (net)	20.95	38.16
Fair valuation of sales tax deferral (government loan)	(3.22)	(3.22)
Fair valuation of refundable membership deposits	8.39	12.77
Interest on borrowings is now measured at amortised costs	105.62	211.36
Amortisation of upfront fees	0.25	0.50
Fair valuation of quoted investments	(0.01)	(0.02)
<b>Net profit/ (loss) before Other Comprehensive Income as per Ind AS ... (A)</b>	<b>1,827.69</b>	<b>3,131.39</b>
Other comprehensive income ...(B)	50.93	59.56
<b>Total Comprehensive Income/(loss) (A-B)</b>	<b>1,776.76</b>	<b>3,071.83</b>

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Stamp of N.A. SHARMA ASSOCIATES LLP, MUMBAI.

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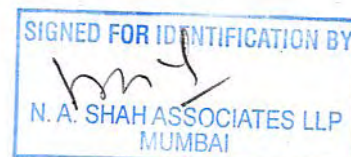
Website: [www.khil.com](http://www.khil.com), Email: [cs@khil.com](mailto:cs@khil.com)**Statement of unaudited financial results for the Quarter and Half year ended 30th September 2017**

- 5 On transition to Ind AS, opening other equity as on 1st April 2016 is adjusted by Rs.142.79 lakhs on account of revision in calculation of amortization of non-refundable membership deposit and depreciation which is identified in current quarter.
- 6 In view of seasonality of the sector, the financial results for the quarter and half year ended 30th September 2017 are not indicative of full year's expected performance.
- 7 The Company is operating only in the Hospitality Services Segment, therefore disclosures of segment-wise information is not applicable.
- 8 During the quarter, the Company has entered into one-time settlement with one of its lenders for an outstanding dues of Rs. 9,443.29 lakhs which is settled at Rs. 8,100.00 lakhs. Consequent to the said settlement, the Company has written back provision for interest made in earlier years of Rs.1,343.29 lakhs which is no longer payable. This is shown as exceptional item. Subsequently, the said lender has assigned the outstanding dues to an Asset Reconstruction Company (ARC).
- 9 Breakup of exceptional items (net) included in above results is tabulated below:

Particulars	Quarter ended			Half year ended	
	30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16
<b>Income</b>					
Interest provision no longer required written back on settlement of loan dues	1,343.29	445.17	-	1,788.46	-
Provision for doubtful advance written back	-	280.00	-	280.00	-
<b>Sub-total (A)</b>	<b>1,343.29</b>	<b>725.17</b>	<b>-</b>	<b>2,068.46</b>	<b>-</b>
<b>Expenses</b>					
Loss on fixed assets discarded	-	95.79	-	95.79	-
Incidental expenses related settlement of loan dues	50.00	-	-	50.00	-
<b>Sub-total (B)</b>	<b>50.00</b>	<b>95.79</b>	<b>-</b>	<b>145.79</b>	<b>-</b>
<b>Total (A-B)</b>	<b>1,293.29</b>	<b>629.38</b>	<b>-</b>	<b>1,922.67</b>	<b>-</b>

(Rupees in lakhs)

- 10 Subsequent to current quarter end, the Hon'ble Bombay High Court has disposed off the legal suit filed by one of the lenders and has directed the Prothonotary and Senior Master High Court to transfer the funds deposited by the Company to one of the ARC's towards repayment of the debt. Consequently, out of total deposits of Rs. 6,584.27 lakhs, amount of Rs. 6,172.21 lakhs is paid to one of the ARCs.
- 11 Company's accumulated losses as at 30th September, 2017 are in excess of its paid up capital and other equity and its current liabilities exceed the current assets as on that date. In the opinion of the management, considering the future business prospects, and the fact that the fair values of the assets of the Company are significantly higher than the debts, the interim financial statements and these 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 reference of the above matter in its report on the standalone financial results for the current quarter. Further, reference was also drawn by the erstwhile statutory auditor in their report for the quarter ended 30th June 2017 and for the quarter and year ended 31st March 2017.
- 12 Finance costs have reduced significantly in the half year ended 30th September 2017 vis a vis corresponding half year ended 30th September 2016 consequent to settlement agreements entered into by the Company with the various lenders/ ARCs in previous year and current period.
- 13 No provision is made for income tax in the half year ended 30th September 2017 as (a) there is no taxable income as per normal provisions of Income Tax Act, 1961 in view of brought forward losses and deductions available on payment basis and (b) there is negative book profit u/s 115JB of Income Tax Act, 1961 in view of brought forward losses as per books. In accordance with Ind AS 12 - 'Income Taxes' based on prudence, deferred tax assets is recognized only to the extent of deferred tax liability, hence there is no impact in current quarter and previous periods presented in the results.

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

  
Dr. Vithal V. Kamat  
Executive Chairman and Managing Director  
(DIN: 00195341)
Place : Mumbai  
Date: 18<sup>th</sup> November, 2017



**Limited Review Report on unaudited standalone financial results for the quarter and half year ended 30<sup>th</sup> September 2017 of Kamat Hotels (India) Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

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

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results ("the Statement") of Kamat Hotels (India) Limited ("the Company") for the quarter and half year ended on 30<sup>th</sup> September 2017, 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) read with SEBI circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016, which has been initialed by us for identification purpose.

**2. Management's responsibility for the Statement**

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

**3. Auditor's responsibility**

Our responsibility is to issue a report on this statement based on our review.

We conducted our review in accordance with 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 statements 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.

**4. Conclusion**

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 aforesaid 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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.



## N. A. SHAH ASSOCIATES LLP

Chartered Accountants

### 5. Emphasis of matter

Reference is invited to note 11 of the notes to the Statement. Company's accumulated losses are in excess of its paid up capital and other equity and its current liabilities exceed its current assets as on 30<sup>th</sup> September 2017. We are informed that Company's management is taking appropriate steps to mitigate the impact of accumulated losses and improve cash flows and in the opinion of management, the fair values of the assets of the Company are significantly higher than the debts. In view of the above and considering management's opinion, the interim financial statements and these results have been prepared on a going concern basis for the reasons stated in the said note.

In respect of matter covered in above para, attention was drawn by the erstwhile statutory auditor in their limited review report / audit report for the quarter ended 30<sup>th</sup> June 2017 and in the previous quarters and previous financial year.

Our conclusion is not modified in respect of above matter. Erstwhile statutory auditor's conclusion / opinion was also not modified in respect of above matter in earlier quarters & previous financial year.

### 6. Other matters

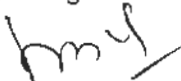
The number and details under the columns 'Quarter ended 30<sup>th</sup> September 2016' and 'Half year ended 30<sup>th</sup> September 2016' prepared as per Indian Accounting Standard (Ind AS), are derived based on adjustments to figures reported as per previously applicable Generally Applicable Accounting Principles (previous GAAP) for the same period. The financial results for the quarter and half year ended 30<sup>th</sup> September 2016 prepared as per Previous GAAP and financial results for the quarter ended 30<sup>th</sup> June 2017 prepared as per Indian Accounting Standard (Ind AS) were reviewed by the erstwhile statutory auditor M/s. J.G. Verma & Co., Chartered Accountants, whose reports have been furnished to us and have expressed an unmodified opinion. We have relied upon these reports for the purpose of our review opinion on the Statement.

The figures for the quarter and half year ended 30<sup>th</sup> September 2016 prepared as per Ind AS have been approved by Company's Board of Directors and were/are not reviewed either by erstwhile statutory auditor or by us.

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

Chartered Accountants

Firm's Registration No. 116560W/W100149



**Sandeep Shah**

Partner

Membership number: 37381

Place: Mumbai

Date:

**18 NOV 2017**

