



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

June 24, 2020

BSE Limited,  
Phiroze Jeejeebhoy  
Towers, Dalal Street,  
Mumbai - 400001  
Symbol: 532699

National Stock Exchange of India Limited,  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra East,  
Mumbai - 400051  
Symbol: ROHLTD

Dear Sirs,

**Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the material impact of Covid- 19 Novel Coronavirus pandemic on the Company**

**Impact of Covid 19:**

On March 11, 2020, the World Health Organization declared Covid-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government has taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' across the country, from March 22, 2020, and extended up to June 30,2020. The lockdowns and restrictions imposed on various activities due to COVID – 19 pandemic have posed challenges to all the businesses of Royal Orchid Hotels Limited the Company Limited (the "Company"/ "ROHL") and its Subsidiaries.

Lockdown guidelines issued by Central/State governments mandated closure of hotel operations and cessation of air traffic and other forms of public transport. This has resulted in low occupancies / shutdowns of our hotels pan India.

**Ability to maintain any operations during the period:**

As stated earlier, most of the hotels of the Company were shut down entirely during the lockdown phase as the Company was not part of Government denominated essential services. All our hotels were operating at minimum occupancies with minimum cost except for some managed properties which were shut down due to the government restrictions put in place by various state governments. However, we have continued to explore different opportunities. One such example is repatriated passenger stays under the Vande Bharat programme. Companies have been using its hotels as part of their Business Continuity Programme for maintaining operations. The local municipalities in



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certain cities have requested stays in our hotels for Doctors & other Health workers and quarantine guests and we have co-operated with them in the same. Our Long Stay guests have continued to stay in the hotels. On F&B, we are operating with skeletal F&B service & have commenced a Hospitality @ Home service.

Regional sales offices were also shut, but the Company adopted the work from home policy for some of the employees during the entire duration of the lockdown until the pandemic subsides as a precautionary measure.

**Schedule, if any, for restarting the operations:**

Based on the experience from markets in China and our own research, the Company expects a recovery in business to be driven by domestic tourism, staycations, domestic business travel and a limited international travel. Our Brands have tremendous Trust with our customers, and we have very clear SOP's for ensuring a health & safe stay for our Guests.

We continue to be focused in operating to ensure the health & safety of our Guests and employees. Further, we are committed to protect the interest of all our stakeholders.

However, at this stage, the duration for which these restrictions will remain in place is uncertain and resumption of full-fledged operations will depend upon directives issued by the Central/ State Governments.

**Steps taken to ensure smooth functioning of operations:**

The Company is taking all necessary measures to contain costs, rationalise resources taking initiatives to uplift revenue. The company has put in place a series of short term & long-term measures to optimise cost across all the lines namely Raw Material, manpower, Power & Fuel, Corporate Overheads & other costs. The Company is also in discussion with all its lessors for waiver / deferment of lease rentals during the lockdown period.

Cash Conservation measures have also included deferral of Capex & Renovations unless absolutely required. The Company and its subsidiaries have availed moratorium on loan and interest repayments from the respective Banks and NBFC's.

Amid crisis, the safety of our employees has been our top-most priority and the Company has taken several measures to ensure their well-being. All employees in our hotels and offices have been working from home in accordance with the guidelines issued by the Central/State/Municipal authorities. The safety of essential employees who are now required to step out for work is being ensured and they have been mandated to use



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protective gear and take all safety precautions. All employees have been instructed to download the Arogya Setu app launched by the Government of India.

The Company, with its unbeatable brand equity, continues to be in a position of strength to overcome this crisis and capture future growth opportunities in an optimal manner.

**Estimation of the future impact of CoVID-19 on its operations:**

Since the situation is exceptional and is changing dynamically, the Company is not in a position to gauge with certainty, the future impact on its operations. We believe there will be impact in sales volumes, revenue, and profitability for Q1 and Q2 FY21 as our operations are presently shut in most geographies and will gradually ramp up only after the resolution of the pandemic. However, the Company is confident about adapting to the changing business environment and respond suitably to fulfil the needs of its customers.

Considering the faith in our Brand, the Company does not foresee any challenge in assuming its position soon. However, revenues are expected to be softer in the initial phase of the lockdown and for some time after the lifting of the lockdown mainly due to lower occupancies & limited F & B off take arising out of reduced business and leisure travel.

The Company is also in constant touch with its key vendors and is working with them to mutually partner each other to propel the business forward.

**Details of impact of CoVID-19 on listed entity's – capital and financial resources; profitability; liquidity position; ability to service debt and other financing arrangements; assets; internal financial reporting and control; supply chain; demand for its products/services;**

The Company has assessed the potential impact of Covid-19 on its capital and financial resources; profitability; liquidity position; ability to service debt and other financing arrangements; assets; internal financial reporting and control; supply chain; demand for its products/services and is in a comfortable liquidity position to meet its commitments.

The company has drawn down lines of credit and accessed BBB (Stable) by ICRA. The Company and its subsidiaries has availed moratorium on loan and interest repayments from the respective Banks and NBFC's

The Company has also carried out a risk assessment inter-alia to ascertain any potential Covid-19 related risks. As of now, it does not foresee any disruption in raw material supplies. The Company does not see incremental risk to recoverability of assets (Inventories, investments, Receivables, etc.) given the measures being taken to



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mitigate the risks. There is also no impact on internal financial controls due to the COVID-19 situation.

The Company expects the demand for its products/services to pick up at a slower pace once lockdown is lifted.

**Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business:**

The Company is well positioned to fulfil its obligations and existing contracts/arrangements. At present, we do not foresee any contract/agreements which will have significant impact on the business in case of non-fulfilment of obligations by any party.

**Other relevant material updates about the listed entity's business:**  
**Support to Government/Society efforts in tackling COVID 19 pandemic:**

The Group, through its 60+ hotels across India, has been taking up adhoc as well as sustained measures to provide comfort to the needy amidst the lockdown. Hotel units have been distributing food packets while maintaining social distancing so as to ensure the safety of its staff and that of the community. The group has so far implemented relief plans through its hotels in Bangalore, Gujarat, Madhya Pradesh, Navi Mumbai, Goa, Mysore and Rajasthan. Commenting on the initiative. Our hotel in Pushkar (Rajasthan) has adopted a village with 300 people. In Bharuch, Rajkot and Vadodara, we are distributing food to 200, 600 and 900 people respectively. Our hotels in Pench National Park and in Jaipur provided food to more than 2500 migrant workers during mass migration. In Bangalore, we have continued ongoing initiatives through our flagship property - Hotel Royal Orchid and through Regenta Place. We provide food packets to the local community with help from corporators. These are humble efforts and we commit to doing as much as we can in the coming days too.

Yours Sincerely,

**For Royal Orchid Hotels Limited**

**Ranabir Sanyal**  
**Company Secretary & Compliance Officer**  
**FCS-7814**