



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 13, 2020

**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, 2020.

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 13, 2020, 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, 2020 which concluded at 05.20 p.m.

A copy of Un-audited Financial Results (Standalone & Consolidated) for the quarter and Half Year ended September 30, 2020, 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 Chandiok & 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 2020 and the year to date results for the period 1 April 2020 to 30 September 2020, 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.
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 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.

Walker Chandiok & Co LLP

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) (Cont'd)

6. The review of standalone unaudited quarterly financial results for the period ended 30 June 2020, included in the Statement was carried out and reported by Deloitte Haskins & Sells LLP who have expressed unmodified conclusion vide their review report dated 14 September 2020, whose review report has been furnished to us and which has been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.
7. The review of standalone unaudited quarterly and year-to-date financial results for the period ended 30 September 2019 and audit of standalone financial results for the year ended 31 March 2020 included in the Statement was carried out and reported by Deloitte Haskins & Sells LLP who have expressed unmodified conclusion vide their review report dated 11 November 2019 and unmodified opinion vide their audit report dated 27 July 2020, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. 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: 20210122AAAACU6943

Bengaluru

13 November 2020

ROYAL ORCHID HOTELS LIMITED

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UNAUDITED STANDALONE BALANCE SHEET AS ON SEPTEMBER 30, 2020

(₹ in lakhs)

	Particulars	As at 30 September 2020 (Unaudited)	As at 31 March 2020 (Audited)
	Assets		
(1)	Non-current assets		
	(a) Property, plant and equipment	2,752.27	2,944.39
	(b) Capital work-in-progress	2.87	2.87
	(c) Right-of-use assets	3,821.61	4,062.19
	(d) Intangible assets	11.92	14.32
	(e) Financial assets		
	(i) Investments	16,445.63	16,444.74
	(ii) Loans	3,019.53	3,026.54
	(iii) Other financial assets	2,758.61	2,660.54
	(f) Deferred tax assets (net)	752.83	384.18
	(g) Other non-current assets	858.65	794.87
		30,423.92	30,334.64
(2)	Current assets		
	(a) Inventories	112.60	129.46
	(b) Financial assets		
	(i) Trade receivables	671.13	1,217.69
	(ii) Cash and cash equivalents	469.41	738.72
	(iii) Bank balances other than (ii) above	1,402.65	1,382.34
	(iv) Other financial assets	254.45	225.28
	(c) Other current assets	197.72	385.38
		3,107.96	4,078.87
	Total assets	33,531.88	34,413.51
(1)	Equity and Liabilities		
	Equity		
	(a) Equity share capital	2,742.52	2,742.52
	(b) Other equity	18,604.56	19,520.81
		21,347.08	22,263.33
	Liabilities		
(2)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	3,997.19	4,022.89
	(ii) Lease liabilities	3,635.36	3,782.82
	(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	78.73	45.95
	(b) Provisions	107.87	105.38
	(c) Other non-current liabilities	72.33	89.21
		7,901.16	8,055.93
(3)	Current liabilities		
	(a) Financial liabilities		
	(i) Lease liabilities	468.71	300.15
	(ii) 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	2,639.36	2,497.41
	(ii) Other financial liabilities	756.58	696.72
	(b) Other current liabilities	315.87	408.57
	(c) Provisions	103.12	103.12
	(d) Current tax liabilities, net	-	88.28
		4,283.64	4,094.25
	Total equity and liabilities	33,531.88	34,413.51

See accompanying notes to the financial results.

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UNAUDITED STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020

(₹ in lakhs except per share data)

Sl. No.	Particulars	Quarter ended			Six months ended		Year ended
		30 September 2020	30 June 2020	30 September 2019	30 September 2020	30 September 2019	31 March 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenues						
	(a) Income from operations	923.27	268.68	2,636.61	1,191.95	5,380.39	11,483.91
	(b) Other income	104.49	299.14	193.81	403.63	408.98	717.21
	Total revenue	1,027.76	567.82	2,830.42	1,595.58	5,789.37	12,201.12
2	Expenses						
	(a) Cost of materials consumed	78.77	28.78	294.80	107.55	626.27	1,395.09
	(b) Employee benefits expense	214.86	232.16	657.36	447.02	1,324.36	2,529.92
	(c) Rent expense	162.68	84.50	220.32	247.18	455.51	910.91
	(d) Power and fuel expense	137.31	93.91	299.43	231.22	683.45	1,272.09
	(e) Other expenses	736.80	239.05	722.93	975.85	1,456.64	3,206.28
	Expenses before depreciation and amortisation and finance costs	1,330.42	678.40	2,194.84	2,008.82	4,546.23	9,314.29
3	Earnings/ (Loss) before depreciation and amortisation, finance costs and taxes (1-2) (EBITDA)	(302.66)	(110.58)	635.58	(413.24)	1,243.14	2,886.83
4	Finance costs	207.10	219.23	173.01	426.33	367.43	767.03
5	Depreciation and amortisation expense	220.23	226.12	180.24	446.35	358.40	827.75
6	Total expenses (2+4+5)	1,757.75	1,123.75	2,548.09	2,881.50	5,272.06	10,909.07
7	Profit/ (Loss) before tax (1-6)	(729.99)	(555.93)	282.33	(1,285.92)	517.31	1,292.05
8	Tax Expense/(Credit)						
	(a) Current tax	-	-	106.00	-	190.01	514.26
	(b) Deferred tax	(204.39)	(164.27)	(44.86)	(368.66)	(80.85)	(133.62)
		(204.39)	(164.27)	61.14	(368.66)	109.16	380.64
9	Net Profit/ (Loss) for the period (7-8)	(525.60)	(391.66)	221.19	(917.26)	408.15	911.41
10	Other Comprehensive Income/(Loss)						
	Items that will not be reclassified to profit or loss	-	-	(2.38)	-	(4.76)	32.12
	Income tax relating to items that will not be reclassified to profit or loss	-	-	0.44	-	0.88	(9.35)
		-	-	(1.94)	-	(3.88)	22.77
11	Total Comprehensive Income/(Loss) for the period (9+10)	(525.60)	(391.66)	219.25	(917.26)	404.27	934.18
12	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
13	Other equity	-	-	-	-	-	19,520.81
14	Earnings/(Loss) Per Share of ₹ 10 each: *						
	(a) Basic (₹)	(1.92)	(1.43)	0.80	(3.34)	1.47	3.41
	(b) Diluted (₹)	(1.92)	(1.43)	0.79	(3.34)	1.46	3.38

* not annualised for the period ended.

See accompanying notes to the financial results.

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UNAUDITED STANDALONE CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2020

(₹ in lakhs)

Particulars	Six months ended	
	30 September 2020	30 September 2019
	(Unaudited)	(Unaudited)
Net profit/(loss) before tax	(1,285.92)	517.31
Adjustments for:		
Depreciation and amortisation	446.35	358.40
Profit on sale of property, plant and equipment	-	(0.01)
Interest expense, net	426.33	352.71
Interest adjustment on account of present value	-	14.73
Impairment allowance on trade receivables	93.31	21.15
Unrealised exchange (gain)/loss	22.87	(22.55)
Share based payments to employees	0.12	1.76
Interest income	(168.70)	(157.71)
Dividend income from a subsidiary	(200.60)	-
Provision / liabilities no longer required, written back	(6.86)	(103.52)
Commission on corporate guarantees provided to subsidiaries	(19.67)	(23.56)
Profit on shares bought back	-	(75.10)
Operating profit/(loss) before working capital changes	(692.77)	883.61
Changes in working capital:		
Decrease in inventories	16.87	2.48
(Increase)/Decrease in trade receivables and unbilled revenue	496.93	(852.01)
(Increase)/Decrease in other current and non-current assets	85.50	140.32
Increase in provisions	2.49	23.57
Increase in trade payables	148.79	606.02
(Decrease) in other current and non-current liabilities	(207.73)	(22.50)
Cash (used in)/generated from operations	(149.92)	781.49
Direct taxes paid (net)	(67.86)	(132.67)
Net cash (used in)/generated from operating activities (A)	(217.78)	648.82
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(57.88)	(82.19)
Proceeds from sale of property, plant and equipment	-	4.10
Interest received	62.36	136.02
Amount received towards shares bought back by a subsidiary	-	200.27
Dividend income	200.60	-
Loans given to subsidiaries	(15.86)	(141.79)
Change in other bank balances	(20.31)	300.32
Net cash generated from investing activities (B)	168.91	416.73

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UNAUDITED STANDALONE CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2020

Particulars	(₹ in lakhs)	
	Six months ended	
	30 September 2020 (Unaudited)	30 September 2019 (Unaudited)
C. Cash flows from financing activities		
Interest paid	(34.14)	(223.18)
Repayment of secured borrowings	(3.96)	(106.81)
Change in unclaimed dividend account	-	(0.01)
Proceeds from allotment of shares	-	14.96
Dividend paid	-	(547.51)
Payment of interest portion of lease liabilities	(84.63)	-
Payment of principal portion of lease liabilities	(97.71)	-
Net cash (used in) from financing activities (C)	(220.44)	(862.55)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(269.31)	203.00
Cash and cash equivalents at the beginning of the period	738.72	1,853.18
Cash and cash equivalents at the end of the period	469.41	2,056.18
Cash and cash equivalents as per standalone balance sheet	469.41	2,056.18

Notes:

- 1 The standalone financial results ("the Statement") for the quarter and six month period ended September 30, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 13, 2020.
- 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 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. Certain hotels of the Company were a part of Government denominated essential services called Vande Bharat Mission and were operational. The Company is in the process of resuming its operations in a phased manner in line with the directives from the Government. The Company expects the demand for rooms, restaurants, banquet halls and related services to pick up, albeit at a slower pace, as the lockdown is lifted in various parts of the country and there is recovery in business, driven by business travel and leisure tourism.

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, evaluating monetising certain assets, 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 financial results in determining the recoverability of property, plant and equipment, investments and other financial assets, and trade receivables as at September 30, 2020. 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 statements as and when these material changes to economic conditions arise.

Place: Bengaluru
Date: November 13, 2020

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'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 September 2020 and the consolidated year to date results for the period 1 April 2020 to 30 September 2020, 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 the other auditors referred to in paragraph 6 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

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) (Cont'd)

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 did not review the interim financial information of 14 subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 17,133.33 lakhs as at 30 September 2020, and total revenues of ₹ 306.97 lakhs and ₹ 650.85 lakhs, total net loss after tax of ₹ 302.79 lakhs and ₹ 617.09 lakhs, total comprehensive loss of ₹ 302.04 lakhs and ₹ 615.59 lakhs, for the quarter and year-to-date period ended on 30 September 2020, respectively, and cash flows (net) of ₹ 96.21 lakhs for the period ended 30 September 2020, as considered in the Statement.
7. The review of unaudited consolidated quarterly financial results for the period ended 30 June 2020, included in the Statement was carried out and reported by Deloitte Haskins & Sells LLP who have expressed unmodified conclusion vide their review report dated 14 September 2020, whose review report has been furnished to us by the management and which has been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.
8. The review of unaudited consolidated quarterly and year-to-date financial results for the period ended 30 September 2019 and audit of consolidated financial results for the year ended 31 March 2020 included in the Statement was carried out and reported by Deloitte Haskins & Sells LLP who have expressed unmodified conclusion vide their review report dated 11 November 2019 and unmodified opinion vide their audit report dated 27 July 2020, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. 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 20210122AAAACU6943

Bengaluru

13 November 2020

Walker Chandiok & Co LLP

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) (Cont'd)

Annexure 1

List of entities included in the Statement

Holding Company:

- 1) Royal Orchid Hotels Limited

Subsidiary Companies:

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

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UNAUDITED CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2020

	Particulars	As at 30 Sep 2020 (Unaudited)	As at 31 Mar 2020 (Audited) (Refer Note 5)
	Assets		
(1)	Non-current assets		
	(a) Property, plant and equipment	22,923.37	23,616.65
	(b) Capital work-in-progress	2,132.81	2,147.11
	(c) Right-of-use assets	5,001.60	5,291.52
	(d) Goodwill	1,774.70	1,774.70
	(e) Other intangible assets	20.91	25.14
	(f) Financial assets		
	(i) Investments	2.25	2.25
	(ii) Other financial assets	2,358.33	2,357.97
	(e) Deferred tax assets (net)	949.40	498.14
	(f) Other non-current assets	1,407.44	1,636.51
		36,570.81	37,349.99
(2)	Current assets		
	(a) Inventories	194.97	222.21
	(b) Financial assets		
	(i) Trade receivables	1,444.46	2,326.95
	(ii) Cash and cash equivalents	1,158.74	1,965.34
	(iii) Bank balances other than (ii) above	1,921.70	2,038.60
	(iv) Other financial assets	422.46	329.29
	(c) Current tax assets (net)	5.89	5.89
	(d) Other current assets	449.71	653.06
		5,597.93	7,541.34
	Total assets	42,168.74	44,891.33
	Equity and Liabilities		
(1)	Equity		
	(a) Equity share capital	2,742.52	2,742.52
	(b) Other equity	12,527.00	14,588.85
		15,269.52	17,331.37
	Non-controlling interests	3,493.01	4,214.05
		18,762.53	21,545.42
	Liabilities		
(2)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	8,652.35	8,469.63
	(ii) Lease liabilities	4,938.82	5,088.21
	(iii) Trade payables	9.68	9.68
	(iv) Other financial liabilities	78.73	45.95
	(b) Provisions	221.32	213.86
	(c) Deferred tax liabilities (net)	-	24.01
	(d) Other non-current liabilities	42.50	42.50
		13,943.40	13,893.84
(3)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	319.50	330.14
	(ii) Lease liabilities	506.87	336.95
	(iii) Trade payables	3,812.69	3,844.57
	(iv) Other financial liabilities	2,997.03	2,814.91
	(b) Provisions	184.74	184.74
	(c) Current tax liabilities (net)	1.77	111.71
	(d) Other current liabilities	1,640.21	1,829.05
		9,462.81	9,452.07
	Total equity and liabilities	42,168.74	44,891.33

See accompanying notes to the financial results.

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CIN: L55101KA1986PLC007392

UNAUDITED STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020

(₹ in lakhs except per share data)

Sl. No.	Particulars	Quarter ended			Six months ended		Year ended
		30 Sep 2020	30 June 2020	30 Sep 2019	30 Sep 2020	30 Sep 2019	31 March 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenues						
	(a) Income from operations	1,369.65	421.62	4,693.19	1,791.27	9,545.01	20,503.28
	(b) Other Income (refer note 4)	155.48	255.90	371.64	411.38	775.16	1,470.53
	Total revenue	1,525.13	677.52	5,064.83	2,202.65	10,320.17	21,973.81
2	Expenses						
	(a) Cost of materials consumed	120.77	44.66	557.34	165.43	1,113.40	2,465.15
	(b) Employee benefits expense	473.40	512.51	1,382.11	985.91	2,748.35	5,416.37
	(c) Rent expense	155.24	102.80	245.88	258.04	510.37	1,003.30
	(d) Power and fuel expense	219.79	144.58	478.93	364.37	1,052.48	1,940.75
	(e) Other expenses	1,083.04	586.41	1,567.30	1,669.45	2,998.38	6,616.74
	Expenses before depreciation and amortisation and finance costs	2,052.24	1,390.96	4,231.56	3,443.20	8,422.98	17,442.31
3	Earnings / (Loss) before depreciation and amortisation, finance costs and taxes (1-2) (EBITDA)	(527.11)	(713.44)	833.27	(1,240.55)	1,897.19	4,531.50
4	Finance costs	400.77	407.29	379.74	808.06	777.86	1,563.11
5	Depreciation and amortisation expense	485.92	489.24	446.60	975.16	877.82	1,898.73
6	Total expenses (2+4+5)	2,938.93	2,287.49	5,057.90	5,226.42	10,078.66	20,904.15
7	Profit/ (Loss) before tax (1-6)	(1,413.80)	(1,609.97)	6.93	(3,023.77)	241.51	1,069.67
8	Tax Expense/(Credit)						
	(a) Current tax	-	-	119.23	-	278.24	704.54
	(b) Deferred tax	(254.50)	(220.77)	(68.59)	(475.27)	(71.33)	(142.63)
		(254.50)	(220.77)	50.64	(475.27)	206.91	561.91
9	Net Profit/ (Loss) for the period (7-8)	(1,159.30)	(1,389.20)	(43.71)	(2,548.50)	34.60	507.76
10	Other Comprehensive Income/(Loss)						
	Items that will not be reclassified to profit or loss	0.75	0.75	1.69	1.50	1.44	66.61
	Income tax relating to items that will not be reclassified to profit or loss	-	-	0.06	-	0.12	(16.11)
		0.75	0.75	1.75	1.50	1.56	50.50
11	Total Comprehensive Income/(Loss) for the period (9+10)	(1,158.55)	(1,388.45)	(41.96)	(2,547.00)	36.16	558.26
12	Total Comprehensive Income/(Loss) for the period attributable to:						
	Owners of the Company	(938.28)	(1,088.29)	13.56	(2,026.57)	128.65	536.04
	Non-controlling interest	(220.27)	(300.16)	(55.52)	(520.43)	(92.49)	22.22
		(1,158.55)	(1,388.45)	(41.96)	(2,547.00)	36.16	558.26
13	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
14	Other equity (including Non-controlling interest)	-	-	-	-	-	18,622.22
15	Earnings/(Loss) Per Share of ₹ 10 each: *						
	(a) Basic (₹)	(4.22)	(5.06)	(0.16)	(9.29)	0.13	2.04
	(b) Diluted (₹)	(4.22)	(5.06)	(0.16)	(9.29)	0.13	2.02

* not annualised for the period ended.

See accompanying notes to the financial results

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UNAUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2020

Particulars	Six months ended	
	30 September 2020 (Unaudited)	30 September 2019 (Unaudited)
A. Cash flow from operating activities		
Profit/(loss) before tax	(3,023.77)	241.50
Adjustments for:		
Depreciation and amortisation	975.16	877.82
Profit on sale of property, plant and equipment	-	(2.91)
Advances/deposits written off	28.96	-
Interest expense, net	808.01	764.38
Interest adjustment on account of present value	-	14.73
Interest on delayed payment of taxes	0.05	3.97
Impairment allowance on trade receivables	115.50	26.29
Share based payments to employees	0.31	2.95
Interest income	(105.17)	(138.84)
Provisions/liabilities no longer required, written back	(17.95)	(119.92)
Interest income on present value accounting of security deposits	(14.13)	-
(Gain)/loss from foreign currency transactions and translations, net	22.76	(26.75)
Operating profit/(loss) before working capital changes	(1,210.27)	1,643.22
Changes in working capital:		
Decrease in inventories	27.24	11.78
(Increase)/Decrease in trade receivables and unbilled revenue	736.32	(583.63)
(Increase)/Decrease in other current and non-current assets	(20.37)	2,959.95
Increase in provisions	8.95	39.66
Increase/(Decrease) in trade payables and other liabilities	(31.83)	395.07
(Decrease) in other current and non-current liabilities	(127.22)	(2,536.45)
Cash (used in)/generated from operations	(617.18)	1,929.60
Direct taxes paid (net)	(143.81)	253.60
Net cash (used in)/generated from operating activities (A)	(473.37)	1,676.00
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(25.21)	(208.72)
Investment in deposits	116.88	-
Proceeds from sale of property, plant and equipment	-	7.00
Interest received	75.19	100.95
Change in other bank balances	0.01	(156.81)
Net cash (used in)/generated from investing activities (B)	166.87	(257.58)
C. Cash flows from financing activities		
Interest paid	(306.58)	(504.27)
Proceeds from borrowings	250.86	(617.68)
Repayment of secured borrowings	-	(66.95)
Buy back of shares	-	(200.27)
Change in unclaimed dividend account	-	(0.01)
Proceeds from allotment of shares	-	14.96
Dividend paid	(200.30)	(547.51)
Buyback tax paid	-	(60.91)
Payment of interest portion of lease liabilities	(84.62)	(32.71)
Payment of principal portion of lease liabilities	(159.46)	(72.54)
Net cash (used in) financing activities (C)	(500.10)	(2,087.89)
Net (decrease) in cash and cash equivalents (A+B+C)	(806.60)	(669.47)
Cash and cash equivalents at the beginning of the period	1,965.34	3,452.18
Cash and cash equivalents at the end of the period	1,158.74	2,782.71
Cash and cash equivalents as per consolidated balance sheet	1,158.74	2,782.71

Notes:

- 1 The Consolidated financial results for the quarter and six month period ended September 30, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 13, 2020.
- 2 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.
- 3 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. Certain hotels of the Group were a part of Government denominated essential services called Vande Bharat Mission and were operational. The Group is in the process of resuming its operations in a phased manner in line with the directives from the Government. The Group expects the demand for rooms, restaurants, banquet halls and related services to pick up, albeit at a slower pace, as the lockdown is lifted in various parts of the country and there is recovery in business, driven by business travel and leisure tourism.

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, the 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 Group is implementing various initiatives like negotiated extended credit terms with suppliers and lenders, obtained additional funding in a subsidiary from a financial institution, financial support from promoter partner of a subsidiary, evaluating monetising certain assets, rationalizing costs, negotiated/negotiating rent waivers, 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 financial results in determining the recoverability of property, plant and equipment and trade receivables as at September 30, 2020. 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 Group will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognised in the financial statements as and when these material changes to economic conditions arise.

- 4 During the current period, 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 six months ended September 2020 (₹ 11.25 lakhs for each quarter ending June 2020 and September 2020 respectively) in Statement of Profit and Loss as "Other income", by applying practical expedient given in Para 46A and Para 46B of Ind AS 116 (as amended).
- 5 In accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors', the Group has retrospectively restated the value of 'Interest accrued on borrowings' under 'Other financial liabilities'(Current Liabilities) with a corresponding increase in other equity by ₹ 180.68 lakhs as at 31 March 2020 to account for the transactions in accordance with Ind AS 110 – Consolidated financial statements.

Place: Bengaluru
Date: 13 November 2020

For Royal Orchid Hotels Limited

C K Baljee
Managing Director
DIN: 00081844