



ROYAL ORCHID HOTELS LTD.,

Regd. Office :
1, Golf Avenue, Adjoining KGA Golf Course,
HAL Airport Road, Kodihalli, Bangalore - 560 008, India.
T +91 80 41783000, F : +91 80 252 03366
www.royalorchidhotels.com
CIN : L55101KA1986PLC007392
email : investors@royalorchidshotels.com

Date: November 11, 2021

**To,
The Manager,
Listing Compliance,
Department of Corporate Services,
BSE Limited,
Floor 25, P. J. Towers,
Dalal Street,
Mumbai – 400 001
BSE Scrip Code: 532699**

**To,
The Manager,
Listing Compliance,
Department of Corporate Services,
National Stock Exchange of India
Limited,
Exchange Plaza, Plot no. C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051
NSE Scrip Symbol: ROHLTD**

Dear Sir/Madam,

Subject: Outcome of Board Meeting and Submission of Unaudited Standalone and Consolidated Financial Results along with Limited Review Report thereon, for the Second Quarter and Half Year ended September 30, 2021.

Pursuant to Para A of Part A of Schedule III, read with, Regulation 30 & 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Board, in its Meeting held on November 11, 2021, have approved/noted the items as per Agenda, including the Un-audited Financial Results (Standalone & Consolidated) for the quarter and Half Year ended September 30, 2021.

A copy of Un-audited Financial Results (Standalone & Consolidated) for the quarter and Half Year ended September 30, 2021, as approved by the Board is enclosed for your information and record. Further, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are also enclosing herewith a copy of the 'Limited Review Report' received from Statutory Auditors, on the Standalone & Consolidated Un-audited financial results.

This is for the information of Exchange and Members thereof.

Thanking you

Yours sincerely,

For **ROYAL ORCHID HOTELS LIMITED**

**RANABIR SANYAL
COMPANY SECRETARY & COMPLIANCE OFFICER**

Encl: As Above

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP

5th Floor, No.65/2, Block "A",
Bagmane Tridib, Bagmane
Tech Park, C V Raman Nagar,
Bengaluru 560093

T +91 80 4243 0700
F +91 80 4126 1228

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Royal Orchid Hotels Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Royal Orchid Hotels Limited ('the Company') for the quarter ended 30 September 2021 and the year to date results for the period 1 April 2021 to 30 September 2021, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's management and approved by the 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 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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 the Standards on Auditing specified under Section 143(10) of the Act, 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.
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 the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements 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.

Walker Chandiok & Co LLP

5. We draw attention to Note 4 to the accompanying Statement, which describes the effects of uncertainties relating to the outbreak of COVID-19 pandemic and management's evaluation of its impact on the business operations of the Company and accompanying financial results as at reporting date, the extent of which is significantly dependent on future developments. Our conclusion is not modified in respect of this matter.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Aasheesh Arjun Singh
Partner
Membership No. 210122
UDIN: 21210122AAAAFW7777

Bengaluru
11 November 2021

ROYAL ORCHID HOTELS LIMITED

Registered Office : No.1, Golf Avenue, Adjoining KGA Golf Course, Airport Road, Bengaluru - 560 008.
INDIA. T: +91 80 25205566, F: +91 80 25203366, www.royalorchidhotels.com
CIN: L55101KA1986PLC007392

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2021

(₹ in lakhs except per share data)

Sl. No.	Particulars	Quarter ended			Six months ended		Year ended
		30 September 2021	30 June 2021	30 September 2020	30 September 2021	30 September 2020	31 March 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Income from operations	1,864.07	935.97	923.27	2,800.04	1,191.95	4,782.41
	(b) Other income	267.47	172.21	104.49	439.68	403.63	557.20
	Total Income	2,131.54	1,108.18	1,027.76	3,239.72	1,595.58	5,339.61
2	Expenses						
	(a) Cost of materials consumed	242.23	248.72	361.75	490.95	405.06	963.40
	(b) Employee benefits expense	388.19	262.24	214.86	650.43	447.02	1,190.27
	(c) Rent expense	152.16	87.20	162.68	239.36	247.18	622.22
	(d) Power and fuel expense	239.55	155.34	137.31	394.89	231.22	655.89
	(e) Other expenses	523.39	335.53	453.82	858.92	678.34	1,720.16
	Expenses before depreciation and amortisation and finance costs	1,545.52	1,089.03	1,330.42	2,634.55	2,008.82	5,151.94
3	Earnings/(Loss) before depreciation and amortisation, finance costs and taxes (1-2) (EBITDA)	586.02	19.15	(302.66)	605.17	(413.24)	187.67
4	Finance costs	188.35	257.85	207.10	446.20	426.33	857.22
5	Depreciation and amortisation expense	212.11	211.57	220.23	423.68	446.35	873.60
6	Total expenses (2+4+5)	1,945.98	1,558.45	1,757.75	3,504.43	2,881.50	6,882.76
7	Profit/(Loss) before exceptional items and tax (1-6)	185.56	(450.27)	(729.99)	(264.71)	(1,285.92)	(1,543.15)
8	Exceptional items (refer note 3)	-	(331.66)	-	(331.66)	-	(2,353.15)
9	Profit/(loss) before tax (7+8)	185.56	(781.93)	(729.99)	(596.37)	(1,285.92)	(3,896.30)
10	Tax expense/(credit)						
	(a) Current tax	-	-	-	-	-	-
	(b) Prior year taxes (credit)	-	-	-	-	-	(51.42)
	(c) Deferred tax (credit)/charge	(80.74)	15.96	(204.39)	(64.78)	(368.66)	(389.89)
		(80.74)	15.96	(204.39)	(64.78)	(368.66)	(441.31)
11	Net Profit/(Loss) for the period (9-10)	266.30	(797.89)	(525.60)	(531.59)	(917.26)	(3,454.99)
12	Other Comprehensive Income/(loss)						
	Items that will not be reclassified to profit or loss	-	-	-	-	-	(1.75)
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	0.49
		-	-	-	-	-	(1.26)
13	Total Comprehensive Income/(loss) for the period (11+12)	266.30	(797.89)	(525.60)	(531.59)	(917.26)	(3,456.25)
14	Paid-up equity share capital (Face Value ₹ 10/- each)	2,742.52	2,742.52	2,742.52	2,742.52	2,742.52	2,742.52
15	Other equity	-	-	-	-	-	16,065.65
16	Profit/(loss) Per Share of ₹ 10 each: *						
	(a) Basic (₹)	0.97	(2.91)	(1.92)	(1.94)	(3.34)	(12.60)
	(b) Diluted (₹)	0.97	(2.91)	(1.92)	(1.94)	(3.34)	(12.60)

* not annualised

See accompanying notes to the standalone financial results.

ROYAL ORCHID HOTELS LIMITED

Registered Office : No.1, Golf Avenue, Adjoining KGA Golf Course, Airport Road, Bengaluru - 560 008.
INDIA. T: +91 80 25205566, F: +91 80 25203366, www.royalorchidhotels.com
CIN: L55101KA1986PLC007392

STANDALONE BALANCE SHEET AS ON 30 SEPTEMBER 2021

(₹ in lakhs)

	Particulars	As at 30 September 2021 (Unaudited)	As at 31 March 2021 (Audited)
	Assets		
(1)	Non-current assets		
	(a) Property, plant and equipment	2,417.19	2,586.83
	(b) Capital work-in-progress	67.77	64.17
	(c) Right-of-use assets	3,341.80	3,582.37
	(d) Intangible assets	7.15	9.55
	(e) Financial assets		
	(i) Investments	10,483.83	10,483.82
	(ii) Loans	1,497.95	1,501.72
	(iii) Other financial assets	2,112.33	2,243.16
	(f) Deferred tax assets (net)	839.34	774.56
	(g) Other non-current assets	903.74	993.37
		21,671.10	22,239.55
(2)	Current assets		
	(a) Inventories	102.76	114.59
	(b) Financial assets		
	(i) Loans	1,595.61	1,550.58
	(ii) Trade receivables	787.16	688.88
	(iii) Cash and cash equivalents	732.93	428.86
	(iv) Bank balances other than (ii) above	2,192.34	2,192.62
	(v) Other financial assets	992.91	942.99
	(c) Other current assets	155.65	137.86
		6,559.36	6,056.38
	Assets classified as held for sale (refer note 5)	3,344.72	3,676.38
		9,904.08	9,732.76
	Total assets	31,575.18	31,972.31
(1)	Equity and Liabilities		
	Equity		
	(a) Equity share capital	2,742.52	2,742.52
	(b) Other equity	15,534.02	16,065.65
		18,276.54	18,808.17
	Liabilities		
(2)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	4,398.89	4,585.65
	(ii) Lease liabilities	3,342.96	3,383.07
	(iii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises		
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	9.68	9.68
	(iv) Other non-current financial liabilities	144.11	111.78
	(b) Provisions	118.00	117.61
	(c) Other non-current liabilities	26.40	34.70
		8,040.04	8,242.49
(3)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	413.09	287.83
	(ii) Lease liabilities	792.00	668.78
	(iii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises		-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	2,960.35	2,881.64
	(iv) Other non-current financial liabilities	640.12	688.14
	(b) Other current liabilities	346.62	288.84
	(c) Provisions	106.42	106.42
		5,258.60	4,921.65
	Total equity and liabilities	31,575.18	31,972.31

See accompanying notes to the standalone financial results.

ROYAL ORCHID HOTELS LIMITED

Registered Office : No.1, Golf Avenue, Adjoining KGA Golf Course, Airport Road, Bengaluru - 560 008.
INDIA. T: +91 80 25205566, F: +91 80 25203366, www.royalorchidhotels.com
CIN: L55101KA1986PLC007392

STANDALONE CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

(₹ in lakhs)

Particulars	Six months ended	
	30 September 2021	30 September 2020
	(Unaudited)	(Unaudited)
A. Cash flow from operating activities		
Net loss before tax	(596.37)	(1,285.92)
Adjustments for:		
Depreciation and amortisation	423.68	446.35
Loss on sale of property, plant and equipment/written off	2.82	-
Interest expense, net	261.05	426.33
Interest expense on Lease Liabilities	185.16	-
Provision for doubtful trade receivables, advances and security deposits	(4.51)	93.31
Unrealised exchange (gain)	(10.50)	22.87
Share based payments to employees	-	0.12
Interest income	(146.25)	(168.70)
Dividend income	-	(200.60)
Provisions/ Liabilities no longer required, written back	(260.82)	(6.86)
Guarantee commission	(12.08)	(19.67)
Impairment allowance	331.66	-
Operating profit/(loss) before working capital changes	173.84	(692.77)
Changes in working capital:		
Decrease in inventories	11.82	16.87
(Increase)/Decrease in trade receivables and unbilled revenue	(93.78)	496.93
Decrease in other current and non-current assets	306.12	85.50
Increase in provisions	0.39	2.49
Increase in trade payables	315.98	148.79
Increase/(Decrease) in other current and non-current liabilities	13.74	(207.73)
Cash generated from/(used in) operations	728.11	(149.92)
Direct taxes paid (net)	(73.10)	(67.86)
Net cash generated from/(used in) operating activities (A)	655.01	(217.78)
B. Cash flows from investing activities		
Purchase of Property, plant and equipment (including changes in capital work-in-progress, net of project creditors and retention money payable)	(17.50)	(57.88)
Interest received	65.97	62.36
Dividend income	-	200.60
Loans given to subsidiaries	(30.75)	(15.86)
Change in other bank balances	0.28	(20.31)
Net cash generated from investing activities (B)	18.00	168.91
C. Cash flows from financing activities		
Interest paid	(205.39)	(34.14)
Proceeds from borrowings from banks and financial institutions	4,320.19	-
Repayment of borrowings to banks and financial institutions	(4,381.69)	(3.96)
Payment of lease liabilities (principal)	(18.93)	(84.63)
Payment of lease liabilities (interest)	(83.12)	(97.71)
Net cash used in financing activities (C)	(368.94)	(220.44)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	304.07	(269.31)
Cash and cash equivalents at the beginning of the period	428.86	738.72
Cash and cash equivalents at the end of the period	732.93	469.41
Cash and cash equivalents as per Standalone Balance Sheet	732.93	469.41

Notes:

- 1 The standalone financial results ("the Statement") for the quarter and six month period ended 30 September 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 11 November 2021.
- 2 The Company has evaluated its operating segments in accordance with Ind AS 108 and has concluded that it is engaged in a single operating segment viz. hospitality business.
- 3 Exceptional items comprise of the following:

Particulars	Quarter ended			Year ended
	30 September 2021	30 June 2021	30 September 2020	31 March 2021
	(₹ in lakhs)			
Settlement of dispute with a vendor	-	-	-	125.00
Provision for impairment of investment in subsidiaries	-	331.66	-	2,228.15
	-	331.66	-	2,353.15

- 4 The COVID-19 pandemic has impacted and continues to impact hospitality industry due to lockdown, travel bans, quarantines and other emergency measures resulting in reduction in occupancy of hotels and average realization rate per room. The Company's business has been impacted during the year on account of the second wave of COVID-19 during the first three months. Whilst there has been a second wave of the COVID-19 pandemic in the first few months of the year where the Company operates, there has also been increased vaccination drive by the Government and with the unlocking of restrictions, the Company witnessed a recovery in its demand especially in its leisure destinations and business is expected to gradually improve.
The Company has also assessed the possible impact of COVID-19 in preparation of the standalone financial results, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. In evaluating the impact of the COVID-19 pandemic on its ability to continue as a going concern and the possible impact on its financial position, management has used the principles of prudence and exercised judgements in estimating occupancy rates and average room rate per hotel while developing cash-flow forecasts. Towards this objective, the management is implementing various initiatives like rationalizing costs, negotiating rent waivers, negotiating extended credit terms with suppliers and lenders, availing term loan moratorium from banks, building efficiencies in collections and taking various initiatives to improve revenues. The Company believes that with a combination of the above mitigation plans, it would be able to recover its assets and meet all its obligations in the normal course of business. Accordingly, the management believes that the Company will continue as a going concern.
Management has used internal and external sources of information upto the date of approval of these standalone financial results in determining the recoverability of property, plant and equipment, investments and other financial assets, and trade receivables as at 30 September 2021. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognised in the financial results as and when these material changes to economic conditions arise.
- 5 During the previous year ended 31 March 2021, the Company had classified investment made in two subsidiaries amounting to ₹ 3,676.38 lakhs (30 September 2021: ₹ 3,344.72 lakhs) as assets held for sale in accordance with the management's plan to dispose the assets of the subsidiaries.
- 6 During the previous quarter, the Company had issued a termination letter in respect of one of its leased hotels and the matter is pending for arbitration. The Company is of the view that it will be able to obtain rent concessions through arbitration and hence no adjustments with respect to lease liabilities and Right-of-use assets have been made as on 30 September 2021.
- 7 Prior period figures have been regrouped/ reclassified, wherever necessary, to conform to the current periods' presentation and to comply with the requirements of the amended Schedule III to the Companies Act, 2013, effective 1 April 2021.

Place: Bengaluru
Date: 11 November 2021

For **Royal Orchid Hotels Limited**

C K Baljee
Managing Director
DIN: 00081844

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
5th Floor, No.65/2, Block "A",
Bagmane Tridib, Bagmane
Tech Park, C V Raman Nagar,
Bengaluru 560093
T +91 80 4243 0700
F +91 80 4126 1228

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Royal Orchid Hotels Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Royal Orchid Hotels Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 September 2021 and the consolidated year to date results for the period 1 April 2021 to 30 September 2021, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and 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 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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 the Standards on Auditing specified under Section 143(10) of the Act, 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 SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements 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.

Walker Chandiok & Co LLP

5. We draw attention to Note 3 to the accompanying Statement, which describes the effects of uncertainties relating to the outbreak of COVID-19 pandemic and management's evaluation of its impact on the business operations of the Group and accompanying financial results as at reporting date, the extent of which is significantly dependent on future developments. Our conclusion is not modified in respect of this matter.
6. We draw attention to Note 5 of the Consolidated Financial Results, which describes that in case of Ksheer Sagar Developers Private Limited ("subsidiary company"), there are events and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the subsidiary company's ability to continue as a going concern and accordingly, the auditor of such subsidiary company has included an emphasis of matter paragraph indicating material uncertainty relating to going concern, in their review report on the financial results for the quarter ended 30 September 2021. Our conclusion is not modified in respect of this matter.
7. We did not review the interim financial information of 14 subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 17,130.30 lakhs as at 30 September 2021 and total revenues of ₹ 721.26 lakhs and ₹ 1,007.77 lakhs, total net loss after tax of ₹ 70.88 lakhs and ₹ 298.62 lakhs, total comprehensive loss of ₹ 70.88 lakhs and ₹ 298.62 lakhs, for the quarter and year-to-date period ended on 30 September 2021, respectively, and cash flows (net) of ₹ 124.16 lakhs for the period ended 30 September 2021, as considered in the Statement. These interim financial information have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Aasheesh Arjun Singh
Partner
Membership No. 210122
UDIN: 21210122AAAAFX4434

Bengaluru
11 November 2021

Walker Chandiook & Co LLP

Annexure 1

List of subsidiaries included in the Statement

Subsidiary Companies:

- 1) Icon Hospitality Private Limited
- 2) Maruti Comforts & Inn Private Limited
- 3) Cosmos Premises Private Limited
- 4) Multi Hotels Limited
- 5) AB Holdings Private Limited
- 6) Royal Orchid Maharashtra Private Limited
- 7) River Shore Developers Private Limited
- 8) Royal Orchid South Private Limited
- 9) Royal Orchid Shimla Private Limited
- 10) Royal Orchid Jaipur Private Limited
- 11) Royal Orchid Goa Private Limited
- 12) Royal Orchid Mumbai Private Limited
- 13) Royal Orchid Hyderabad Private Limited
- 14) Royal Orchid Associated Hotels Private Limited, Subsidiary of AB Holdings Private limited
- 15) Ksheer Sagar Developers Private Limited
- 16) Raj Kamal Buildcon Private Limited
- 17) J.H.Builders Private Limited
- 18) Ksheer Sagar Buildcon Private Limited

ROYAL ORCHID HOTELS LIMITED

Registered Office : No.1, Golf Avenue, Adjoining KGA Golf Course, Airport Road, Bengaluru - 560 008.
INDIA. T: +91 80 25205566, F: +91 80 25203366, www.royalorchidhotels.com
CIN: L55101KA1986PLC007392

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2021

Sl. No.	Particulars	(₹ in lakhs except per share data)					
		Quarter ended			Six months ended		
		30 September 2021	30 June 2021	30 September 2020	30 September 2021	30 September 2020	31 March 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	Income						
	(a) Income from operations	3,185.09	1,435.97	1,369.65	4,621.06	1,791.27	8,085.00
	(b) Other income	424.20	332.67	155.48	756.87	411.38	798.91
	Total Income	3,609.29	1,768.64	1,525.13	5,377.93	2,202.65	8,883.91
2	Expenses						
	(a) Cost of materials consumed	392.82	297.27	403.75	690.09	462.94	1,313.41
	(b) Employee benefits expense	834.92	574.50	473.40	1,409.42	985.91	2,589.58
	(c) Rent expense	175.47	54.93	155.24	230.40	258.04	701.28
	(d) Power and fuel expense	373.24	229.78	219.79	603.02	364.37	1,029.30
	(e) Other expenses	958.03	783.10	800.06	1,741.13	1,371.94	3,561.45
	Expenses before depreciation and amortisation and finance costs	2,734.48	1,939.58	2,052.24	4,674.06	3,443.20	9,195.02
3	Earnings/(Loss) before depreciation and amortisation, finance costs and taxes (1-2) (EBITDA)	874.81	(170.94)	(527.11)	703.87	(1,240.55)	(311.11)
4	Finance costs	383.59	453.90	400.77	837.49	808.06	1,633.63
5	Depreciation and amortisation expense	530.02	476.40	485.92	1,006.42	975.16	1,928.96
6	Total expenses (2+4+5)	3,648.09	2,869.88	2,938.93	6,517.97	5,226.42	12,757.61
7	Loss before exceptional items and tax (1-6)	(38.80)	(1,101.24)	(1,413.80)	(1,140.04)	(3,023.77)	(3,873.70)
8	Exceptional items (refer note 4)	-	-	-	-	-	(728.05)
9	Loss before tax (7+8)	(38.80)	(1,101.24)	(1,413.80)	(1,140.04)	(3,023.77)	(4,601.75)
10	Tax expense/(credit)						
	(a) Current tax	8.00	1.42	-	9.42	-	5.80
	(b) Prior year taxes (credit)	-	-	-	-	-	(54.43)
	(c) Deferred tax (credit)/charge	(101.91)	14.48	(254.50)	(87.43)	(475.27)	(551.78)
		(93.91)	15.90	(254.50)	(78.01)	(475.27)	(600.41)
11	Net Profit/(Loss) for the period (9-10)	55.11	(1,117.14)	(1,159.30)	(1,062.03)	(2,548.50)	(4,001.34)
12	Other Comprehensive Income (OCI)						
	Items that will not be reclassified to profit or loss	-	-	0.75	-	1.50	6.10
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	3.53
		-	-	0.75	-	1.50	9.63
13	Total Comprehensive Income/(Loss) for the period (11+12)	55.11	(1,117.14)	(1,158.55)	(1,062.03)	(2,547.00)	(3,991.71)
14	Total Net Profit/(Loss) for the period attributable to:						
	Owners of the Company	168.57	(852.04)	(939.03)	(683.47)	(2,027.32)	(3,247.55)
	Non-controlling interest	(113.46)	(265.10)	(220.27)	(378.56)	(521.18)	(753.79)
		55.11	(1,117.14)	(1,159.30)	(1,062.03)	(2,548.50)	(4,001.34)
15	Total Comprehensive Income/(Loss) for the period attributable to:						
	Owners of the Company	168.57	(852.04)	(938.28)	(683.47)	(2,026.57)	(3,246.47)
	Non-controlling interest	(113.46)	(265.10)	(220.27)	(378.56)	(520.43)	(745.24)
		55.11	(1,117.14)	(1,158.55)	(1,062.03)	(2,547.00)	(3,991.71)
16	Paid-up equity share capital (Face Value ₹ 10/- each)	2,742.52	2,742.52	2,742.52	2,742.52	2,742.52	2,742.52
17	Other equity (including non-controlling interest)						14,558.54
	Profit/(loss) Per Share of ₹ 10 each: *						
	(a) Basic (₹)	0.61	(3.11)	(3.42)	(2.49)	(7.39)	(11.84)
	(b) Diluted (₹)	0.61	(3.11)	(3.42)	(2.49)	(7.39)	(11.84)

* not annualised

See accompanying notes to the consolidated financial results

ROYAL ORCHID HOTELS LIMITED

Registered Office : No.1, Golf Avenue, Adjoining KGA Golf Course, Airport Road, Bengaluru - 560 008.

INDIA. T: +91 80 25205566, F: +91 80 25203366, www.royalorchidhotels.com

CIN: L55101KA1986PLC007392

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2021

		(₹ in lakhs)	
	Particulars	As at 30 September 2021 (Unaudited)	As at 31 March 2021 (Audited)
	Assets		
(1)	Non-current assets		
	(a) Property, plant and equipment	17,226.73	17,746.76
	(b) Capital work-in-progress	153.80	93.58
	(c) Right-of-use assets	4,423.31	4,713.22
	(d) Goodwill	1,774.70	1,774.70
	(e) Other intangible assets	15.84	16.73
	(f) Financial Assets		
	(i) Investments	2.25	2.25
	(ii) Others	2,261.91	2,439.73
	(g) Deferred tax assets (net)	1,130.62	1,052.65
	(h) Other non-current assets	1,085.53	1,222.78
		28,074.69	29,062.40
(2)	Current assets		
	(a) Inventories	173.76	188.48
	(b) Financial Assets		
	(i) Trade receivables	1,443.36	1,111.59
	(ii) Cash and cash equivalents	1,649.01	1,328.52
	(iii) Bank balances other than (ii) above	2,785.53	3,037.94
	(iv) Others	428.20	357.63
	(c) Current tax assets (net)	5.64	5.64
	(d) Other current assets	494.34	388.12
		6,979.84	6,417.92
	Assets classified as held for sale (refer note 6)	6,434.55	6,412.21
		13,414.39	12,830.13
	Total assets	41,489.08	41,892.53
(1)	Equity and Liabilities		
	Equity		
	(a) Equity share capital	2,742.52	2,742.52
	(b) Other equity	10,618.58	11,297.20
		13,361.10	14,039.72
	Non-controlling interests	2,889.48	3,261.34
		16,250.58	17,301.06
	Liabilities		
(2)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	9,090.49	9,425.44
	(ii) Lease liabilities	4,606.06	4,664.50
	(iii) Trade payables	9.68	9.68
	(iv) Other financial liabilities	144.13	111.78
	(b) Provisions	254.49	245.69
	(c) Deferred tax liabilities (net)	14.80	24.27
	(d) Other non-current liabilities	42.50	42.50
		14,162.15	14,523.86
(3)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	1,788.13	1,512.60
	(ii) Lease liabilities	834.38	708.99
	(iii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises	-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	3,872.04	3,836.11
	(iv) Other financial liabilities	2,674.99	2,448.34
	(b) Provisions	181.97	181.97
	(c) Current tax liabilities (Net)	0.72	0.72
	(d) Other current liabilities	1,724.12	1,378.88
		11,076.35	10,067.61
	Total equity and liabilities	41,489.08	41,892.53

See accompanying notes to the consolidated financial results.

ROYAL ORCHID HOTELS LIMITED

Registered Office : No.1, Golf Avenue, Adjoining KGA Golf Course, Airport Road, Bengaluru - 560 008.

INDIA. T: +91 80 25205566, F: +91 80 25203366, www.royalorchidhotels.com

CIN: L55101KA1986PLC007392

CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

(₹ in lakhs)

Particulars	Six months ended	
	30 September 2021	30 September 2020
	(Unaudited)	(Unaudited)
A. Cash flow from operating activities		
Net loss before tax	(1,140.04)	(3,023.77)
Adjustments for:		
Depreciation and amortisation	1,006.42	975.16
Loss on sale of property, plant and equipment/written off	2.82	-
Bad receivables/advances written off	-	28.96
Impairment allowance on trade receivables	(2.39)	115.50
Interest expense, net	583.91	808.01
Interest expense on Lease Liabilities	253.58	-
Interest on delayed payment of taxes	-	0.05
Share based payments to employees	-	0.31
Interest income	(104.08)	(105.17)
Liability no longer required, written back	(281.47)	(17.95)
Interest income on present value accounting of security deposits	(15.54)	(14.13)
(Gain)/loss from foreign currency transactions and translations, net	(0.51)	22.76
Income on account of rent concessions	(22.50)	-
Operating profit/(loss) before working capital changes	280.20	(1,210.27)
Changes in working capital:		
Decrease in inventories	14.72	27.24
(Increase)/decrease in trade receivables and unbilled revenue	(329.37)	736.32
Decrease/(increase) in other current and non-current assets	18.46	(20.37)
Increase in provisions	8.79	8.95
Increase/(decrease) in trade payables and other liabilities	295.27	(31.83)
Increase/(decrease) in other current and non-current liabilities	34.72	(127.22)
Cash generated from/(used in) operations	322.79	(617.18)
Direct taxes refund (net)	142.30	143.81
Net cash generated from/(used in) operating activities (A)	465.09	(473.37)
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including changes in capital work-in-progress, net of project creditors and retention money payable)	(258.57)	(25.21)
Investment in deposits	-	116.88
Interest received	88.88	75.19
Change in other bank balances	252.41	0.01
Net cash generated from investing activities (B)	82.72	166.87
C. Cash flows from financing activities		
Interest paid	(279.31)	(306.58)
Proceeds from borrowings	4,320.19	250.86
Repayment of secured borrowings	(4,104.08)	-
Dividend paid	-	(200.30)
Payment of lease liabilities (principal)	(66.95)	(159.46)
Payment of lease liabilities (interest)	(97.17)	(84.62)
Net cash used in financing activities (C)	(227.32)	(500.10)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	320.49	(806.60)
Cash and cash equivalents at the beginning of the period	1,328.52	1,965.34
Cash and cash equivalents at the end of the period	1,649.01	1,158.74
Cash and cash equivalents as per Consolidated Balance Sheet	1,649.01	1,158.74

Notes:

- The consolidated financial results ("the Statement") for the quarter and six month period ended 30 September 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 11 November 2021.
- The Group has evaluated its Operating segments in accordance with Ind AS 108 and has concluded that it is engaged in a single operating segment viz. hospitality business.
- The COVID-19 pandemic has impacted and continues to impact hospitality industry due to lockdown, travel bans, quarantines and other emergency measures resulting in reduction in occupancy of hotels and average realization rate per room. The Group's business has been impacted during the year on account of the second wave of COVID-19 during the first three months. Whilst there has been a second wave of the COVID-19 pandemic in the first few months of the year where the Group operates, there has also been increased vaccination drive by the Government and with the unlocking of restrictions, the Group witnessed a recovery in its demand especially in its leisure destinations and business is expected to gradually improve.

The Group has also assessed the possible impact of COVID-19 in preparation of the consolidated financial results, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. In evaluating the impact of the COVID-19 pandemic on its ability to continue as a going concern and the possible impact on its financial position, management has used the principles of prudence and exercised judgements in estimating occupancy rates and average room rate per hotel while developing cash-flow forecasts. Towards this objective, the management is implementing various initiatives like rationalizing costs, negotiating rent waivers, negotiating extended credit terms with suppliers and lenders, availing term loan moratorium from banks, building efficiencies in collections and taking various initiatives to improve revenues. The Group believes that with a combination of the above mitigation plans, it would be able to recover its assets and meet all its obligations in the normal course of business. Accordingly, the management believes that the Group will continue as a going concern.

Management has used internal and external sources of information upto the date of approval of these consolidated financial results in determining the recoverability of property, plant and equipment, investments and other financial assets, and trade receivables as at 30 September 2021. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognised in the financial results as and when these material changes to economic conditions arise.

- Exceptional items comprise of the following:

Particulars	Quarter ended			Year ended
	30 September 2021	30 June 2021	30 September 2020	31 March 2021
Settlement of dispute with a vendor	-	-	-	125.00
Provision for impairment of investment in subsidiaries	-	-	-	603.05
	-	-	-	728.05

- Ksheer Sagar Developers Private Limited ("subsidiary company") has suffered a loss of ₹ 90.70 lakhs during the quarter and has an accumulated deficit of ₹ 6,304.46 lakhs as at 30 September 2021. The subsidiary company's current liabilities exceed its current assets by ₹ 3,760.03 lakhs as on 30 September 2021. While these factors would normally indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern, the Company is taking steps towards improving operating cash flows through term loan restructuring plan for improving operating cash flows through cost synergies, exploring avenues of enhancing revenues, operational and financial support from its shareholders. The Company is confident of improving and maintaining sustainable operating cash flows and accordingly the financial results of the subsidiary company is prepared and presented on a going concern basis, which contemplates realization of assets and settlement of liabilities in the normal course of business.
- During the previous year ended 31 March 2021, the Group had classified non-current assets of two subsidiaries amounting to ₹ 6,412.21 lakhs (30 September 2021: ₹ 6,434.55 lakhs) as assets held for sale in accordance with the management's plan to dispose these assets of the subsidiaries.
- During the current period ended 30 September 2021, consequential to COVID-19 pandemic, the Group has requested and received rent waiver from certain landlords and accordingly recognized an amount of ₹ 22.50 lakhs for the current period ended 30 September 2021 in the accompanying Statement as "Other income", by applying practical expedient given in Para 46A and Para 46B of Ind AS 116 (as amended).
- During the previous quarter, the Company had issued a termination letter in respect of one of its leased hotels and the matter is pending for arbitration. The Company is of the view that it will be able to obtain rent concessions through arbitration and hence no adjustments with respect to lease liabilities and Right-of-use assets have been made as on 30 September 2021.
- Prior period figures have been regrouped/ reclassified, wherever necessary, to conform to the current periods' presentation and to comply with the requirements of the amended Schedule III to the Companies Act, 2013, effective 1 April 2021.

Place: Bengaluru
Date: 11 November 2021

For Royal Orchid Hotels Limited

C K Baljee
Managing Director
DIN: 00081844