



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 09, 2022

**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, 2022.

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 09, 2022, have approved/noted the items as per Agenda, including the Un-audited Financial Results (Standalone & Consolidated) for the second quarter and Half Year ended September 30, 2022.

A copy of Un-audited Financial Results (Standalone & Consolidated) for the second quarter and Half Year ended September 30, 2022, 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

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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 2022 and the year to date results for the period 01 April 2022 to 30 September 2022, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
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 Listing Regulations. 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.

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

Hemant Maheshwari
Partner
Membership No. 096537
UDIN: 22096537BCOONK1845

Bengaluru
09 November 2022

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

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CIN: L55101KA1986PLC007392

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022

(₹ in lakhs except per share data)

Sl. No.	Particulars	Quarter ended			Six months ended		Year ended
		30 September 2022	30 June 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Income from operations	3,756.10	3,808.04	1,864.07	7,564.14	2,800.04	7,973.90
	(b) Other income	256.15	135.68	267.47	391.83	439.68	851.27
	Total Income	4,012.25	3,943.72	2,131.54	7,955.97	3,239.72	8,825.17
2	Expenses						
	(a) Cost of materials consumed	406.13	416.00	242.23	822.13	490.95	1,110.31
	(b) Employee benefits expense	688.87	622.68	388.19	1,311.55	650.43	1,622.96
	(c) Rent expense	278.12	252.30	152.16	530.42	239.36	670.40
	(d) Power and fuel expense	344.90	360.65	239.55	705.55	394.89	900.96
	(e) Other expenses	963.78	838.78	523.39	1,802.56	858.92	2,166.86
	Expenses before depreciation and amortisation and finance costs	2,681.80	2,490.41	1,545.52	5,172.21	2,634.55	6,471.49
3	Earnings before depreciation and amortisation, finance costs and taxes (1-2) (EBITDA)	1,330.45	1,453.31	586.02	2,783.76	605.17	2,353.68
4	Finance costs	268.17	269.55	188.35	537.72	446.20	885.76
5	Depreciation and amortisation expense	259.42	261.57	212.11	520.99	423.68	854.87
6	Total expenses (2+4+5)	3,209.39	3,021.53	1,945.98	6,230.92	3,504.43	8,212.12
7	Profit/(Loss) before exceptional items and tax (1-6)	802.86	922.19	185.56	1,725.05	(264.71)	613.05
8	Exceptional items (refer note 3)	-	-	-	-	(331.66)	(501.66)
9	Profit/(loss) before tax (7+8)	802.86	922.19	185.56	1,725.05	(596.37)	111.39
10	Tax expense						
	(a) Current tax	245.00	260.00	-	505.00	-	-
	(b) Deferred tax (credit)/charge	(34.23)	(25.80)	(80.74)	(60.03)	(64.78)	184.03
	Total tax expense/(credit)	210.77	234.20	(80.74)	444.97	(64.78)	184.03
11	Net Profit/(Loss) for the period (9-10)	592.09	687.99	266.30	1,280.08	(531.59)	(72.64)
12	Other Comprehensive Loss						
	Items that will not be reclassified to profit or loss	-	-	-	-	-	(17.16)
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	4.77
	Total Other Comprehensive Loss	-	-	-	-	-	(12.39)
13	Total Comprehensive Income/(loss) for the period (11+12)	592.09	687.99	266.30	1,280.08	(531.59)	(85.03)
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						15,980.58
16	Earnings/(loss) Per Share of ₹ 10 each: *						
	(a) Basic (₹)	2.16	2.51	0.97	4.67	(1.94)	(0.26)
	(b) Diluted (₹)	2.16	2.51	0.97	4.67	(1.94)	(0.26)

* not annualised

See accompanying notes to the standalone financial results.

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STANDALONE BALANCE SHEET AS ON 30 SEPTEMBER 2022

(₹ in lakhs)

Sl. No.	Particulars	As at 30 September 2022	As at 31 March 2022
		(Unaudited)	(Audited)
	Assets		
(1)	Non-current assets		
	(a) Property, plant and equipment	2,397.62	2,399.84
	(b) Capital work-in-progress	53.02	20.95
	(c) Right-of-use assets	4,753.23	5,016.72
	(d) Intangible assets	2.39	4.78
	(e) Financial assets		
	(i) Investments	15,759.95	15,733.82
	(ii) Loans	1,454.88	1,454.14
	(iii) Other financial assets	2,538.02	2,232.35
	(f) Deferred tax assets, net	655.33	595.30
	(g) Current tax assets, net	536.75	536.75
	(h) Other non-current assets	208.75	130.10
	Total non-current assets	28,359.94	28,124.75
(2)	Current assets		
	(a) Inventories	138.66	135.67
	(b) Financial assets		
	(i) Loans	1,299.58	1,358.32
	(ii) Trade receivables	2,115.30	1,183.89
	(iii) Cash and cash equivalents	540.32	843.55
	(iv) Bank balances other than (iii) above	2,786.40	2,255.02
	(v) Other financial assets	304.97	210.57
	(c) Other current assets	380.43	360.67
	Total current assets	7,565.66	6,347.69
	Assets classified as held for sale (refer note 6)	342.77	342.77
		7,908.43	6,690.46
	Total assets	36,268.37	34,815.21
(1)	Equity and Liabilities		
	Equity		
	(a) Equity share capital	2,742.52	2,742.52
	(b) Other equity	17,260.65	15,980.58
	Total equity	20,003.17	18,723.10
(2)	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	5,218.06	5,517.58
	(ii) Lease liabilities	4,732.81	4,858.66
	(iii) Other financial liabilities	203.32	244.98
	(b) Provisions	133.59	124.38
	(c) Other non-current liabilities	30.11	19.89
	Total non-current liabilities	10,317.89	10,765.49
(3)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	552.62	534.29
	(ii) Lease liabilities	555.47	674.74
	(iii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises	-	10.00
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	3,516.03	3,212.29
	(iv) Other financial liabilities	531.84	467.91
	(b) Provisions	121.41	121.41
	(c) Current tax liabilities, net	309.16	-
	(d) Other current liabilities	360.78	305.98
	Total current liabilities	5,947.31	5,326.62
	Total equity and liabilities	36,268.37	34,815.21

See accompanying notes to the standalone financial results.

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STANDALONE CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

(₹ in lakhs)

Particulars	Six months ended	
	30 September 2022 (Unaudited)	30 September 2021 (Unaudited)
A. Cash flow from operating activities		
Net profit/(loss) before tax	1,725.05	(596.37)
Adjustments for:		
Depreciation and amortisation expense	520.99	423.68
Loss on sale of property, plant and equipment/written off	-	2.82
Interest expense	294.07	261.05
Interest expense on lease liabilities	243.65	185.16
Provision for doubtful trade receivables, advances and security deposits	4.18	(4.51)
Other receivables, written off	1.70	-
Unrealised exchange gain	(84.43)	(10.50)
Interest income	(157.72)	(146.25)
Provisions/Liabilities no longer required, written back	-	(260.82)
Guarantee commission income	(10.87)	(12.08)
Provision for impairment of investment in a subsidiary	-	331.66
Operating profit before working capital changes	2,536.62	173.84
Changes in working capital:		
(Increase)/Decrease in inventories	(3.00)	11.82
Increase in trade receivables and unbilled revenue	(935.58)	(93.78)
(Increase)/Decrease in other non-current and current assets	(472.83)	306.12
Increase in provisions	9.21	0.39
Increase in trade payables	82.76	315.98
Increase in other non-current and current liabilities	107.70	13.74
Cash generated from operations	1,324.88	728.11
Direct taxes paid, net	(195.84)	(73.10)
Net cash generated from operating activities (A)	1,129.04	655.01
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)	(199.29)	(17.50)
Interest received	51.50	65.97
Loans given to subsidiaries	(3.75)	(30.75)
Loan repayments received from subsidiaries/others	146.18	-
Change in other bank balances	(531.38)	0.28
Net cash (used in)/generated from investing activities (B)	(536.74)	18.00
C. Cash flows from financing activities		
Interest paid	(336.55)	(205.39)
Repayment of borrowings to related parties	(20.00)	-
Proceeds from borrowings from banks	-	4,320.19
Repayment of borrowings to banks	(261.19)	(4,381.69)
Payment of lease liabilities (principal)	(144.90)	(18.93)
Payment of lease liabilities (interest)	(132.89)	(83.12)
Net cash used in financing activities (C)	(895.53)	(368.94)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(303.23)	304.07
Cash and cash equivalents at the beginning of the period	843.55	428.86
Cash and cash equivalents at the end of the period	540.32	732.93
Cash and cash equivalents as per Standalone Balance Sheet	540.32	732.93

Notes:

- 1 The standalone financial results ("the Statement") for the quarter and six months ended 30 September 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 09 November 2022. The Statutory Auditors of the Company have carried out limited review of the above financial results.
- 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			Six months ended		Year ended
	30 September 2022	30 June 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Provision for settlement of liabilities (refer note 4 below)	-	-	-	-	-	170.00
Provision for impairment of investment in subsidiaries (refer note 5 below)	-	-	-	-	331.66	331.66
Total	-	-	-	-	331.66	501.66

- 4 During the previous year, the Company had entered into a Share Purchase Agreement to sell a subsidiary. In accordance with the Share Purchase Agreement, the Company had identified certain amounts that were payable to settle these obligations and accordingly had made a provision of ₹170 lakhs.
- 5 During the previous year, the Company had recorded an additional impairment provision of ₹331.66 lakhs for investment made in one subsidiary on the basis of a Memorandum of Understanding entered into by the company to sell the non-current assets by the subsidiary.
- 6 During the year ended 31 March 2021, the Company had classified investment made in subsidiary amounting to ₹342.77 lakhs (30 September 2022: ₹342.77 lakhs) as assets held for sale in accordance with the management's plan to dispose the assets of the subsidiary.
- 7 The Company's performance in the previous periods/year was impacted by the COVID-19 pandemic. However, with the increased vaccination drive by the Government, the easing of restrictions and increase in demand resulted in a recovery in the Company's performance where the Company has been able reach pre COVID-19 levels in terms of occupancy and average room rates. During the current year, the Company has witnessed a strong rebound in its business aided by leisure travel and increase in business travel. 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 standalone financial results as and when these material changes to economic conditions arise.
- 8 During the previous year, 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 2022.

Place: Bengaluru
Date: 09 November 2022

For Royal Orchid Hotels Limited

C K Baljee
Managing Director
DIN: 00081844

Walker Chandiook & Co LLP

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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') and its associate (refer Annexure 1 for the list of subsidiaries and associate included in the Statement) for the quarter ended 30 September 2022 and the consolidated year to date results for the period 01 April 2022 to 30 September 2022, 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) ('Listing Regulations').
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 Listing Regulations. 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 Listing Regulation, 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 the other auditors referred to in paragraph 9 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 Chandiook & Co LLP

Emphasis of Matter: Material uncertainty on associate ability to continue as a going concern

5. We draw attention to Note 8 of the accompanying Statement, which describes that in case of Ksheer Sagar Developers Private Limited, there are events and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the associate company's ability to continue as a going concern and accordingly, the auditor of such associate company has reported an emphasis of matter paragraph indicating material uncertainty relating to going concern, in their review report on its financial results for the quarter ended 30 September 2022. Our conclusion is not modified in respect of this matter
6. We did not review the financial results of twelve subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 6,169.98 lakhs as at 30 September 2022, total revenues of ₹ 596.56 lakhs and ₹ 1,298.66 lakhs, total net profit after tax of ₹ 80.12 lakhs and ₹ 248.09 lakhs, total comprehensive income of ₹ 80.12 lakhs and ₹ 248.09 lakhs, for the quarter ended 30 September 2022 and year-to-date period ended on 30 September 2022, respectively, and cash flows (net) of ₹ 239.65 lakhs for the period ended 30 September 2022, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of ₹ 10.36 lakhs for the quarter ended 30 September 2022 and 0.39 lakhs year-to-date period ended on 30 September 2022, respectively, as considered in the Statement, in respect of one associate whose financial results have not been reviewed by us. These financial results 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 and associates 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 Chandiook & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Hemant Maheshwari
Partner
Membership No. 096537
UDIN: 22096537BCOPCF2550

Bengaluru
09 November 2022

Walker Chandiook & Co LLP

Annexure 1 to the Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

List of subsidiaries and associate included in the Statement

Sr.No	Name of the Company	Country of Incorporation	Subsidiary/Associate
1	Icon Hospitality Private Limited	India	Subsidiary
2	Maruti Comforts & Inn Private Limited	India	Subsidiary
3	Cosmos Premises Private Limited	India	Subsidiary
4	Multi Hotels Limited	Tanzania	Subsidiary
5	AB Holdings Private Limited	India	Subsidiary
6	Royal Orchid Maharashtra Private Limited	India	Subsidiary
7	Royal Orchid South Private Limited	India	Subsidiary
8	Royal Orchid Shimla Private Limited	India	Subsidiary
9	Royal Orchid Jaipur Private Limited	India	Subsidiary
10	Royal Orchid Goa Private Limited	India	Subsidiary
11	Royal Orchid Mumbai Private Limited	India	Subsidiary
12	Royal Orchid Hyderabad Private Limited	India	Subsidiary
13	Royal Orchid Associated Hotels Private Limited, Subsidiary of AB Holdings Private limited	India	Subsidiary
14	Raj Kamal Buildcon Private Limited	India	Subsidiary
15	J.H.Builders Private Limited	India	Subsidiary
16	Ksheer Sagar Buildcon Private Limited	India	Subsidiary
17	Ksheer Sagar Developers Private Limited	India	Associate

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STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2022

(₹ in lakhs except per share data)

Sl. No.	Particulars	Quarter ended			Six months ended		Year ended
		30 September 2022	30 June 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Income from operations	5,806.49	6,044.80	3,185.09	11,851.29	4,621.06	13,852.39
	(b) Other income	511.01	299.22	424.20	810.23	756.87	1,740.74
	Total Income	6,317.50	6,344.02	3,609.29	12,661.52	5,377.93	15,593.13
2	Expenses						
	(a) Cost of materials consumed	603.46	631.08	392.82	1,234.54	690.09	1,727.99
	(b) Employee benefits expense	1,335.21	1,215.60	834.92	2,550.81	1,409.42	3,468.31
	(c) Rent expense	288.21	262.56	175.47	550.77	230.40	686.35
	(d) Power and fuel expense	447.35	472.56	373.24	919.91	603.02	1,345.76
	(e) Other expenses	1,598.97	1,359.44	958.03	2,958.41	1,741.13	4,328.83
	Expenses before depreciation and amortisation and finance costs	4,273.20	3,941.24	2,734.48	8,214.44	4,674.06	11,557.24
3	Earnings/(Loss) before depreciation and amortisation, finance costs and taxes (1-2) (EBITDA)	2,044.30	2,402.78	874.81	4,447.08	703.87	4,035.89
4	Finance costs	359.97	401.02	383.59	760.99	837.49	1,609.71
5	Depreciation and amortisation expense	434.76	434.55	530.02	869.31	1,006.42	1,944.33
6	Total expenses (2+4+5)	5,067.93	4,776.81	3,648.09	9,844.74	6,517.97	15,111.28
7	Profit/(Loss) before exceptional items and tax (1-6)	1,249.57	1,567.21	(38.80)	2,816.78	(1,140.04)	481.85
8	Exceptional items (refer note 3)	-	-	-	-	-	2,505.34
9	Profit/(Loss) before tax (7+8)	1,249.57	1,567.21	(38.80)	2,816.78	(1,140.04)	2,987.19
10	Tax expense						
	(a) Current tax charge/(credit)	328.76	382.10	8.00	710.86	9.42	82.62
	(b) Prior year taxes (credit)	-	-	-	-	-	(0.72)
	(c) Deferred tax (credit)/charge	(6.97)	21.90	(101.91)	14.93	(87.43)	226.83
	Total tax expense/(credit)	321.79	404.00	(93.91)	725.79	(78.01)	308.73
11	Net Profit/(Loss) for the period (9-10)	927.78	1,163.21	55.11	2,090.99	(1,062.03)	2,678.46
	Share of profit of associate	10.36	(9.97)	-	0.39	-	-
12	Net Profit/(Loss) for the period and share of profit of associate	938.14	1,153.24	55.11	2,091.38	(1,062.03)	2,678.46
13	Other Comprehensive Income						
	Items that will be reclassified subsequently to profit or loss	39.86	37.16	0.73	77.02	11.58	33.48
	Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Items that will not be reclassified to profit or loss	-	-	-	-	-	(27.74)
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	3.51
	Total Other Comprehensive Income	39.86	37.16	0.73	77.02	11.58	9.25
14	Total Comprehensive Income/(Loss) for the period (12+13)	978.00	1,190.40	55.84	2,168.40	(1,050.45)	2,687.71
15	Total Net Profit/(Loss) for the period attributable to:						
	Owners of the Company	883.91	1,104.00	168.57	1,987.91	(683.47)	2,936.47
	Non-controlling interest	54.23	49.24	(113.46)	103.47	(378.56)	(258.01)
		938.14	1,153.24	55.11	2,091.38	(1,062.03)	2,678.46
16	Total Comprehensive Income/(Loss) for the period attributable to:						
	Owners of the Company	923.77	1,141.16	169.30	2,064.93	(671.89)	2,951.89
	Non-controlling interest	54.23	49.24	(113.46)	103.47	(378.56)	(264.18)
		978.00	1,190.40	55.84	2,168.40	(1,050.45)	2,687.71
17	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
18	Other equity (including non-controlling interest)						11,960.11
	Earnings/(loss) Per Share of ₹ 10 each: *						
	(a) Basic (₹)	3.22	4.03	0.61	7.25	(2.49)	10.71
	(b) Diluted (₹)	3.22	4.03	0.61	7.25	(2.49)	10.71

* not annualised

See accompanying notes to the consolidated financial results

ROYAL ORCHID HOTELS LIMITED

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CIN: L55101KA1986PLC007392

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2022

(₹ in lakhs)

	Particulars	As at 30 September 2022	As at 31 March 2022
		(Unaudited)	(Audited)
	Assets		
(1)	Non-current assets		
	(a) Property, plant and equipment	11,297.14	11,448.34
	(b) Capital work-in-progress	108.09	38.65
	(c) Right-of-use assets	5,736.27	6,049.12
	(d) Goodwill	1,763.97	1,763.97
	(e) Other intangible assets	7.31	11.93
	(f) Financial assets		
	(i) Investments	2,433.14	2,432.75
	(ii) Loans	696.84	696.84
	(iii) Other financial assets	2,664.31	2,187.51
	(g) Deferred tax assets, net	832.84	850.82
	(h) Current tax assets, net	1,024.79	1,042.26
	(i) Other non-current assets	93.71	60.37
	Total non-current assets	26,658.41	26,582.56
(2)	Current assets		
	(a) Inventories	221.86	192.35
	(b) Financial assets		
	(i) Loans	85.08	232.00
	(ii) Trade receivables	2,832.64	2,082.95
	(iii) Cash and cash equivalents	1,827.00	1,887.34
	(iv) Bank balances other than (iii) above	3,923.85	2,816.75
	(v) Other financial assets	872.21	488.60
	(c) Current tax assets, net	5.96	5.96
	(d) Other current assets	825.83	508.33
	Total current assets	10,594.43	8,214.28
	Assets classified as held for sale	1,482.34	1,482.34
		12,076.77	9,696.62
	Total assets	38,735.18	36,279.18
(1)	Equity and Liabilities		
	Equity		
	(a) Equity share capital	2,742.52	2,742.52
	(b) Other equity	11,834.85	9,776.94
		14,577.37	12,519.46
	Non-controlling interests	2,286.62	2,183.17
	Total equity	16,863.99	14,702.63
(2)	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	6,961.88	7,211.31
	(ii) Lease liabilities	5,947.16	6,098.25
	(iii) Other financial liabilities	203.32	244.98
	(b) Provisions	256.53	244.27
	(c) Deferred tax liabilities, net	42.71	45.76
	Total non-current liabilities	13,411.60	13,844.57
(3)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	937.51	818.36
	(ii) Lease liabilities	611.23	723.24
	(iii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises	-	52.90
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	4,178.34	3,767.94
	(iv) Other financial liabilities	869.67	801.19
	(b) Provisions	187.55	187.55
	(c) Current tax liabilities, net	361.56	14.40
	(d) Other current liabilities	1,313.73	1,366.40
	Total current liabilities	8,459.59	7,731.98
	Total equity and liabilities	38,735.18	36,279.18

See accompanying notes to the consolidated financial results.

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CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

(₹ in lakhs)

Particulars	Six months ended	
	30 September 2022	30 September 2021
	(Unaudited)	(Unaudited)
A. Cash flow from operating activities		
Net profit/(loss) before tax	2,816.78	(1,140.04)
Adjustments for:		
Depreciation and amortisation expense	869.31	1,006.42
Loss on sale/write off of assets	-	2.82
Provision for doubtful advances / advances written off	1.70	-
Impairment allowance on trade receivables	5.95	(2.39)
Interest expense	450.74	583.91
Interest expense on lease liabilities	310.25	253.58
Interest income	(167.79)	(104.08)
Liability no longer required, written back	(0.24)	(281.47)
Interest income on present value accounting of security deposits	(19.08)	(15.54)
Gain from foreign currency transactions and translations, net	(84.43)	(0.51)
Income on account of rent concessions	(22.50)	(22.50)
Guarantee commission income	(2.64)	-
Operating profit before working capital changes	4,158.05	280.20
Changes in working capital:		
(Increase)/Decrease in inventories	(29.51)	14.72
Increase in trade receivables and unbilled revenue	(755.64)	(329.37)
(Increase)/Decrease in other current and non-current assets	(1,184.59)	18.46
Increase in provisions	12.26	8.79
Increase in trade payables	245.48	295.27
(Decrease)/Increase in other current and non-current liabilities	(49.74)	34.72
Cash generated from operations	2,396.31	322.79
Direct taxes (paid)/refund, net	(346.22)	142.30
Net cash generated from operating activities (A)	2,050.09	465.09
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)	(265.40)	(258.57)
Loan repayments received from associate/others	146.92	-
Interest received	102.47	88.88
Change in other bank balances	(1,107.10)	252.41
Net cash (used in)/generated from investing activities (B)	(1,123.11)	82.72
C. Cash flows from financing activities		
Interest paid	(494.66)	(279.31)
Repayment of borrowings to related parties	(20.00)	-
Proceeds from borrowings from financial institutions/banks	241.81	4,320.19
Repayment of borrowings to financial institutions/banks	(352.10)	(4,104.08)
Payment of lease liabilities (principal)	(199.50)	(66.95)
Payment of lease liabilities (interest)	(162.87)	(97.17)
Net cash used in financing activities (C)	(987.32)	(227.32)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(60.34)	320.49
Cash and cash equivalents at the beginning of the period	1,887.34	1,328.52
Cash and cash equivalents at the end of the period	1,827.00	1,649.01
Cash and cash equivalents as per Consolidated Balance Sheet	1,827.00	1,649.01

Notes:

- The consolidated financial results ("the Statement") for the quarter and six months ended 30 September 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 09 November 2022. The Statutory Auditors of the Company have carried out limited review of the above financial results.
- 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.
- Exceptional items comprise of the following:

Particulars	Quarter ended			Six months ended		Year ended
	30 September 2022	30 June 2022	30 September 2021	30 September 2022	30 September 2021	31 March 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Provision for Contingent liability for Subsidiary (refer note 4)	-	-	-	-	-	(170.00)
Profit on sale of Subsidiary and remeasurement gain on loss of control of in a subsidiary (refer note 5 & 6)	-	-	-	-	-	2,675.34
	-	-	-	-	-	2,505.34

- During the previous year, the Holding Company entered into a Share Purchase Agreement to sell a subsidiary. In accordance with the Share Purchase Agreement, the Holding Company has identified certain amounts that are payable to settle these obligations and accordingly has made a provision of ₹ 170 lakhs.
- During the previous years, the Group had classified non-current assets of two subsidiaries amounting to ₹6,412.21 lakhs as assets held for sale in accordance with the management's plan to dispose these assets of the subsidiaries. During the previous year, the Holding Company entered into an agreement to dispose off one of its subsidiary and in exchange the Company acquired the balance 50% interest in another subsidiary. Necessary filings with respect to the said sale and purchase was made with the stock exchange. Accordingly, the Holding Company had recognised a gain of ₹359.63 lakhs on the disposal of the interest in the subsidiary given up and further ₹5,250 lakhs representing the increased ownership interest in the subsidiary, without change in control has been accounted for as an equity transaction.
- During the previous year, the Holding Company lost control in one of its subsidiaries, due to which the said subsidiary became an associate. The Holding Company had derecognised all assets and liabilities of the subsidiary from the date of loss of control and has followed equity method of accounting thereafter. In accordance with Ind AS - 28, the Holding Company had recorded a remeasurement gain on the loss of control of the subsidiary amounting to ₹2,315.71 lakhs as an exceptional item in the previous year.
- During the current period ended 30 September 2022, 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 2022 in the accompanying Statement as "Other income", by applying practical expedient given in Para 46A and Para 46B of Ind AS 116 (as amended).
- Ksheer Sagar Developers Private Limited ("Associate") incurred a profit of ₹20.73 lakhs during the current quarter and has an accumulated deficit of ₹6,078.33 lakhs as at 30 September 2022. The associate company's current liabilities exceed its current assets by ₹3,315.79 lakhs as on 30 September 2022. 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 associate 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, the Holding Company had issued a termination letter in respect of one of its leased hotels and the matter is pending for arbitration. The Holding 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 2022.
- The Group's performance in the previous periods/year was impacted by the COVID-19 pandemic. However, with the increased vaccination drive by the Government, the easing of restrictions and increase in demand resulted in a recovery in the Group's performance where the Group has been able reach pre COVID-19 levels in terms of occupancy and average room rates. During the current year, the Group has witnessed a strong rebound in its business aided by leisure travel and increase in business travel. The Group will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognised in the consolidated financial results as and when these material changes to economic conditions arise.

Place: Bengaluru
Date: 09 November 2022

For Royal Orchid Hotels Limited

C K Baljee
Managing Director
DIN: 00081844