



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: May 30, 2022

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

To,
The Manager,
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,

Sub: Outcome of the Board Meeting and Submission of Audited Standalone & Consolidated Financial Results for FY 2021-22

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 at its meeting held today, i.e. May 30, 2022 *inter alia*, approved the Audited Financial Results (Standalone and Consolidated) for the year ended March 31, 2022.

In this regard, please find enclosed:

- a) Audited Standalone and Consolidated Financial Results of the Company for the financial year ended March 31, 2022.
- b) Auditor's Report in respect of the aforesaid Financial Results: M/s. Walker Chandiook & Co LLP, the Statutory Auditors of the Company have issued the Auditor's Report with an unmodified opinion on the Audited Standalone and Consolidated Financial Statements for financial year ended March 31, 2022. This declaration is made pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016.



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The aforesaid documents are also being made available on the website of the Company at <http://www.royalorchidhotels.com/investors>.

You are requested to take the above on record.

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

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Independent Auditor's Report on Standalone Annual Financial 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

Opinion

1. We have audited the accompanying standalone annual financial results ('the Statement') of Royal Orchid Hotels Limited ('the Company') year ended 31 March 2022, attached herewith, 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. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
 - (ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the standalone net loss after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2022.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter- Impact of Covid-19

4. We draw attention to Note 5 to the accompanying standalone financial results, which describes the effects of uncertainties relating to the effects 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, as they evolve. Our opinion is not modified in respect of this matter.

Walker Chandiook & Co LLP

Responsibilities of Management and Those Charged with Governance for the Statement

5. This Statement has been prepared on the basis of the standalone annual financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive income and other financial information of the Company in accordance with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
6. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under Section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
9. As part of an audit in accordance with the Standards on Auditing, specified under Section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Walker Chandiok & Co LLP

11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

12. The Statement includes the financial results for the quarter ended 31 March 2022, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

Aasheesh Arjun Singh

Partner

Membership No. 210122

UDIN: 22210122AJWJDP4427

Bengaluru

30 May 2022

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STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

(₹ in lakhs except per share data)

Sl. No.	Particulars	Quarter ended			Year ended	
		31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
		(Audited) (Refer note 3)	(Unaudited)	(Audited) (Refer note 3)	(Audited)	(Audited)
1	Income					
	(a) Income from operations	2,317.05	2,856.81	1,790.85	7,973.90	4,782.41
	(b) Other income	339.81	71.78	52.33	851.27	557.20
	Total Income	2,656.86	2,928.59	1,843.18	8,825.17	5,339.61
2	Expenses					
	(a) Cost of materials consumed	284.06	335.30	191.83	1,110.31	963.40
	(b) Employee benefits expense	490.95	481.58	418.71	1,622.96	1,190.27
	(c) Rent expense	181.71	249.33	184.97	670.40	622.22
	(d) Power and fuel expense	238.35	267.72	222.74	900.96	655.89
	(e) Other expenses	610.92	697.02	592.61	2,166.86	1,720.16
	Expenses before depreciation and amortisation and finance costs	1,805.99	2,030.95	1,610.86	6,471.49	5,151.94
3	Earnings before depreciation and amortisation, finance costs and taxes (1-2) (EBITDA)	850.87	897.64	232.32	2,353.68	187.67
4	Finance costs	231.96	207.60	207.95	885.76	857.22
5	Depreciation and amortisation expense	221.58	209.61	211.32	854.87	873.60
6	Total expenses (2+4+5)	2,259.53	2,448.16	2,030.13	8,212.12	6,882.76
7	Profit/(Loss) before exceptional items and tax (1-6)	397.33	480.43	(186.95)	613.05	(1,543.15)
8	Exceptional items (refer note 4)	-	(170.00)	(2,353.15)	(501.66)	(2,353.15)
9	Profit/(loss) before tax (7+8)	397.33	310.43	(2,540.10)	111.39	(3,896.30)
10	Tax expense/(credit)					
	(a) Current tax	-	-	(51.42)	-	(51.42)
	(b) Deferred tax charge/(credit)	119.17	129.64	22.85	184.03	(389.89)
	Total tax expense/(credit)	119.17	129.64	(28.57)	184.03	(441.31)
11	Net Profit/(Loss) for the period (9-10)	278.16	180.79	(2,511.53)	(72.64)	(3,454.99)
12	Other Comprehensive Income/(Loss)					
	Items that will not be reclassified to profit or loss	(17.16)	-	(1.75)	(17.16)	(1.75)
	Income tax relating to items that will not be reclassified to profit or loss	4.77	-	0.49	4.77	0.49
	Total Other Comprehensive Income/(Loss)	(12.39)	-	(1.26)	(12.39)	(1.26)
13	Total Comprehensive Income/(loss) for the period (11+12)	265.77	180.79	(2,512.79)	(85.03)	(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
15	Other equity				15,980.58	16,065.65
16	Earnings/(loss) Per Share of ₹ 10 each: *					
	(a) Basic (₹)	0.97	0.66	(9.16)	(0.31)	(12.60)
	(b) Diluted (₹)	0.97	0.66	(9.16)	(0.31)	(12.60)

* not annualised

See accompanying notes to the standalone financial results.

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STANDALONE BALANCE SHEET AS ON 31 MARCH 2022

Sl. No.	Particulars	(₹ in lakhs)	
		As at 31 March 2022 (Audited)	As at 31 March 2021 (Audited)
	Assets		
(1)	Non-current assets		
	(a) Property, plant and equipment	2,399.84	2,586.83
	(b) Capital work-in-progress	20.95	64.17
	(c) Right-of-use assets	5,016.72	3,582.37
	(d) Intangible assets	4.78	9.55
	(e) Financial assets		
	(i) Investments	15,733.82	10,483.82
	(ii) Loans	1,454.14	1,501.72
	(iii) Other financial assets	2,032.35	2,243.16
	(f) Deferred tax assets (net)	595.30	774.56
	(g) Other non-current assets	666.85	993.37
	Total non-current assets	27,924.75	22,239.55
(2)	Current assets		
	(a) Inventories	135.67	114.59
	(b) Financial assets		
	(i) Loans	1,358.32	1,550.58
	(ii) Trade receivables	988.87	688.88
	(iii) Cash and cash equivalents	843.55	428.86
	(iv) Bank balances other than (iii) above	2,255.02	2,192.62
	(v) Other financial assets	405.59	942.99
	(c) Other current assets	560.67	137.86
	Total current assets	6,547.69	6,056.38
	Assets classified as held for sale (refer note 6)	342.77	3,676.38
		6,890.46	9,732.76
	Total assets	34,815.21	31,972.31
(1)	Equity and Liabilities		
	Equity		
	(a) Equity share capital	2,742.52	2,742.52
	(b) Other equity	15,980.58	16,065.65
	Total equity	18,723.10	18,808.17
(2)	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	5,517.58	4,585.65
	(ii) Lease liabilities	4,858.66	3,383.07
	(iii) Other financial liabilities	244.98	111.78
	(b) Provisions	124.38	117.61
	(c) Other non-current liabilities	19.89	34.70
	Total non-current liabilities	10,765.49	8,232.81
(3)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	534.29	287.83
	(ii) Lease liabilities	674.74	668.78
	(iii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises	10.00	33.20
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	3,212.29	2,858.12
	(iv) Other financial liabilities	467.91	688.14
	(b) Other current liabilities	305.98	288.84
	(c) Provisions	121.41	106.42
	Total current liabilities	5,326.62	4,931.33
	Total equity and liabilities	34,815.21	31,972.31

See accompanying notes to the standalone financial results.

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STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

(₹ in lakhs)

Particulars	Year ended	
	31 March 2022	31 March 2021
	(Audited)	(Audited)
A. Cash flow from operating activities		
Net profit/(loss) before tax	111.39	(3,896.30)
Adjustments for:		
Depreciation and amortisation	854.87	873.60
Loss on sale of property, plant and equipment/written off	3.94	1.42
Interest expense	527.52	460.84
Interest expense on lease liabilities	358.24	396.38
Provision for doubtful trade receivables, advances and security deposits	(4.48)	20.95
Loss on sale of a subsidiary	37.42	-
Unrealised exchange (gain)/loss	(33.74)	27.08
Share based payments to employees	-	0.12
Interest income	(254.26)	(320.30)
Dividend income	-	(200.60)
Provisions/ Liabilities no longer required, written back	(519.59)	(7.33)
Guarantee commission income	(22.20)	(12.76)
Provision for impairment of investment in a subsidiary	331.66	2,228.15
Operating profit/(loss) before working capital changes	1,390.77	(428.75)
Changes in working capital:		
(Increase)/Decrease in inventories	(21.08)	14.88
(Increase)/Decrease in trade receivables and unbilled revenue	(295.52)	474.55
Decrease in other non-current and current assets	221.26	124.19
Increase in provisions	4.60	13.79
Increase in trade payables	473.92	257.09
Decrease in other non-current and current liabilities	(194.55)	(230.98)
Cash generated from operations	1,579.40	224.77
Direct taxes paid (net)	163.07	128.43
Net cash generated from operating activities (A)	1,416.33	96.34
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)	(126.73)	(94.15)
Interest received	810.45	188.39
Dividend income	-	200.60
Loans given to subsidiaries	(22.15)	(52.84)
Loan repayments received from subsidiaries	295.73	-
Investment in a subsidiary	(5,250.00)	-
Sale of investment in a subsidiary	2,900.00	-
Change in other bank balances	(62.40)	(940.28)
Net cash used in investing activities (B)	(1,455.10)	(698.28)
C. Cash flows from financing activities		
Interest paid	(371.92)	(216.78)
Proceeds from short term borrowings from related parties	1,416.33	-
Repayment of short term borrowings to related parties	(23.00)	-
Proceeds from borrowings from banks	-	712.00
Repayment of borrowings to banks	(214.93)	(150.18)
Change in unclaimed dividend account	-	(0.03)
Payment of lease liabilities (principal)	(211.39)	(34.48)
Payment of lease liabilities (interest)	(141.63)	(18.45)
Net cash generated from financing activities (C)	453.46	292.08
Net increase/(decrease) in cash and cash equivalents (A+B+C)	414.69	(309.86)
Cash and cash equivalents at the beginning of the period	428.86	738.72
Cash and cash equivalents at the end of the period	843.55	428.86
Cash and cash equivalents as per Standalone Balance Sheet	843.55	428.86

Notes:

- The standalone financial results ("the Statement") for the quarter and year ended 31 March 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 30 May 2022.
- 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.
- The figures for the quarter ended 31 March 2022 and 31 March 2021 are the balancing figures between the audited figures in respect of the full financial years and published unaudited year to date figures upto third quarter of the respective financial years. Also the figures upto the end of third quarter were only reviewed and not subjected to audit.
- Exceptional items comprise of the following:

Particulars	Quarter ended			Year ended	
	31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
	(Audited) (Refer note 3)	(Unaudited)	(Audited) (Refer note 3)	(Audited)	(Audited)
Settlement of dispute with a vendor	-	-	125.00	-	125.00
Provision for settlement of liabilities (refer note 7 below)	-	170.00	-	170.00	-
Provision for impairment of investment in subsidiaries	-	-	2,228.15	331.66	2,228.15
Total	-	170.00	2,353.15	501.66	2,353.15

- 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 and a third wave in the last quarter. Whilst there has been a second and third wave of the COVID-19 pandemic during 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 31 March 2022. 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.

- During the previous year ended 31 March 2021, the Company had classified investment made in two subsidiaries amounting to ₹ 3,676.38 lakhs (31 March 2022: ₹ 342.77 lakhs for one subsidiary) as assets held for sale in accordance with the management's plan to dispose the assets of the subsidiaries. During the year, the 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 Company has recognised a loss of ₹37.41 lakhs (net of previously recorded impairment amounting to ₹106.46 lakhs) on the disposal of the interest in the subsidiary.
- The Company on 1 November 2021 entered into a Share Purchase Agreement to sell a subsidiary. In accordance with the Share Purchase Agreement, the Company has identified certain amounts that are payable to settle these obligations and accordingly has made a provision of ₹ 170 lakhs.
- During the current 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 31 March 2022.
- 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: 30 May 2022

For Royal Orchid Hotels Limited

C K Baljee
Managing Director
DIN: 00081844

Walker Chandiook & Co LLP

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Independent Auditor's Report on Consolidated Annual Financial 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

Opinion

1. We have audited the accompanying annual 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, for the year ended 31 March 2022, attached herewith, 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'), including relevant circulars issued by SEBI time to time.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements of the subsidiaries and associate as referred to in paragraph 14 below, the Statement:
 - (i) includes the annual financial results of the entities listed in Annexure 1;
 - (ii) presents consolidated financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and
 - (iii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group, for the year ended 31 March 2022.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial results under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 14 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Walker Chandiook & Co LLP

Emphasis of Matter

Impact of Covid-19

4. We draw attention to Note 6 to the accompanying Statement, which describes the effects of uncertainties relating to the effects 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 as they evolve. Our opinion is not modified in respect of this matter.

Material uncertainty on subsidiary's ability to continue as a going concern

5. We draw attention to Note 5 of the accompanying Statement, which describes that in case of Ksheer Sagar Developers Private Limited ("subsidiary until 1 March 2022 and associate effective 2 March 2022"), 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 a section on Material Uncertainty relating to Going Concern, in their auditor's report on its financial statements for the year ended 31 March 2022. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

6. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the annual consolidated financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss and other comprehensive income, and other financial information of the Group including associate in accordance with the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations including relevant circulars issued by SEBI time to time. The respective Board of Directors/ management of the companies included in the Group and its associate, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group, and its associate, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
7. In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associate, are responsible for assessing the ability of the Group and of its associate, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors/ management either intends to liquidate the Group and its associate or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group and of its associate, are responsible for overseeing the financial reporting process of the companies included in the Group and of its associate.

Auditor's Responsibilities for the Audit of the Statement

9. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Act will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
10. As part of an audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Holding Company, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 13. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matter

14. We did not audit the annual financial statements of fourteen subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 5,887.26 lakhs as at 31 March 2022, total revenues of ₹ 2,977.13 lakhs, total net profit after tax of ₹ 297.60 lakhs total comprehensive income of ₹ 191.92 lakhs, and cash flows (net) of ₹ 292.71 lakhs for the year ended on that date, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of ₹ Nil and total comprehensive loss of ₹ Nil for the year ended 31 March 2022, in respect of one associate, whose annual financial statements have not been audited by us. These annual financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate based solely on the audit reports of such other auditors, and the procedures performed by us as stated in paragraph 13 above.

Further, of these subsidiaries, one subsidiary is located outside India, whose annual financial statements have been prepared in accordance with accounting principles generally accepted in their respective country, and which have been audited by other auditors under generally accepted auditing standard applicable in their respective country. The Holding Company's management has converted the financial statements of such subsidiary from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the balances and affairs of this subsidiary is based on the audit report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion 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.

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15. The Statement includes the consolidated financial results for the quarter ended 31 March 2022, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

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

Aasheesh Arjun Singh
Partner
Membership No. 210122
UDIN: 22210122AJWJJW3837

Bengaluru
30 May 2022

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Annexure 1

List of entities 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) Royal Orchid South Private Limited
- 8) Royal Orchid Shimla Private Limited
- 9) Royal Orchid Jaipur Private Limited
- 10) Royal Orchid Goa Private Limited
- 11) Royal Orchid Mumbai Private Limited
- 12) Royal Orchid Hyderabad Private Limited
- 13) Royal Orchid Associated Hotels Private Limited, Subsidiary of AB Holdings Private limited
- 14) Raj Kamal Buildcon Private Limited
- 15) J.H.Builders Private Limited
- 16) Ksheer Sagar Buildcon Private Limited

Associate Companies

- 17) Ksheer Sagar Developers Private Limited (Subsidiary until 2 March 2022, Associate effective 2 March 2022)

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STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

(₹ in lakhs except per share data)

Sl. No.	Particulars	Quarter ended			Year ended	
		31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
		(Audited) (Refer note 3)	(Unaudited)	(Audited) (Refer note 3)	(Audited)	(Audited)
1	Income					
	(a) Income from operations	3,953.03	5,278.30	3,301.40	13,852.39	8,085.00
	(b) Other income	741.79	242.08	240.07	1,740.74	798.91
	Total Income	4,694.82	5,520.38	3,541.47	15,593.13	8,883.91
2	Expenses					
	(a) Cost of materials consumed	458.57	579.33	360.72	1,727.99	1,313.41
	(b) Employee benefits expense	1,017.16	1,041.73	903.93	3,468.31	2,589.58
	(c) Rent expense	191.58	264.37	207.88	686.35	701.28
	(d) Power and fuel expense	328.54	414.20	350.90	1,345.76	1,029.30
	(e) Other expenses	1,274.62	1,313.08	1,187.11	4,328.83	3,561.45
	Expenses before depreciation and amortisation and finance costs	3,270.47	3,612.71	3,010.54	11,557.24	9,195.02
3	Earnings/(Loss) before depreciation and amortisation, finance costs and taxes (1-2) (EBITDA)	1,424.35	1,907.67	530.93	4,035.89	(311.11)
4	Finance costs	388.31	383.91	397.34	1,609.71	1,633.63
5	Depreciation and amortisation expense	457.48	480.43	472.10	1,944.33	1,928.96
6	Total expenses (2+4+5)	4,116.26	4,477.05	3,879.98	15,111.28	12,757.61
7	Profit/(Loss) before exceptional items and tax (1-6)	578.56	1,043.33	(338.51)	481.85	(3,873.70)
8	Exceptional items (refer note 4)	2,675.34	(170.00)	(728.05)	2,505.34	(728.05)
9	Profit/(Loss) before tax (7+8)	3,253.90	873.33	(1,066.56)	2,987.19	(4,601.75)
10	Tax expense/(credit)					
	(a) Current tax (credit)/charge	(16.80)	90.00	5.80	82.62	5.80
	(b) Prior year taxes (credit)	(0.72)	-	(54.43)	(0.72)	(54.43)
	(c) Deferred tax charge/(credit)	104.33	209.93	(13.14)	226.83	(551.78)
	Total tax expense/(credit)	86.81	299.93	(61.77)	308.73	(600.41)
11	Net Profit/(Loss) for the period (9-10)	3,167.09	573.40	(1,004.79)	2,678.46	(4,001.34)
	Share of profit of associate	-	-	-	-	-
12	Net Profit/(Loss) for the period and share of profit of associate	3,167.09	573.40	(1,004.79)	2,678.46	(4,001.34)
13	Other Comprehensive Income/(Loss)					
	Items that will be reclassified subsequently to profit or loss	33.48	-	(46.28)	33.48	(46.28)
	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)	-	3.85	(27.74)	6.10
	Income tax relating to items that will not be reclassified to profit or loss	3.51	-	3.53	3.51	3.53
		9.25	-	(38.90)	9.25	(36.65)
14	Total Comprehensive Income/(Loss) for the period (13+13)	3,176.34	573.40	(1,043.69)	2,687.71	(4,037.99)
15	Total Net Profit/(Loss) for the period attributable to:					
	Owners of the Company	3,179.26	440.68	(937.79)	2,936.47	(3,247.55)
	Non-controlling interest	(12.17)	132.72	(67.00)	(258.01)	(753.79)
		3,167.09	573.40	(1,004.79)	2,678.46	(4,001.34)
16	Total Comprehensive Income/(Loss) for the period attributable to:					
	Owners of the Company	3,194.68	440.68	(984.12)	2,951.89	(3,292.75)
	Non-controlling interest	(18.34)	132.72	(59.57)	(264.18)	(745.24)
		3,176.34	573.40	(1,043.69)	2,687.71	(4,037.99)
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
18	Other equity (including non-controlling interest)				11,960.11	14,558.54
	Earnings/(loss) Per Share of ₹ 10 each: *					
	(a) Basic (₹)	11.59	1.61	(3.42)	10.71	(11.84)
	(b) Diluted (₹)	11.59	1.61	(3.42)	10.71	(11.84)

* not annualised

See accompanying notes to the consolidated financial results

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CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2022

(₹ in Lakhs)

	Particulars	As at 31 March 2022	As at 31 March 2021
		(Audited)	(Audited)
	Assets		
(1)	Non-current assets		
	(a) Property, plant and equipment	11,448.34	17,746.76
	(b) Capital work-in-progress	38.65	93.58
	(c) Right-of-use assets	6,049.12	4,713.22
	(d) Goodwill	1,763.97	1,774.70
	(e) Other intangible assets	11.93	16.73
	(f) Financial Assets		
	(i) Investments	2,432.75	2.25
	(ii) Other financial assets	2,916.35	2,439.73
	(g) Deferred tax assets (net)	850.82	1,052.65
	(h) Other non-current assets	1,102.63	1,222.78
	Total non-current assets	26,614.56	29,062.40
(2)	Current assets		
	(a) Inventories	192.35	188.48
	(b) Financial Assets		
	(i) Trade receivables	1,887.93	961.67
	(ii) Cash and cash equivalents	1,887.34	1,328.52
	(iii) Bank balances other than (ii) above	2,816.75	3,037.94
	(iv) Other financial assets	798.04	507.55
	(c) Current tax assets (net)	5.96	5.64
	(d) Other current assets	593.91	388.12
	Total current assets	8,182.28	6,417.92
	Assets classified as held for sale	1,482.34	6,412.21
		9,664.62	12,830.13
	Total assets	36,279.18	41,892.53
(1)	Equity and Liabilities		
	Equity		
	(a) Equity share capital	2,742.52	2,742.52
	(b) Other equity	9,776.94	11,297.20
		12,519.46	14,039.72
	Non-controlling interests	2,183.17	3,261.34
	Total equity	14,702.63	17,301.06
(2)	Liabilities		
	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	7,211.31	9,425.44
	(ii) Lease liabilities	6,098.25	4,664.50
	(iii) Other financial liabilities	244.98	111.78
	(b) Provisions	244.27	245.69
	(c) Deferred tax liabilities (net)	45.76	24.27
	(d) Other non-current liabilities	-	42.50
	Total non-current liabilities	13,844.57	14,514.18
(3)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	818.36	1,513.33
	(ii) Lease liabilities	723.24	708.99
	(iii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises	52.90	92.01
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	3,767.94	3,871.91
	(iv) Other financial liabilities	801.19	2,447.46
	(b) Provisions	187.55	181.97
	(c) Current tax liabilities (Net)	14.40	0.72
	(d) Other current liabilities	1,366.40	1,260.90
	Total current liabilities	7,731.98	10,077.29
	Total equity and liabilities	36,279.18	41,892.53

See accompanying notes to the consolidated financial results.

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CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

(₹ in lakhs)

Particulars	Year ended	
	31 March 2022 (Audited)	31 March 2021 (Audited)
A. Cash flow from operating activities		
Net profit/(loss) before tax	2,987.19	(4,601.75)
Adjustments for:		
Depreciation and amortisation	1,944.33	1,928.96
Loss on sale of property, plant and equipment/written off	3.94	1.42
Bad receivables/advances written off	2.87	55.95
Impairment allowance on trade receivables	(3.61)	114.80
Interest expense	1,115.86	1,088.38
Interest expense on lease liabilities	493.84	542.82
Interest on delayed payment of taxes	-	2.43
Share based payments to employees	-	2.00
Interest income	(192.24)	(194.65)
Liability no longer required, written back	(543.04)	(34.83)
Interest income on present value accounting of security deposits	(31.98)	(28.86)
(Gain)/loss from foreign currency transactions and translations, net	(33.74)	30.04
Income on account of rent concessions	(45.00)	(45.00)
Profit on sale of Subsidiary and remeasurement gain on loss of control of in a subsidiary	(2,675.34)	-
Impairment allowance	-	603.05
Operating profit/(loss) before working capital changes	3,023.08	(535.24)
Changes in working capital:		
(Increase)/Decrease in inventories	(42.74)	33.73
(Increase)/Decrease in trade receivables and unbilled revenue	(923.63)	1,094.57
(Increase)/Decrease in other current and non-current assets	(1,243.70)	230.37
Increase in provisions	43.77	35.16
(Decrease)/Increase in trade payables and other liabilities	811.97	163.93
Increase/(Decrease) in other current and non-current liabilities	457.85	(490.76)
Cash generated from operations	2,126.60	531.76
Direct taxes (refund)/paid (net)	(55.67)	3.36
Net cash generated from operating activities (A)	2,182.27	528.40
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)	(139.69)	(119.56)
Acquisition of further interest and sale of subsidiary, net	(191.59)	-
Interest received	187.89	173.43
Derecognition of cash and cash equivalents on sale and loss of control in subsidiary	(367.41)	-
Change in other bank balances	221.18	(1,129.34)
Net cash generated from investing activities (B)	(289.62)	(1,075.47)
C. Cash flows from financing activities		
Interest paid	(606.71)	(266.12)
Proceeds from short term borrowings from related parties	1,416.33	-
Repayment of short term borrowings to related parties	(23.00)	-
Proceeds from borrowings from banks	-	712.00
Repayment of borrowings to banks	(1,598.27)	(160.08)
Change in unclaimed dividend account	-	(0.03)
Dividend paid	-	(200.60)
Payment of lease liabilities (principal)	(310.79)	(37.03)
Payment of lease liabilities (interest)	(211.39)	(137.89)
Net cash used in financing activities (C)	(1,333.83)	(89.75)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	558.82	(636.82)
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	1,887.34	1,328.52
Cash and cash equivalents as per Consolidated Balance Sheet	1,887.34	1,328.52

Notes:

- The consolidated financial results ("the Statement") for the quarter and year ended 31 March 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 30 May 2022.
- 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 figures for the quarter ended 31 March 2022 and 31 March 2021 are the balancing figures between the audited figures in respect of the full financial years and published unaudited year to date figures upto third quarter of the respective financial years. Also the figures upto the end of third quarter were only reviewed and not subjected to audit
- Exceptional items comprise of the following:

Particulars	Quarter ended			Year ended	
	31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	(Refer note 3)		(Refer note 3)		
Settlement of dispute with a vendor	-	-	(125.00)	-	(125.00)
Provision for Contingent liability for Subsidiary	-	(170.00)	-	(170.00)	-
Profit on sale of Subsidiary and remeasurement gain on loss of control of in a subsidiary (refer note 7 & 9)	2,675.34	-	-	2,675.34	-
Provision for impairment of non-current asset of subsidiary	-	-	(603.05)	-	(603.05)
	2,675.34	(170.00)	(728.05)	2,505.34	(728.05)

- 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 31 March 2022. 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.

- Ksheer Sagar Developers Private Limited ("subsidiary company until 02 March 2022 and associate effective 02 March 2022") incurred a loss of ₹ 33.18 lakhs during the year and has an accumulated deficit of ₹ 6,079.19 lakhs as at 31 March 2022. The associate company's current liabilities exceed its current assets by ₹ 3,917.57 lakhs as on 31 March 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 ended 31 March 2021, the Group had classified non-current assets of two subsidiaries amounting to ₹ 6,412.21 lakhs (31 March 2022: ₹ 1,482.34 lakhs) as assets held for sale in accordance with the management's plan to dispose these assets of the subsidiaries. During the year, the 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 Company has 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.
- The Company on 1 November 2021 entered into a Share Purchase Agreement to sell a subsidiary. In accordance with the Share Purchase Agreement, the Company has identified certain amounts that are payable to settle these obligations and accordingly has made a provision of ₹ 170 lakhs.
- During the quarter ended 31 March 2022, the Company lost control in one of its subsidiaries, due to which the said subsidiary became an associate. The Company has 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 Company has recorded a remeasurement gain on the loss of control of the subsidiary amounting to ₹ 2,535 lakhs as an exceptional item in these financial results.
- 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 ₹ 45.00 lakhs for the current period ended 31 March 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).
- During the year ended 31 March 2022, 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 31 March 2022.
- 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: 30 May 2022

For Royal Orchid Hotels Limited

C K Baljee
Managing Director
DIN: 00081844