



ROYAL ORCHID HOTELS LTD.,

Regd. Office:
1, Golf Avenue, adjoining KGA Golf Course,
HAL Airport Road, Kodihalli, Bangalore - 08, India.
T: +91 80 406 12345, F: +91 80 25203366
CIN: L55101KA1986PLC007392
E: investors@royalorchidhotels.com

Date: July 18, 2023

**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**

Corporate

**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/Ma'am,

Subject: Postal Ballot Notice- Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

The Board of Directors via Circular Resolution unanimously approved on July 17, 2023 the following calendar of events for Postal Ballot for seeking member's approval for purchase of remaining 9,29,872 equity shares of Icon Hospitality Private Limited ("ICON") (representing 48.93% of equity share capital of ICON) from the existing Shareholders of ICON for increase in stake from 51.07% to 100% at 34 crores and to borrow Rs 15 crores from Mr. C. K. Baljee @ 14% p.a. for a period of 3 years to complete the aforesaid transactions the Board members

Sr. No.	Particulars of Events	Day / Date / Time
1	Cut-off date for ascertaining the list of shareholders to whom the Notice of Postal ballot will be sent / dispatched and also for reckoning voting rights	Friday, July 07,2023
2	Date of completion of dispatch of Notice of Postal Ballot along with Postal Ballot Form	Tuesday, 18th July, 2023
3	Date of publication of advertisement in newspaper	Wednesday, 19th July, 2023
4	Date of commencement of voting period for physical Postal Ballot Form / electronic mode	Wednesday, 19th July, 2023 (9.00 am IST)



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5	Last date for receiving postal ballot forms by the Scrutinizer / Last date for e-voting	Thursday, 17th August, 2023 (5.00 pm IST)
6	Date on which resolution will be deemed to be passed on approval by requisite majority (last date of receipt of postal ballot form)	Thursday, 17th August, 2023
7	Submission of Report by Scrutinizer	On or before, Saturday, 19 th August, 2023
8	Date of declaration of result of voting and intimation of result to the Stock Exchange by Company	On or before, Saturday, 19 th August, 2023

In accordance with circulars issued by Ministry of Corporate Affairs, from time to time, the postal ballot notice is being sent only in electronic form to Members whose email addresses are registered with their depository participants (in case of electronic shareholding)/the Company's Registrar and Transfer Agent (in case of physical shareholding) and whose names are recorded in the Register of Members/List of Beneficial Owners as on Friday, 07th July, 2023.

The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide e-voting facility to its members. Please find enclosed copy of Postal Ballot Notice dated 18th July, 2023 to seek shareholders' approval. The Notice is also available on the Company's website www.royalorchidhotels.com.

For **ROYAL ORCHID HOTELS LIMITED**

RANABIR SANYAL
COMPANY SECRETARY & COMPLIANCE OFFICER

Encl: as above



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Postal Ballot Notice

Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014

Dear Member(s),

Notice is hereby given pursuant to the provisions of Section 110, and other applicable provisions of the Companies Act, 2013, as amended (the "Act"), read together with the Companies (Management and Administration) Rules, 2014, as amended (the "Management Rules"), General Circular Nos. 14/2020 dated April, 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021 and 3/2022 dated May 5, 2022, Circular no. 11/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs, Government of India (the "MCA Circulars"), Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India and any other applicable law, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), that the resolutions appended below are proposed to be passed by the members of the Company (as on the Cut-off Date) ("Members"), through postal ballot (the "Postal Ballot") only by way of remote e-voting ("e-voting") process and the notice would be circulated via email only. An Explanatory Statements pertaining to the said resolutions setting out the material facts and the reasons thereof form part of this Postal Ballot notice (the "Postal Ballot Notice").

In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and pursuant to the provisions of Sections 108 and 110 of the Act read with the rules framed thereunder and the MCA Circulars, the manner of voting on the proposed resolution is restricted only to e-voting i.e., by casting votes electronically instead of submitting postal ballot forms. In compliance with the MCA Circulars, the postal ballot notice and instructions for e-voting are being sent only through electronic mode to those Members whose email addresses are registered with the Company / depository participant(s).

The Board of Directors of the Company has appointed Mr. G. Shanker Prasad (Membership No. ACS 6357, C.P No. 6450), Company Secretary in Wholetime Practice, as the Scrutinizer ("Scrutinizer") for conducting the Postal Ballot including e-voting process in a fair and transparent manner.

The Company has engaged the services of Central Depository Services (India) Limited, ("CDSL") as its agency for providing voting facility to the Members of the Company. The period of voting through Postal Ballot and e-voting shall commence on **Wednesday, 19th July, 2023 at 9.00 a.m. (IST)** and end on **Thursday, 17th August, 2023 at 5.00 p.m. (IST)**. The e-voting module shall be disabled for voting thereafter.

The Scrutinizer will submit his report to the Chairman or to any other person authorized by him, after completion of scrutiny of the Postal Ballot including e-voting. The results of the Postal Ballot shall be declared on or before **Saturday, 19th August, 2023 by 5.00 p.m.** at the Registered Office of the Company. The said results along with Scrutinizer Report will be displayed at the Registered Office as well as the Corporate Office of the Company and will also be communicated to BSE Limited ("BSE") and National Stock Exchange of India Limited



("NSE") where the shares of the Company are listed. A copy of the results will also be forwarded to CDSL for displaying the same on its website, www.evotingindia.com and will also be displayed on the Company's website, www.royalorchidhotels.com

SPECIAL BUSINESS(S):

1. ACQUISITION OF REMANING STAKE OF ICON HOSPITALITY PRIVATE LIMITED:

To consider and if thought fit, the following resolution as a Special Resolutions:

"RESOLVED THAT pursuant to all the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation"), all the applicable provisions of the Companies Act, 2013 along with the rules made thereunder and other applicable regulation including any amendments, modifications, variations or re-enactments thereof, and as per the recommendation/approval of the Audit Committee and the Board of Directors of the Company and subject to such other approvals, consents, permissions, sanctions of any authorities as may be necessary, approval of the Members of the Company be and is hereby accorded to, acquire the remaining shares of Icon Hospitality Private Limited (**ICON**) as detailed in the explanatory statement at a price of Rs 34 crores.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, Board including any Committee duly authorised by the Board thereof be and is hereby severally authorised to do all things and take all incidental and necessary steps to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution and to do and perform or cause to be done all such act, deeds, matters and things, as may be required or deemed necessary or incidental thereto, and to settle and finalize all issues, questions or difficulties that may arise in this regard, and delegate all or any of the powers herein conferred to any officer(s)/authority(ies)/person(s) of the company, without limitation, finalizing and executing necessary agreements, deeds of assignment and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company.

RESOLVED FURTHER THAT all actions taken by the Board of Directors or any Committee duly authorized by the Board thereof in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

2. APPROVAL OF MATERIAL RELATED PARTY TRANSACTION TO RE-BORROW/ BORROW A LOAN OF RS. 15 CRORES FROM MR. C.K. BALJEE:

To consider and if thought fit, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 23(4) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation"), and all the applicable provisions of the Companies Act, 2013 along with the rules made thereunder other



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applicable amendments, modifications, variations or re-enactments thereof, the Company's Policy on Related Party Transactions and as per the recommendation/approval of the Audit Committee and the Board of Directors of the Company and subject to such other approvals, consents, permissions, sanctions of any authorities as may be necessary, approval of the Members of the Company be and is hereby accorded to, accorded to Re-borrow / Borrow Rs. 15 Crores from Mr. C.K. Baljee on such terms and conditions as detailed in the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT *consent of the members of the Company be and is hereby accorded to the Company to enter into and/or continue to enter contracts(s)/arrangement(s)/transaction(s) with Royal Orchid Hotels Limited with respect to the aforesaid matter.*

RESOLVED FURTHER THAT *for the purpose of giving effect to the above resolution, Mr. Amit Jaiswal, Chief Financial of the Company be and is hereby authorised to do all things, deeds and take all incidental and necessary steps to do all such acts and take all such steps as may be considered necessary or expedient to give effect to the aforesaid resolution and to do and perform or cause to be done all such act, deeds, matters and things, as may be required or deemed necessary or incidental thereto, and to settle and finalize all issues, questions or difficulties that may arise in this regard, and delegate all or any of the powers herein conferred to any officer(s)/authority(ies)/person(s) of the company, without limitation, finalizing and executing necessary agreements, deeds of assignment and such other documents as may be necessary or expedient in its own discretion and in the best interest of the Company.*

RESOLVED FURTHER THAT *all actions taken by the Board of Directors/ Chief Financial Officer in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."*

**By Order of Board of Directors
Royal Orchid Hotels Limited**

**Date: 18.07.2023
Place: Bangalore**

**Ranabir Sanyal
Company Secretary and Compliance Officer**



NOTES:

1. The Explanatory Statement pursuant to Section 102, 110 and other applicable provisions of the Companies Act 2013 (the "Act") read with the Rules and Revised Secretarial Standard 2 and SEBI (LODR) Regulations, 2015 setting out all material facts relating to the resolution mentioned in this Postal Ballot Notice is annexed hereto. All documents referred to in this Postal Ballot Notice shall be available for inspection without any fees by the Members. Members seeking to inspect the same can send an email to investors@royalorchidhotels.com.
2. The Board of Directors has appointed Mr. G. Shanker Prasad (Membership No. ACS 6357, C.P No. 6450) as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") as the agency to provide e-voting facility enabling the members to cast their votes electronically in a secure manner.
3. In conformity with the prevailing regulatory requirements, the Postal Ballot notice is being sent only through electronic mode to those members whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories on **Friday, July 07, 2023 ("Cut-off date")** and who have registered their e-mail addresses with the Company or with the Depositories. The dispatch of the Postal Ballot Notice and Explanatory Statement shall be announced through an advertisement in at least 1 (one) English newspaper and at least 1 (one) Kannada newspaper, each with wide circulation in the district, where the Registered Office of the Company is situated, and also be published on the Company's website at <https://www.royalorchidhotels.com>
4. Voting rights of the Members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on the "Cut-off date". Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by remote e-voting. A person who is not a Member as on the Cut-off date should treat this Postal Ballot Notice for information purposes only. This Notice is also available on the Company's website www.royalorchidhotels.com and also on the website of Stock Exchange i.e. www.bseindia.com and on the website of CDSL at www.evotingindia.com.
5. If your e-mail address is not registered with the Company/Depositories, please follow the process provided in the Notes to receive this Postal Ballot Notice. The Scrutinizer will submit the results of the remote e-voting along with his report to the Chairman of the Company or any person authorized by the Board upon completion of the scrutiny of the votes cast through remote e-voting. **The results of the Postal Ballot will be announced on or before 5.00 P.M. on Saturday, 19th August, 2023.** The said results along with the Scrutinizer's Report would be uploaded on the website of the Company www.royalorchidhotels.com and also would be communicated to the Stock Exchange at www.bseindia.com and Central Depository Services (India) Limited ("CDSL") at www.evotingindia.com.
6. The Resolution, if passed by requisite majority, will be deemed to have been passed on the last day of voting i.e. **Thursday, 17th August, 2023.**



7. The instructions for Shareholders for remote e-voting are as under:

- i) **The remote e-voting period commences from 09:00 A.M. on Wednesday, 19th July, 2023 and ends at 5:00 P.M. on Thursday, 17th August, 2023.** During this period, the Members of the Company holding shares either in physical form or in dematerialized form, as on the Cut-Off Date of **Friday, 07 July 2023**, may cast their vote electronically. The e-voting module shall be disabled by CDSL thereafter. Once the vote on the resolution is cast by member, he/she shall not be allowed to change it subsequently or cast the vote again.
- ii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Pursuant to aforesaid SEBI Circular, login method for remote e-voting for Individual shareholders holding securities in demat mode with CDSL/ NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon & select New System Myeasi.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e- Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>Additionally, there is also links provided to access the system of all e- Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com homepage or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful</p>



	authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1. If you are already registered for NSDL IDeAS facility, please visit the e- Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting serviceprovider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2.If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3.Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e- Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e- Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User IDand Forget Password option available at abovementioned website.



iii) Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800225533.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

iv) Login method for remote e-Voting for physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- v) After entering these details appropriately, click on “SUBMIT” tab.
- vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders



for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- viii) Click on the EVSN “ROYAL ORCHID HOTEL LIMITED”.
- ix) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xv) Additional Facility for Non- Individual Shareholders and Custodians:**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; www.royalorchidhotels.com, if they have voted from individual tab & not uploaded same in the CDSL e- voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to <https://www.royalorchidhotels.com/investors>.
2. For Demat shareholders -Please update your email id & mobile no. with your respective Depository Participant (DP)



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3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting. If you have any queries or issues regarding remote e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manger, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai- 400 013 or send an email to helpdesk.evoting@cdslindia.com or call on 1800225533.

**By Order of Board of Directors
Royal Orchid Hotels Limited**

**Date: 18.07.2023
Place: Bangalore**

**Ranabir Sanyal
Company Secretary and Compliance Officer**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES
ACT, 2013 (“the Act”)**

Regarding Item No 1 &2:

As required by Section 102(1) and 110 of the Act, SS-2 and SEBI (LODR) Regulations, 2015 the following Explanatory Statement sets out material facts relating to the business set out in the Notice.

The Board of Directors of Royal Orchid Hotels Limited (“the Company”) at its Meeting held on Tuesday, 30 May 2023, have inter-alia approved additional investment in Icon Hospitality Private Limited, a Subsidiary Company (“ICON”) by way of purchase of 9,29,872 equity shares of ICON (representing 48.93% of equity share capital of ICON) from the existing Shareholders of ICON at Rs 34 crores. On completion of the said purchase, the Company’s shareholding in ICON would increase from 51.07% to 100%. The shareholders at the Annual General Meeting of the company dated September 27, 2017 have already passed a Special Resolution authorizing the Board to invest/purchase additional shares/stock upto Rs. 350 crores (total consolidated limit*). But since the above was a general authority the Board seeks a specific approval as Good Governance Practice.

Details with respect to the said purchase as required under Regulation 30(6) read with Schedule III Part A Para A(1) of the Listing Regulations and the SEBI Circular CIR/CFD/CMD/4/2015 dated 9 September 2015 are attached as Annexure A to this letter.

* (i.e. authorization under Grant Loans , **make Investments** and give Corporate Guarantee on loans taken by subsidiary and Joint Venture Companies upto 350 crores)



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Icon Hospitality Private Limited, a subsidiary of Royal Orchid Hotels Limited is a 4 star property, located just off MG Road, within CBD and nearby place trinity Metro Station, Royal Orchid Central is the hotel of choice for smart business and leisure travellers. Always abuzz with travelers, the hotel features 130 comfortable suites and rooms. The hotel offers 4 banquet halls for celebrations and corporate events, a rooftop terrace offering panoramic views of the city and a business centre. Royal Orchid Central operates a lively coffee shop - Pinxx, and Ging award-winning Chinese restaurant - Ging, which also houses a Gin-Bar and offers breathtaking views of Ulsoor Lake from the hotel's 10th floor. Located at lobby level is an open-air co-working outlet offering organic bites - The Cafe. Guests can also relax and rejuvenate at the hotel's in-house spa.

The hotel is a 5-minute drive from Brigade Road and Church Street, both high-street dining and nightlife destinations, and also 5-minutes away from the city's largest nature park - Cubbon.

The current shareholding of Icon Hospitality Private Limited is given below:

Name	Total Shares	% To Equity
ROYAL ORCHID HOTELS LIMITED	9,70,536	51.07
P DAYANANDA PAI	9,17,872	48.30
P SATISH PAI	12,000	0.63
ROYAL ORCHID GOA PRIVATE LIMITED	1	0.00
	19,00,409	100.00

Icon Hospitality Private Limited has unabsorbed depreciation and Carry forward losses of Rs. 49.06 Crores as on 31st March, 2023. Post-acquisition and making it a 100% subsidiary the company can take steps to avail the benefit of the brought-forward losses. Icon has become a profit making entity as on 31st March, 2023. Further the profit making will increase in the coming years. The depreciation amount will drastically reduce from 1st April, 2023 onwards. The Depreciation on acquisition has been provided for last 15 years and the Asset block in books has reduced to that extent, the Depreciation was provided on a straight line method for last 15 years.

India's hotels expect a long run of growth as the hospitality and tourism sector slowly bounces back from the troughs of the pandemic when travel suffered. Rising room rates, growing demand and upcoming events will drive growth for the sector, according hotel chain operators and analysts. It is well known that globally the hospitality industry is amongst the sectors most severely impacted by the pandemic. Most experts expected the industry to come back to pre-covid levels slowly and not before 2023. Some others were even less optimistic and opined that the recovery may happen even later- 2024. India seems to have defied all predictions and surmises and is surging back quickly and in fact performing better than the pre-covid era in certain aspects and areas.



The members are informed that because Royal Orchid Hotels Limited is not having enough funds to complete the transaction and it is difficult to receive the aforesaid amount from the banks for acquisition of shares, Hence, Royal Orchid Hotels Limited will be requiring Loan amounting to Rs 15 Crores from Mr. C.K. Baljee. The loan amount will be utilized for purchase of remaining share of Icon Hospitality Private Limited. **Terms : Tenure of the loan repayment will be upto 3 years with Interest @ 14%. p.a.** The Board has authorized Mr. Amit Jaiswal to execute the transaction. The Company had received the approval of Members to borrow Rs 10.06 Crores @ 18% p.a. from promoter i.e. Baljees Hotels and Real Estates Private Ltd vide special Resolution dated August 26, 2021. Now as a good governance practice Mr. C. K. Baljee, Promoter and Chairman & Managing Director have proposed to reduce the interest rate to 14% p.a. Pursuant to the provisions of Regulation 23(4) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), material related party transactions require prior approval of shareholders through a Special Resolution. Further the members are hereby informed that the aforesaid loan of Rs 10.06 crores interest is also reduced to 14% w.e.f April 01, 2023 by Mr. C. K. Baljee on behalf of Baljees Hotels and Real Estates Private Ltd as a good governance practice although they had the shareholders’ approval to charge interest @ 18% p.a. for the entire tenure of loan i.e. November 26, 2021 to November 25, 2023.

Valuation report justifying acquisition at 34 crores is given at the following link:

<https://www.royalorchidhotels.com/investors>

S. No	Particulars	Amount (Rs in Crores)
1	Income Tax Act as per Rule 11UA	72.33
2	Discounted Cash Flow method value	71.79
3	Property Value	97.31

Pursuant to Section 110 readwith Section 180 and Regulation 23(1) of SEBI (LODR), 2015 the members is required to approve the respective resolution set out in the Notice. The Board recommends Resolution 1 & 2 for approval of the members. None of the Directors are interested in Item No. 1 and in Item No. 2 Mr. C.K. Baljee, Mr. Keshav Baljee and Mr. Sunil Sikka are interested.

All documents related to Item No. 1 & 2 are available at the registered office for inspection during office hours and also at the website of the Company <https://www.royalorchidhotels.com/investors> . Details of all other Related Party Transactions with promoters as on March 2023 (half yearly returns) has been uploaded on Stock Exchanges i.e. <https://www.bseindia.com> ; <https://www.nseindia.com> and website of the company <https://www.royalorchidhotels.com/investors>.



ANNEXURE

Details with respect to the acquisition as required under Regulation 30(6) read with Schedule III Part A Para A(1) of the Listing Regulations and SEBI Circular CIR/CFD/CMD/4/2015 dated 9 September 2015

Details to be disclosed - Acquisition (including agreement to acquire)

a	Name of the target entity, details in brief such as size, turnover etc.;	Icon Hospitality Private Limited ("ICON"), subsidiary of the Royal Orchid Hotels Limited ("the Company"). During FY 2022-23, ICON achieved a Total Revenue of Rs. 2,605.41 Lakhs.
b	Whether the acquisition would fall within related party transaction(s) 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 "arms length"	As the transaction is for purchase of shares of Icon Hospitality Private Limited ("ICON") by Royal Orchid Hotels Limited ("the Company") from other shareholders of ICON who are not related to the Promoters/Directors of Royal Orchid Hotels Limited, the transaction is not RPT.
c	Industry to which the entity being acquired belongs;	Hospitality
d	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	The objective of purchase is to consolidate shareholding of the Company in ICON from 51.07% to 100%.
e	Brief details of any governmental or regulatory approvals required for the acquisition;	None.
f	Indicative time period for completion of the acquisition;	by 2 months
g	Nature of consideration - whether cash consideration or share swap and details of the same	The consideration would be in cash
h	Cost of acquisition or the price at which the shares are acquired;	The total consideration payable in cash would be Rs. 34 Crores.
i	Percentage of shareholding / control acquired and / or number of shares acquired;	To purchase further 9,29,872 equity shares constituting 48.93% in Lords, which would result into Company's holding in ICON increase from 51.07% to 100%.



ROYAL ORCHID HOTELS LTD

Regd. Office:
1, Golf Avenue, adjoining KGA Golf Course,
HAL Airport Road, Kodihalli, Bangalore - 08, India.
T: +91 80 406 12345
CIN: L55101KA1986PLC007392
E: investors@royalorchidhotels.com

j	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);	Incorporated on 28/01/2003, ICON provides Hospitality services with offices in 129 hotel rooms across 4 categories and houses Pinxx-coffee shop, Ging-Oriental Bar and Kitchen restaurant in India. The total revenue for last 3 years are as follows: FY 2020-21: Rs. 680.46 Lakhs FY 2021-22: Rs. 1091.44 Lakhs FY 2022-23: Rs. 2,605.41 Lakhs
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Registered Office:
NO -1, Golf Avenue, Adjoining KGA Golf Course
Airport Road Bangalore
KA 560008 IN
E-mail: investors@royalorchidhotels.com
CIN: L55101KA1986PLC007392
Website: www.royalorchidhotels.com

**By Order of the Board of Directors
Royal Orchid Hotels Limited**

**Ranabir Sanyal
Company Secretary & Compliance Officer**

Date: 18.07.2023
Place: Bangalore



ROYAL ORCHID HOTELS LTD

Regd. Office:
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HAL Airport Road, Kodihalli, Bangalore - 08, India.
T: +91 80 406 12345
CIN: L55101KA1986PLC007392
E: investors@royalorchidhotels.com

E-COMMUNICATION REGISTRATION FORM
(Only for members holding shares in physical form)

Date:

To,
Integrated Registry Management Services Private Limited
No. 30, Ramana Residency, 4th Cross, Sampige Road
Malleswaram, Bangalore - 560003

UNIT – ROYAL ORCHID HOTELS LIMITED

Dear Sir,

Sub: Registration of E-mail ID for serving of Notices / Annual Reports through electronic mode by Company We hereby register our E-mail ID for the purpose of receiving the notices, Annual Reports and other documents / information in electronic mode to be sent by the Company

Folio No.:
E-mail ID:
Name of the First / Sole Shareholder:
Signature

Note: Shareholder(s) are requested to notify the Company as and when there is any change in the e-mail address