



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@royalorchidhotels.com

August 21, 2021

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

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

Dear Sir,

Sub: - Intimation on Acquisition & Disposal of Subsidiary.

With reference to the Regulation 30 read with Schedule III Part A Para A (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") we hereby inform you that the Royal Orchid Hotels Limited ("ROHL") have entered into a Memorandum of Understanding with Vascon Engineers Limited ("VEL"), Shri R. Vasudevan HUF (Promoter of VEL) and Conamore Resorts Private Limited (Related Party of Promoter of VEL) to acquire the remaining 50% stake in Cosmos Premises Pvt Ltd. in lieu of 100% stake in Rivershore Developers Pvt Ltd ("RSDPL") and settling of liabilities in the books of RSDPL on August 21, 2021.

The Aforesaid MOU has been approved by the Audit Committee and Board on August 21, 2021

Pursuant to **SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015** The details which a listed company needs to disclose for the events prescribed in Schedule III Part A Para A (1) of Listing Regulations with regard to acquisition and disposal are given in Annexure I & Annexure II respectively.

The Trading Window for buying/selling/dealing/trading in the shares of ROHL will be open from Tuesday, August 24, 2021.

We request you to kindly take the same on record.

Thanking you,

For Royal Orchid Hotels Limited

Chander K Baljee
Chairman & Managing Director
DIN: 00081844





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Annexure I: Acquisition (including agreement to acquire):

Sl. No.	Details of events that need to be provided	Information of such Events
1.	Name of the target entity, details in brief such as size, turnover etc	i. Name of Target: Cosmos Premises Private Limited ii. Details of Target: The Cosmos Premises Pvt Ltd is subsidiary of Royal Orchid Hotels Limited. Turnover in 2020-21 – 900.72 Lakhs Turnover in 2019-20 – 2069.27 Lakhs
2.	Whether the acquisition would fall within related party transaction and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”;	No The Cosmos Premises Pvt Ltd (“CPPL”) is Subsidiary of Royal Orchid Hotels Limited but the purchase of shares is from Vascon Engineers Limited Shri R. Vasudevan HUF and Conamore Resorts Private Limited. Which are not related Party of ROHL.
3.	Industry to which the entity being acquired belongs	Hospitality
4.	Objects and effects of acquisition	The company would acquire 100% stake in its subsidiary Cosmos Premises Pvt Ltd from its current 50% stake and in lieu of disposing its entire stake in wholly owned subsidiary i.e. Rivershore Developers Pvt Ltd (“ RSDPL “) and settling of the liabilities of RSDPL
5.	Brief details of any governmental or regulatory approvals required for the acquisition	NO
6.	Indicative time period for completion of the acquisition	60 Days from the date of signing of Memorandum of Understanding
7.	Nature of consideration-whether cash consideration or share swap and details of the same.	Cash (Through Banking Channels)
8.	Cost of acquisition or the price at which the shares are acquired	Rs. 52,50,00, 000 (Rs. Fifty Two Crores and Fifty Lakh Rupees Only.)

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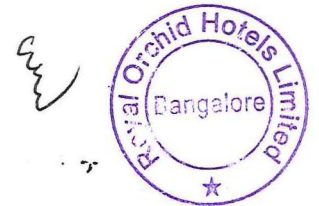
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9.	Percentage of shareholding / control acquired and / or number of shares acquired	100% shareholding is Acquired post the transaction from its current 50% holding.
10.	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>Brief Background: The Company owns a hotel with details given in the website of the Company. (https://www.royalorchidhotels.com/investors) The Annual Financials of CPPL are also available at the aforesaid link.</p> <p>Line of Business: Hospitality</p> <p>Date Of Incorporation: 14/07/1997</p> <p>Consolidated Turnover of last 3 years: 2020-21 : Rs. 900.72 Lakhs 2019-20: Rs. 2069.27 Lakhs 2018-19: Rs. 2077.22 Lakhs</p> <p>Country in which acquired company have presence: India</p>





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Annexure II: Sale or disposal of unit(s) or division(s) or subsidiary of the listed entity:

Sl. No.	Details of events that need to be provided	Information of such Events	
		Particulars	Amount (INR Lakhs)
1.	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year.	Turnover	NIL
		Net worth	2663.47 Lakhs
		Profit After Tax / (Loss)	(206.92 Lakhs)
		*Based on last Audited Financial Statements The company has not started its business	
2.	Date on which the agreement for sale has been entered into.	21 st August, 2021	
3.	The expected date of completion of sale/disposal	60 Days from the date of Signing of Memorandum Of Understanding	
4.	Consideration received from such sale/disposal	Rs. 52,50,00,000 (Rs. Fifty Two Crores and Fifty Lakh Rupees Only) (Enterprise Value)	
5.	Brief details of buyers and whether any of the buyers belong to the promoter/promoter group /group companies. If yes, details thereof.	Vascon Engineers Ltd is a Listed Company. The Website link of VEL is https://www.vascon.com/ Shri R. Vasudevan HUF is the Promoter of VEL and Conamore Resorts Private Limited is the Related Party of Promoter of VEL. The aforesaid buyers are not coming under related party of ROHL or ROHL promoters Group.	
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length".	NO	
7.	Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale	N.A.	

Note : Pursuant to the aforesaid MOU from the total proceeds of Rs. 52.50 cr. received from sale of RSDPL, all the liabilities of RSDPL shall be paid and the balance amount shall be the share price. Since for the purchase of the remaining stake of Cosmos Premises Pvt Ltd the aforesaid amount of Rs. 52.50 crores would be required to be re-paid to Vascon Group, there will be shortfall for the same. Hence it is proposed that ROHL would re-borrow the amount of Rs. 10.06 Crores from Baljees Hotels and Real Estates Private Limited ("BHPL") which BHPL would receive from RSDPL.

A Postal Ballot would be done by the Company to seek member's approval for the aforesaid transactions. The transactions are subject to completion/ satisfaction of conditions of the MOU and execution of further definitive agreements as may be necessary.

