

Interim Financial Statements
Year ended 31st March 2021

The Kandy Hotels Company (1938) PLC
A Member of the Galle Face Group

The Kandy Hotels Company (1938) PLC

CORPORATE INFORMATION

Stock Exchange Listing

The Ordinary Shares of the Company are listed on the
Colombo Stock Exchange of Sri Lanka

Directors

Sanjeev Gardiner - Chairman
Charitha Ratwatte
Lakshman Samarasinghe
Priyantha Maddumage
Lakshman Sirimanne (Demised on 20th May 2021)
Ranjith Gunatilleke
Nahil Wijesuriya
Chandra Mohotti
Nilanga Dela
Shalike Karunasena (Alternate Director to Mr. Priyantha Maddumage)

Secretaries

Accounting Systems Secretarial Services (Pvt) Ltd
Level 03, No 11, Castle Lane, Colombo 04

Auditors

Ernst & Young
Chartered Accountants
No. 201, De Saram Place, Colombo 10

Registered Office

The Kandy Hotels Company (1938) PLC
No. 327, Union Place, Colombo 02
Company Registration No. PQ 201

Hotel Reservations

Ceylon Hotels Corporation PLC
Regency Wing - Galle Face Hotel
No. 02, Galle Road, Colombo 03
Tel: 011 5585858 Fax : 011 5345882
Email : sales@ceylonhotels.net
Website : www.queenshotel.lk/www.hotelsuisse.lk

THE KANDY HOTELS COMPANY (1938) PLC
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group				Company				Variance
	Three Months Ended 31 st March		Year Ended 31 st March		Three Months Ended 31 st March		Year Ended 31 st March		
	2021 Rs. '000'	2020 Rs. '000'	2021 Rs. '000'	2020 Rs. '000'	2021 Rs. '000'	2020 Rs. '000'	2021 Rs. '000'	2020 Rs. '000'	
Revenue	71,990	129,494	145,691	410,664	71,990	129,494	145,691	410,664	(65)
Cost of sales	(31,117)	(36,757)	(82,925)	(136,501)	(31,117)	(36,757)	(82,925)	(136,501)	(39)
Gross profit	40,872	92,737	62,766	274,163	40,872	92,737	62,766	274,163	(77)
Other Operating Income	12,122	-	12,122	482	12,122	-	12,122	482	2,415
Administrative expenses	(42,898)	(57,414)	(140,800)	(221,526)	(42,880)	(57,423)	(140,689)	(221,362)	(36)
Selling & marketing expenses	(8,540)	(5,841)	(11,903)	(19,597)	(8,540)	(5,841)	(11,903)	(19,597)	(39)
Results from operating activities	1,556	29,481	(77,815)	33,522	(10,548)	29,472	(77,705)	33,686	(332)
Finance expenses	(19,300)	(16,551)	(66,488)	(78,540)	(19,300)	(16,551)	(66,488)	(78,540)	(15)
Finance income	27,062	18,112	87,197	79,067	27,062	18,112	87,197	79,067	10
Net finance cost	7,762	1,561	20,709	528	7,762	1,561	20,709	528	3,824
Share of profit / (loss) of Joint venture	(51,023)	(59,585)	(112,879)	(99,256)	-	-	-	-	14
Profit/(Loss) before taxation	(41,705)	(28,542)	(169,985)	(65,206)	(2,786)	31,033	(56,995)	34,214	161
Tax expense	(4,880)	7	(17,019)	(7,343)	(4,880)	7	(17,019)	(7,343)	(132)
Profit/(Loss) for the period	(46,585)	(28,536)	(187,003)	(72,550)	(7,667)	31,040	(74,014)	26,871	158
Other comprehensive income/(loss)									
Other comprehensive income not to be reclassified to profit or loss in subsequent periods									
Revaluation of Freehold Land & Building	-	-	-	1,260,062	-	-	-	1,260,062	
Actuarial gains/(losses) on defined benefit plans	-	-	-	(157)	-	-	-	(157)	
Deferred tax effect on actuarial gain or loss	-	-	-	22	-	-	-	22	
Deferred tax on Revaluation of property, plant and equipment	-	-	-	(176,409)	-	-	-	(176,409)	
Net change on equity instruments designated at FVOCI	-	-	-	(75,000)	-	-	-	(75,000)	
Share of other comprehensive income of joint venture	-	-	-	20,137	-	-	-	-	
Total comprehensive income for the period, net of tax	(46,585)	(28,536)	(187,003)	956,105	(7,667)	31,040	(74,014)	1,035,389	(120)
Earnings/(Losses) per share for the period (Rs.)	(0.08)	(0.05)	(0.32)	(0.13)	(0.01)	0.05	(0.13)	0.05	

Note : The above figures for the year ended 31st March 2021 are provisional and subject to Audit.
Figures in brackets indicate deductions.
All values are in Rupees Thousands unless otherwise stated.

THE KANDY HOTELS COMPANY (1938) PLC
STATEMENT OF FINANCIAL POSITION

As at 31 March,

ASSETS

Non Current Assets

Property, plant & equipment	7,460,482	7,523,970	7,460,482	7,523,970
Intangible assets	16,777	21,512	16,777	21,512
Investment in subsidiary	-	-	352,843	352,843
Investment in joint venture	109,542	222,421	-	-
Investment in equity securities	525,000	525,000	525,000	525,000

Current Assets

Inventories	33,640	37,709	33,640	37,709
Trade and other receivables	36,767	72,550	36,767	72,551
Amounts due from related companies	1,073,251	903,770	1,073,251	903,770
Cash and cash equivalents	50,824	130,693	50,795	130,587

TOTAL ASSETS

EQUITY AND LIABILITIES

Equity

Stated capital	16,750	16,750	16,750	16,750
Other component of equity	6,847,432	6,879,430	6,719,365	6,751,363
Retained earnings	858,827	1,013,870	1,230,667	1,272,721
Total Equity	7,723,009	7,910,050	7,966,782	8,040,834

Non-Current Liabilities

Interest bearing loans & borrowings	623,409	629,844	623,409	629,844
Retirement benefit obligations	4,842	4,281	4,842	4,281
Deferred tax liability	732,837	736,755	732,837	736,755
Government grants	-	2,056	-	2,056
	1,361,088	1,372,936	1,361,088	1,372,936

Current Liabilities

Interest bearing loans & borrowings	83,913	-	83,912	-
Trade and other payables	89,953	102,916	89,712	102,709
Amounts due to related companies	15,302	21,183	15,042	20,923
Contract liabilities	4,977	9,508	4,977	9,508
Income tax payable	25,986	9,748	25,986	9,748
Government grants	2,056	4,113	2,056	4,113
Bank overdrafts	-	7,172	-	7,172
	222,187	154,639	221,686	154,172

TOTAL EQUITY AND LIABILITIES

Net Assets per Share (Rs.)

	Group		Company	
	31.03.2021 Rs. '000'	31.03.2020 Rs. '000'	31.03.2021 Rs. '000'	31.03.2020 Rs. '000'
ASSETS				
Non Current Assets				
Property, plant & equipment	7,460,482	7,523,970	7,460,482	7,523,970
Intangible assets	16,777	21,512	16,777	21,512
Investment in subsidiary	-	-	352,843	352,843
Investment in joint venture	109,542	222,421	-	-
Investment in equity securities	525,000	525,000	525,000	525,000
	8,111,801	8,292,903	8,355,103	8,423,325
Current Assets				
Inventories	33,640	37,709	33,640	37,709
Trade and other receivables	36,767	72,550	36,767	72,551
Amounts due from related companies	1,073,251	903,770	1,073,251	903,770
Cash and cash equivalents	50,824	130,693	50,795	130,587
	1,194,483	1,144,722	1,194,453	1,144,617
TOTAL ASSETS	9,306,284	9,437,625	9,549,556	9,567,942
EQUITY AND LIABILITIES				
Equity				
Stated capital	16,750	16,750	16,750	16,750
Other component of equity	6,847,432	6,879,430	6,719,365	6,751,363
Retained earnings	858,827	1,013,870	1,230,667	1,272,721
Total Equity	7,723,009	7,910,050	7,966,782	8,040,834
Non-Current Liabilities				
Interest bearing loans & borrowings	623,409	629,844	623,409	629,844
Retirement benefit obligations	4,842	4,281	4,842	4,281
Deferred tax liability	732,837	736,755	732,837	736,755
Government grants	-	2,056	-	2,056
	1,361,088	1,372,936	1,361,088	1,372,936
Current Liabilities				
Interest bearing loans & borrowings	83,913	-	83,912	-
Trade and other payables	89,953	102,916	89,712	102,709
Amounts due to related companies	15,302	21,183	15,042	20,923
Contract liabilities	4,977	9,508	4,977	9,508
Income tax payable	25,986	9,748	25,986	9,748
Government grants	2,056	4,113	2,056	4,113
Bank overdrafts	-	7,172	-	7,172
	222,187	154,639	221,686	154,172
TOTAL EQUITY AND LIABILITIES	9,306,284	9,437,625	9,549,556	9,567,942
Net Assets per Share (Rs.)	13.4	13.7	13.8	13.9


Note : The above figures for the year ended 31st March 2021 are provisional and subject to Audit.
All values are in Rupees Thousands unless otherwise stated.

I certify that the Financial Statements comply with the requirements of the Companies Act No 07 of 2007.


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Janaka Ganegoda
Financial Controller

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved & signed for and on behalf of the Board,


.....
Lakshman Samarasinghe
Director


.....
Priyantha Maddumage
Director

28th May 2021

THE KANDY HOTELS COMPANY (1938) PLC
STATEMENT OF CHANGES IN EQUITY

For the Year ended 31st March

Group

	Stated Capital Rs. '000'	FVOCI Reserve Rs. '000'	Revaluation Reserves Rs. '000'	Retained Earnings Rs. '000'	Total Equity Rs. '000'
Balance as at 31st March 2019	16,750	-	5,882,638	1,054,594	6,953,982
Net Profit / (Loss) for the year	-	-	-	(72,550)	(72,550)
Other comprehensive income					
Actuarial gains on defined benefit plans	-	-	-	(157)	(157)
Deferred tax effect on actuarial gain	-	-	-	22	22
Revaluation of property , plant and equipment	-	-	1,260,062	-	1,260,062
Deferred tax effect on revaluation of property , plant and equipments	-	-	(176,409)	-	(176,409)
Net change on equity instruments designated at FVOCI	-	(75,000)	-	-	(75,000)
Share of other comprehensive income attributable to joint venture	-	-	20,137	-	20,137
Total Comprehensive Income	-	(75,000)	1,103,790	(72,685)	956,105
Transfers to retained earnings	-	-	(31,998)	31,998	-
Dividends-(15% Cumulative preference shares)	-	-	-	(38)	(38)
Balance as at 30th March 2020	16,750	(75,000)	6,954,430	1,013,870	7,910,050
Profit / (Loss) for the period	-	-	-	(187,003)	(187,003)
Total comprehensive income	-	-	-	(187,003)	(187,003)
Transfer to retained earnings	-	-	(31,998)	31,998	-
Dividends-(15% Cumulative preference shares)	-	-	-	(38)	(38)
Balance as at 31st March 2021	16,750	(75,000)	6,922,432	858,827	7,723,009

Company

	Stated Capital Rs. '000'	FVOCI Reserve Rs. '000'	Revaluation Reserves Rs. '000'	Retained Earnings Rs. '000'	Total Equity Rs. '000'
Balance as at 31st March 2019	16,750	-	5,774,708	1,214,025	7,005,483
Net Profit / (Loss) for the year	-	-	-	26,871	26,871
Other comprehensive income					
Actuarial gains on defined benefit plans	-	-	-	(157)	(157)
Deferred tax effect on actuarial gain	-	-	-	22	22
Revaluation of property , plant and equipment	-	-	1,260,062	-	1,260,062
Deferred tax effect on revaluation of property , plant and equipments	-	-	(176,409)	-	(176,409)
Net change on equity instruments designated at FVOCI	-	(75,000)	-	-	(75,000)
Total Comprehensive Income	-	(75,000)	1,083,653	26,735	1,035,389
Transfers to retained earnings	-	-	(31,998)	31,998	-
Dividends-(15% Cumulative preference shares)	-	-	-	(38)	(38)
Balance as at 31st March 2020	16,750	(75,000)	6,826,363	1,272,721	8,040,834
Profit / (Loss) for the period	-	-	-	(74,014)	(74,014)
Total comprehensive income	-	-	-	(74,014)	(74,014)
Transfer to retained earnings	-	-	(31,998)	31,998	-
Dividends-(15% Cumulative preference shares)	-	-	-	(38)	(38)
Balance as at 31st March 2021	16,750	(75,000)	6,794,365	1,230,667	7,966,782

Note : The above figures for the year ended 31st March 2021 are provisional and subject to Audit.

Figures in brackets indicate deductions.

All values are in Rupees Thousands unless otherwise stated.

THE KANDY HOTELS COMPANY (1938) PLC
STATEMENT OF CHANGES IN EQUITY

For the Year ended 31st March

Group

	Stated Capital Rs. '000'	FVOCI Reserve Rs. '000'	Revaluation Reserves Rs. '000'	Retained Earnings Rs. '000'	Total Equity Rs. '000'
Balance as at 31st March 2018	16,750	-	5,913,736	960,444	6,890,929
Adjustment on initial application of SLFRS 09	-	-	-	(4,679)	(4,679)
Adjusted Balance as at 01 April 2018	16,750	-	5,913,736	955,764	6,886,250
Net profit for the year	-	-	-	125,625	125,625
Other comprehensive income					
Actuarial gains on defined benefit plans	-	-	-	43	43
Share of other comprehensive income attributable to joint venture	-	-	(143)	-	(143)
Deferred tax effect on actuarial gain	-	-	-	(6)	(6)
Total other comprehensive income for the year, net of tax	-	-	(143)	37	(106)
Total Comprehensive Income	16,750	-	5,913,593	125,662	125,519
Transfer of excess depreciation on revaluation	-	-	(30,955)	30,955	-
Dividends-(15% Cumulative preference shares)	-	-	-	(38)	(38)
Dividends to equity holders - First and final 2017/2018	-	-	-	(57,750)	(57,750)
Balance as at 31st March 2019	16,750	-	5,882,638	1,054,594	6,953,982
Profit / (Loss) for the period	-	-	-	(72,550)	(72,550)
Total comprehensive income	-	-	-	(72,550)	(72,550)
Other comprehensive income					
Actuarial gains on defined benefit plans	-	-	-	(157)	(157)
Deferred tax effect on actuarial gain	-	-	-	22	22
Revaluation of property , plant and equipment	-	-	1,260,062	-	1,260,062
Deferred tax effect on revaluation of property , plant and equipments	-	-	(176,409)	-	(176,409)
Net change on equity instruments designated at fair value through other comprehensive income	-	(75,000)	-	-	(75,000)
Dividends - (15% Cumulative preference shares)	-	-	-	(38)	(38)
Share of other comprehensive income attributable to joint venture	-	-	20,137	-	20,137
Transfer of excess depreciation on revaluation	-	-	(31,998)	31,998	-
Balance as at 31st March 2020	16,750	(75,000)	6,954,430	1,013,870	7,910,050

Company

	Stated Capital Rs. '000'	FVOCI Reserve Rs. '000'	Revaluation Reserves Rs. '000'	Retained Earnings Rs. '000'	Total Equity Rs. '000'
Balance as at 31st March 2018	16,750	-	5,805,663	1,070,056	6,892,469
Adjustment on initial application of SLFRS 09	-	-	-	(4,679)	(4,679)
Adjusted Balance as at 01 April 2018	16,750	-	5,805,663	1,065,377	6,887,790
Other comprehensive income					
Net profit for the year	-	-	-	175,443	175,443
Actuarial gains on defined benefit plans	-	-	-	43	43
Deferred tax effect on actuarial gain	-	-	-	(6)	(6)
Total Comprehensive Income	-	-	-	175,480	175,480
Dividends-(15% Cumulative preference shares)	-	-	-	(38)	(38)
Transfer of excess depreciation on revaluation	-	-	(30,955)	30,955	-
Dividends to equity holders - First and final 2017/2018	-	-	-	(57,750)	(57,750)
Balance as at 31st March 2019	16,750	-	5,774,708	1,214,024	7,005,482
Profit / (Loss) for the period	-	-	-	26,871	26,871
Total comprehensive income	16,750	-	5,774,708	1,240,895	7,032,353
Other comprehensive income					
Actuarial gains on defined benefit plans	-	-	-	(157)	(157)
Deferred tax effect on actuarial gain	-	-	-	22	22
Revaluation of property , plant and equipment	-	-	1,260,062	-	1,260,062
Deferred tax effect on revaluation of property , plant and equipments	-	-	(176,409)	-	(176,409)
Net change on equity instruments designated at FVOCI	-	(75,000)	-	-	(75,000)
Dividends - (15% Cumulative preference shares)	-	-	-	(38)	(38)
Transfer of excess depreciation on revaluation	-	-	(31,998)	31,998	-
Balance as at 31st March 2020	16,750	(75,000)	6,826,364	1,272,720	8,040,834

Note : The above figures for the year ended 31st March 2021 are provisional and subject to Audit.
Figures in brackets indicate deductions.
All values are in Rupees Thousands unless otherwise stated.

THE KANDY HOTELS COMPANY (1938) PLC
STATEMENT OF CASH FLOWS

For the Year ended 31st March

Cash Flows from Operating Activities

Profit / (Loss) before tax

Adjustments for:

Interest income

Interest expenses

Share of results of equity accounted investee

Depreciation of property, plant and equipment

Provision/(reversal) for bad and doubtful debts

Provision for impairment

Amortization of intangible assets

Provision for retirement benefit plans

Operating profit before working capital changes

(Increase)/decrease in inventories

(Increase)/decrease in trade and other receivables

(Increase)/decrease in amount due from related parties

Increase/(decrease) in trade and other payables

Increase/(decrease) in amount due to related parties

Cash generated from/ (used in) operations

Finance cost paid

Income tax paid

Gratuity paid

Net cash flow from/(used in) operating activities

Cash flows from/(used in) investing activities

Interest received

Purchase and construction of property, plant and equipment

Acquisition of intangible assets

(Increase)/decrease in interest bearing loans due from related parties

Net cash flow from/(used in) investing activities

Cash flows from/ (used in) financing activities

Long term loan paid during the year

Long term loan obtained during the year

Net cash flow from / (used in) financing activities

Net Increase/(Decrease) in Cash and cash equivalents

Cash and cash equivalents at the beginning of the period

Net Cash & cash equivalents as at 31st March

Analysis of net Cash & cash equivalents as at 31st March

Cash & cash equivalents

Bank Overdrafts

Net Cash & cash equivalents as at 31st March

	Group		Company	
	2020 Rs.'000'	2020 Rs.'000'	2021 Rs.'000'	2020 Rs.'000'
Profit / (Loss) before tax	(169,985)	(65,206)	(56,995)	34,214
Adjustments for:				
Interest income	(87,197)	(79,067)	(87,197)	(79,067)
Interest expenses	66,488	78,540	66,488	78,540
Share of results of equity accounted investee	112,879	99,256	-	-
Depreciation of property, plant and equipment	63,201	62,489	63,201	62,489
Provision/(reversal) for bad and doubtful debts	3,938	-	3,938	-
Provision for impairment	-	1,534	-	1,534
Amortization of intangible assets	4,735	4,788	4,735	4,788
Provision for retirement benefit plans	3,312	1,080	3,312	1,080
Operating profit before working capital changes	(2,629)	103,413	(2,519)	103,577
(Increase)/decrease in inventories	4,069	1,829	4,069	1,829
(Increase)/decrease in trade and other receivables	35,783	60,568	35,783	60,568
(Increase)/decrease in amount due from related parties	465	(17,133)	465	(17,133)
Increase/(decrease) in trade and other payables	(21,182)	(11,792)	(21,216)	(11,861)
Increase/(decrease) in amount due to related parties	(5,882)	10,236	(5,882)	10,076
Cash generated from/ (used in) operations	10,625	147,119	10,701	147,055
Finance cost paid	(66,488)	(78,540)	(66,488)	(78,540)
Income tax paid	(4,698)	(11,622)	(4,698)	(11,622)
Gratuity paid	(2,751)	(1,877)	(2,751)	(1,877)
Net cash flow from/(used in) operating activities	(63,312)	55,081	(63,235)	55,017
Cash flows from/(used in) investing activities				
Interest received	87,197	79,067	87,197	79,067
Purchase and construction of property, plant and equipment	-	(26,112)	-	(26,112)
Acquisition of intangible assets	-	(102)	-	(102)
(Increase)/decrease in interest bearing loans due from related parties	(169,947)	12,969	(169,947)	12,969
Net cash flow from/(used in) investing activities	(82,750)	65,822	(82,750)	65,822
Cash flows from/ (used in) financing activities				
Long term loan paid during the year	-	(10,300)	-	(10,300)
Long term loan obtained during the year	73,364	121,013	73,364	121,013
Net cash flow from / (used in) financing activities	73,364	110,713	73,364	110,713
Net Increase/(Decrease) in Cash and cash equivalents	(72,697)	231,616	(72,620)	231,551
Cash and cash equivalents at the beginning of the period	123,521	(108,095)	123,416	(108,136)
Net Cash & cash equivalents as at 31st March	50,824	123,521	50,795	123,415
Analysis of net Cash & cash equivalents as at 31st March				
Cash & cash equivalents	50,824	130,693	50,795	130,587
Bank Overdrafts	-	(7,172)	-	(7,172)
Net Cash & cash equivalents as at 31st March	50,824	123,521	50,795	123,415

Note : The above figures for the year ended 31st March 2021 are provisional and subject to Audit.

Figures in brackets indicate deductions.

All values are in Rupees Thousands unless otherwise stated.

THE KANDY HOTELS COMPANY (1938) PLC

NOTES TO INTERIM FINANCIAL STATEMENTS

01) Basis of preparation

The interim condensed financial statements of the Company and those consolidated have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. These interim financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2020.

02) Interim Condensed Financial Statements

The financial statements for the year ended 31st March 2021, includes "the Company" referring to The Kandy Hotels Company (1938) PLC, as the holding company and "the Group" referring to the companies whose accounts have been consolidated therein.

03) Accounting Policies

The Accounting policies are in line with the policies published in the annual financial statements for the year ended 31st March 2020.

04) Stated capital

The Number of shares representing the Stated Capital 577,500,000 Ordinary Shares and 50,000 fully paid Preference shares @ 15% as at 31st March 2021.

05) Operating segment

A segment is a distinguishable component of an enterprise that is engaged in either providing products or services (Business Segment) or in providing products or services within a particular economic environment (Geographical Segment), which is subject to risks & rewards that are different from those of the segment. However, there are no distinguishable components to be identified as segment for the company.

06) Status of Operation

As communicated in previous interim results, COVID-19 pandemic has severely impacted the business of the Company and the Group during the period under review. Arrival of tourists to the country will likely take place when global travel and tourism returns to normalcy.

The Kandy Hotels Company (1938) PLC continues to rely on the domestic travel segment during this period. During the period under review Suisse Hotel operated as a paid quarantining facility for repatriates. However, this uncertain phase also presents several challenges to the domestic travel segment as well, given its vulnerability to the spread of COVID-19 within Sri Lanka.

Given these market conditions, the Company and the Group continuous to operate a lean business model whilst also prioritizing on health, safety and hygiene standards which is a core part of traveler expectations.

**THE KANDY HOTELS COMPANY (1938) PLC
NOTES TO INTERIM FINANCIAL STATEMENTS**

07) Investment in equity securities

Investment in equity securities represent 16.11% stake in United Hotels Co Ltd, which is a subsidiary of Ceylon Hotels Corporation PLC is carried at fair value.

08) Interest bearing loans & borrowings

Company received a capital and interest moratorium (from April 2020 to March 2021) on the existing term loan and overdrafts in accordance with the financial relief package announced by the Government of Sri Lanka to the Tourism industry, amidst of the Covid-19 epidemic.

09) Related Party Transactions

The company carries out transactions in the ordinary course of its business with parties who are defined as related parties in LKAS 24. The details of which are reported below.

For the Year ended 31st March
In LKR '000

	Note	Company 2021	2020
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Recurrent Related Party Transactions

Transactions with Parent Company

Ceylon Hotels Corporation PLC

Expenses paid by CHC on behalf of company	A	429	1,165
Interest Charged by company on related party loans	B	87,234	78,991
Settlement of Expenses paid by CHC on behalf of company		489	3,511
Loan Advances to CHC	B	82,694	77,581

Transactions with Other Related Company

Galle Face Group (Pvt) Ltd

Net Expenses paid by GFG on behalf of company	A	7,089	-
Temporary advance	A	1,402	-

Non recurrent Related Party Transactions

There are no non-recurrent related party transactions for the period ended 31st March 2021.

Note :

A) Transactions carried out in the ordinary course of business and charge at the face value of the expenses.

B) Terms and conditions related to inter company borrowings/lending's :

Company	Party	Repayme	Interest Rate
The Kandy Hotels Company (1938) PLC	Lender	On	AWPLR + 2% for the balance upto Rs 100 Mn and AWDR + 1% for the remaining
Ceylon Hotels Corporation PLC	Borrower	Demand	

10) GOVERNMENT GRANTS

	Group/Company	
	31.03.2021	31.03.2020
	Rs.	Rs.
Opening Balance	6,168	-
Recognized during the year	-	7,155
Setoff against interest expenses during the year	(4,113)	(986)
Closing balance	<u>2,056</u>	<u>6,168</u>
Current	<u>2,056</u>	<u>4,113</u>
Non-Current	<u>-</u>	<u>2,056</u>

During November 2019, the company has obtained a term loan facility under "Enterprise Sri Lanka" special interest subsidy loan scheme proposed by the government to strengthen the tourism industry. The interest subsidy will be paid to the banks by the Ministry of Finance. Hence, the interest differentials has been classified under Government Grants.

11) Contingent liabilities

There has not been any significant changes in the nature of Contingent Liabilities which were disclosed in the Annual Report for the year ended 31st March 2020.

12) Subsequent events

There were no material events taken place after the Balance Sheet date which would require adjustments or disclosure in the Interim Financial Statement.

THE KANDY HOTELS COMPANY (1938) PLC NOTES TO INTERIM FINANCIAL STATEMENTS

SHARE INFORMATION

1. The Public holdings as at 31st March 2021 - 155,324,441 (26.90%)
2. Number of Public shareholders as at 31st March 2021 - 1,920.
3. Directors shareholding as at 31st March 2021.

Directors Shareholdings		31-Mar-21	
		Preference	Ordinary
1	Mr. Sanjeev Gardiner	9,500	87,500
2	Mr. Charitha Ratwatte	Nil	175,000
3	Mr. Lakshman Samarasinghe	Nil	5,500
4	Mr. Priyantha Maddumage	Nil	Nil
5	Mr. Lakshman Sirimanne (Demised on 20 th May 2021)	Nil	3,500
6	Mr. Ranjith Gunathilleke	Nil	43,611
7	Mr. Nahil Wijesuriya	Nil	Nil
8	Mr. Chandra Mohotti	Nil	Nil
9	Mr. Nilanga Dela	Nil	Nil
10	Mr. Shalike Karunasena (Alternative Director to Mr. Priyantha Maddumage)	Nil	Nil

4. Top 20 ordinary shareholders as at 31st March 2021

	Name	No. of shares	%
1	Ceylon Hotels Corporation PLC	401,567,250	69.54
2	Progruss Investments Limited	69,445,619	12.03
3	Adiuvat Investment Fund	36,582,097	6.33
4	Hotel International (Pvt) Ltd	17,906,619	3.10
5	Mr. N.V.S. Saackville	4,368,000	0.76
6	Mr. P.R.F Collas	1,965,250	0.34
7	Mr. G.C.Goonetilleke	1,924,755	0.33
8	Mrs. L. Ratwatte	1,853,000	0.32
9	Mr. P.V. Gunasekera	1,750,000	0.30
10	Mr. M.F. Gunasekera	1,750,000	0.30
11	Mrs. A.U.R. Pethiyagoda	1,500,000	0.26
12	Ms. H. Sauties	1,496,250	0.26
13	Mr. J. P. Sauties	1,496,250	0.26
14	Mr. J. Laravoire	1,496,250	0.26
15	Mr. E. Laravoire	1,496,250	0.26
16	Mr. M. Chevallaz	1,496,250	0.26
17	Mr. P. Chevallaz	1,496,250	0.26
18	Mr. A. Chevallaz	1,496,250	0.26
19	Mr. J.F.C. Badcock	1,034,250	0.18
20	Mr. F.D.M. Badcock	1,034,250	0.18
	Sub total	553,154,840	95.78
	Balance held by others	24,345,160	4.22
	Total number of shares	577,500,000	100.00

5. Market price per share for the quarter ended 31st March.

	2021 (Rs.)	2020 (Rs.)
Highest Market Price	5.90	5.70
Lowest Market Price	4.70	4.10
Last Traded Price	5.30	4.30

6. The float adjusted market capitalisation as at 31st March 2021 was Rs. 823,341,750/- with reference to the rule no. 7.6 (iv) of the listing rules of the Colombo Stock Exchange. As the float adjusted market capitalisation is less than Rs. 2.5 billion, The Kandy Hotels Company (1938) PLC complies under option 5 of the Listing Rules 7.13.1 (a) with the minimum public holding requirements.