

CIN: L55101KA1986PLC007392

January 29, 2015

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 – 400051

Dear Sir/ Madam,

Sub: Submission of Un-audited Financial Results of the Company for the quarter ended December 31, 2014 & the Limited Review Report as per Clause 41 of the Listing Agreement.

We are pleased to enclose the following for your information and records in terms of Clause 41 of the Listing Agreement:

1. Un-Audited Financial Results of the Company (both Standalone and Consolidated) for the quarter ended December 31, 2014, duly reviewed by the Audit Committee of Directors and taken on record by the Board of Directors of the Company at the Board Meeting held on January 29, 2015.
2. Certified true copy of Limited Review Report dated January 29, 2015 issued by the Statutory Auditors in respect of the **standalone** un-audited financial results of the Company for the quarter ended December 31, 2014.
3. Certified true copy of Limited Review Report dated January 29, 2015 issued by the Statutory Auditors in respect of the **consolidated** un-audited financial results of the Company for the quarter ended December 31, 2014.

Thanking you,

Yours Sincerely,

For Royal Orchid Hotels Limited


Payal Sharma

Company Secretary

Encl: A/A

ROYAL ORCHID HOTELS LIMITED

Registered Office : No 1, Golf Avenue, Adjoining KGA Golf Course, Airport Road, Bengaluru - 560 008.

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND PERIOD ENDED 31 DECEMBER 2014

(₹ in Lakhs)

PART I Particulars	STANDALONE						CONSOLIDATED					
	Quarter ended		Nine Months Ended		Year ended		Quarter ended		Nine Months Ended		Year ended	
	31 Dec 2014 (Unaudited)	30 Sep 2014 (Unaudited)	31 Dec 2013 (Unaudited)	31 Dec 2014 (Unaudited)	31 Dec 2013 (Unaudited)	31 Mar 2014 (Audited)	31 Dec 2014 (Unaudited)	30 Sep 2014 (Unaudited)	31 Dec 2013 (Unaudited)	31 Dec 2014 (Unaudited)	31 Dec 2013 (Unaudited)	31 Mar 2014 (Audited)
1 Income from operations	2,236.89	1,903.19	2,174.24	6,180.30	6,074.47	8,364.97	3,992.89	3,285.92	3,863.87	10,699.48	10,189.10	14,204.01
Total income from operations	2,236.89	1,903.19	2,174.24	6,180.30	6,074.47	8,364.97	3,992.89	3,285.92	3,863.87	10,699.48	10,189.10	14,204.01
2 Expenses												
(a) Cost of materials consumed	297.92	255.07	282.71	830.05	782.49	1,073.57	486.32	423.36	483.46	1,374.27	1,290.63	1,777.44
(b) Employee benefits expense	471.38	470.94	480.25	1,470.49	1,412.82	1,778.30	843.98	821.38	868.00	2,624.69	2,447.02	3,132.70
(c) Depreciation and amortisation expense	198.16	198.16	101.00	403.36	312.27	411.98	421.31	417.89	343.30	1,253.71	1,057.43	1,384.82
(d) Rent expense	268.53	237.76	259.96	743.24	731.23	955.41	385.09	347.71	364.10	1,083.82	1,071.90	1,378.55
(e) Power and fuel expense	223.11	223.40	232.44	664.92	646.90	840.72	353.02	365.71	384.79	1,087.83	1,040.79	1,422.21
(f) Other expenses	640.62	655.85	629.21	1,894.36	1,816.23	2,792.14	1,153.90	1,090.93	1,195.89	3,267.71	3,130.34	4,415.30
Total expenses	2,099.72	1,929.48	1,985.57	6,006.42	5,701.94	7,852.12	3,677.24	3,500.58	3,572.92	10,692.03	9,988.11	13,511.02
3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	137.17	(26.29)	188.67	173.88	372.53	512.85	315.65	(234.66)	290.95	7.45	200.99	692.99
4 Other income	220.62	222.38	214.24	530.05	528.67	873.43	115.28	78.31	172.38	267.56	432.44	711.50
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	357.79	196.09	402.91	803.94	901.20	1,386.28	430.93	(156.35)	463.33	275.01	633.43	1,404.49
6 Finance costs	184.73	163.94	177.37	535.52	470.62	733.93	469.15	416.84	493.89	1,312.78	1,458.49	2,049.28
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	163.06	32.15	225.54	268.32	430.58	652.35	(38.22)	(573.19)	(30.56)	(1,037.77)	(825.06)	(644.99)
8 Exceptional items												
(a) Loss on sale of unit	-	-	(1,329.40)	-	(1,329.40)	(1,329.40)	-	-	(1,329.40)	-	(1,329.40)	(1,329.40)
(b) Termination fee from a management contract	-	200.00	-	200.00	-	-	-	200.00	-	-	-	-
9 Profit / (Loss) from ordinary activities before tax	163.06	232.15	(1,103.86)	468.32	(898.82)	(677.05)	(38.22)	(373.19)	(1,359.96)	(837.77)	(2,154.46)	(1,974.39)
10 Tax expense / (credit) on ordinary activities	-	-	-	-	-	(40.80)	40.68	-	52.12	-	63.50	(383.88)
11 Net Profit / (Loss) from ordinary activities after tax (9-10)	163.06	232.15	(1,103.86)	468.32	(912.58)	(717.85)	(78.90)	(373.19)	(1,412.08)	(878.45)	(2,217.96)	(1,590.51)
12 Loss from discontinuing operations	-	-	(599.26)	-	(2,456.62)	(2,456.62)	-	-	(599.26)	-	(2,456.62)	(2,456.62)
13 Extraordinary items	-	-	-	-	-	-	-	-	-	-	-	-
14 Net Profit / (Loss) for the period (11+12+13)	163.06	232.15	(1,703.12)	468.32	(3,369.20)	(2,992.87)	(78.90)	(373.19)	(2,011.34)	(878.45)	(4,674.58)	(4,047.13)
15 Share of profit / (loss) of associate	-	-	-	-	-	-	-	-	-	-	-	-
16 Minority interest	-	-	-	-	-	-	-	-	-	-	-	-
17 Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associate (14-15-16)	163.06	232.15	(1,703.12)	468.32	(3,369.20)	(2,992.87)	(78.90)	(373.19)	(2,011.34)	(878.45)	(4,674.58)	(4,047.13)
18 Paid-up equity share capital (Face Value of ₹10 per share)	2,723.39	2,723.39	2,723.39	2,723.39	2,723.39	2,723.39	2,723.39	2,723.39	2,723.39	2,723.39	2,723.39	2,723.39
19 Reserve excluding Revaluation Reserves	-	-	-	-	-	-	-	-	-	-	-	-
20.i Earnings per share in ₹ (not annualised):												
(a) Basic	0.60	0.85	(6.25)	1.72	(12.37)	(9.89)	(0.01)	(1.07)	(7.04)	(2.31)	(16.09)	(13.77)
(b) Diluted	0.50	0.85	(6.25)	1.72	(12.37)	(9.89)	(0.01)	(1.07)	(7.04)	(2.31)	(16.09)	(13.77)
20.ii Earnings per share from discontinuing operations in ₹ (not annualised):												
(a) Basic	-	-	(2.20)	-	(9.02)	(9.02)	-	-	(2.20)	-	(8.02)	(9.02)
(b) Diluted	-	-	(2.20)	-	(9.02)	(9.02)	-	-	(2.20)	-	(8.02)	(9.02)

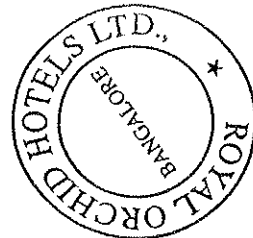
See accompanying notes to the financial results.



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For ROYAL ORCHID HOTELS LTD.

Payal Shaana
COMPANY SECRETARY



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PART II	PARTICULARS	STANDALONE			
		Three months ended			Year ended
		31 Dec 2014 (Unaudited)	30 Sep 2014 (Unaudited)	31 Dec 2013 (Unaudited)	31 Mar 2014 (Audited)
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding Number of shares Percentage of shareholding	7,890,057 28.97%	7,890,057 28.97%	8,122,158 29.82%	7,918,527 29.08%
2	Promoters and promoter group shareholding				
a)	Pledged / encumbered Number of shares Percentage of shares (as a % of the total shareholding of promoter and promoter group) Percentage of shares (as a % of the total share capital of the Company)	18,947,202 97.95% 69.57%	18,947,202 97.95% 69.57%	18,947,202 99.14% 69.57%	18,947,202 98.09% 69.57%
b)	Non - encumbered Number of shares Percentage of shares (as a % of the total shareholding of promoter and promoter group) Percentage of shares (as a % of the total share capital of the Company)	396,706 2.05% 1.46%	396,706 2.05% 1.46%	164,605 0.86% 0.61%	368,236 1.91% 1.35%

Particulars	Three months ended 31 December 2014
B	
INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	NIL
Received during the quarter	NIL
Disposed of during the quarter	NIL
Remaining unresolved at the end of the quarter	NIL

Notes:

- The consolidated financial statements include results of all the subsidiaries and joint ventures of Royal Orchid Hotels Limited.
- Disclosure of segment-wise information is not applicable as hospitality is the Company's only business.
- Amounts of the previous periods are re-classified / re-arranged / re-grouped, wherever necessary.
- The above unaudited financial results were reviewed by the audit committee and approved by the Board of Directors on 29 January 2015.
- The Company received approval from the Central Government ('the CG') for payment of remuneration amounting ₹ 120.10 lakhs to the Managing Director ('the MD') vide letter dated 31 July 2014, in relation to fiscal 2014, and recognised incremental remuneration amounting ₹ 72.10 lakhs during nine months ended 31 December 2014. The Company has obtained approval of members in the form of special resolution to re-approve the payment of remuneration of the Managing Director of the Company for the fiscal 2015 in the Annual General Meeting of the Company held on 29 September 2014. Further, the Company has applied to the Central Government (CG) vide application dated 10 October 2014 to obtain necessary approvals for payment of remuneration.
- During nine months ended 31 December 2014, Maruti Comforts & Inn Private Limited, a subsidiary company, paid remuneration to the whole time director, in excess of limits prescribed under the provisions of section 197, read along with Schedule V, of the Companies Act, 2013 ('the Act'). The subsidiary company received an approval from the CG on 19 January 2015, against an application made with the CG on 10 August 2014 seeking approval for payment of remuneration. The management is in the process of making an application to condone the payment of remuneration in excess of prescribed limits and is confident that aforesaid non-compliance will be condoned by the CG.
- Pursuant to the enactment of the Companies Act, 2013 ('the Act'), the Company has, effective 01 April 2014, reviewed and revised the estimated useful lives of its fixed assets, generally in accordance with the provisions of Schedule II to the Act, except in the case of certain class of assets which are depreciated based on the useful lives estimated by the Management. The consequential impact (after considering the transition provision specified in Schedule II) on the depreciation charged to opening reserves and surplus is ₹ 177.16 lakhs and ₹ 784.72 lakhs at stand alone and consolidated financial results, respectively. Had the Company continued with the previously assessed useful lives, charge for depreciation for the nine months ended 31 December 2014 would have been lower by ₹ 83.39 lakhs and ₹ 18.95 lakhs in the stand alone and consolidated financial results, respectively, and the profit/(loss) before tax would have been higher (lower) by such amounts.
- During fiscal 2014, the Company had sold Hotel Regenta One, Hyderabad ('the unit') to Samit Hotels Private Limited on 29 November 2013, resulting in a loss on sale of the unit amounting to ₹ 1,329.40 lakhs. Further, the losses incurred from operations amounting to ₹ 599.26 for quarter ended 31 December 2013 and ₹ 2,456.62 lakhs for nine months ended 31 December 2013 (upto the date of sale) has been disclosed as 'loss from discontinuing operations'. In addition, the Company executed 'Hotel Operations Agreement' for managing the unit effective 01 October 2013. During the nine months ended 31 December 2014, the Company has terminated the 'Hotel Operations Agreement' in lieu of termination fee of ₹ 200 lakhs and the same has been disclosed separately as exceptional item.
- The Company and its subsidiary has received demand notice vide letters dated 05 February 2014, 26 August 2014 and 14 October 2014 from Axis Bank Limited ('the bank') in connection with repayment of the term loan facility availed by the subsidiary company amounting to ₹ 634.09 lakhs along with interests and penalty, if any, till the date of repayment, wherein the Company and Joint Venture partners are co-guarantors. During the quarter and nine months ended 31 December 2014, the Company and its promoter group has settled the aforesaid liability with the bank.
- As at 31 December 2014, the networth of certain joint venture entities is completely eroded and the construction project of a subsidiary company has been kept in abeyance with significant delays. The aforesaid factors indicate existence of a potential impairment of Company's investment in certain joint venture entities and a subsidiary. Management is in the process of making a detailed assessment of recoverable amount of investments in equity instruments, unsecured loans (including secured interests) and other receivables amounting to ₹ 4,778.80 lakhs, ₹ 3,818.57 lakhs and ₹ 208.14 lakhs, respectively, in these entities as required under Accounting Standards applicable to the Company. However, based on the long-term business plan, the management believes that there is no 'other than temporary' diminution in the carrying value of the aforesaid assets. Accordingly, no provision for diminution has been recorded in the books as at 31 December 2014.
- During the quarter ended 31 December 2014, Tourist Finance Corporation of India Limited ('the TFCL') sanctioned a long-term loan amounting to ₹ 5,000 lakhs, with a moratorium period of 9 months, to repay the existing term loans availed from banks and financial institution under CDR scheme and to assist capital expenditure for renovation of a hotel property. Out of the said term loan, the Company repaid the existing term loans and bank overdraft amounting to ₹ 3,457 lakhs and ₹ 399.99 lakhs, respectively.

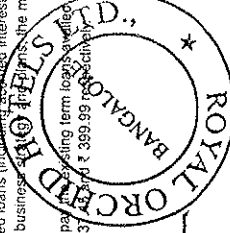
For ROYAL ORCHID HOTELS LTD.

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Place: Bengaluru
Date: 29 January 2015

For Royal Orchid Hotels Limited
C K Balice
Chairman and Managing Director

For Royal Orchid Hotels Limited
Payal Shaema
COMPANY SECRETARY



Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
"WINGS", First Floor
16/1, Cambridge Road
Ulsoor, Bengaluru 560008
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Review Report

To the Board of Directors of Royal Orchid Hotels Limited

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of Royal Orchid Hotels Limited ("the Company") for the quarter ended 31 December 2014 and the year to date results for the period 01 April 2014 to 31 December 2014, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We draw attention to Note 10 of the accompanying statement of unaudited financial results. The total assets of Company comprise of investments in equity instruments, unsecured loans (including accrued interest) and management fee receivable in certain Joint Venture entities and a Subsidiary, carried at a value of ₹ 4,778.80 lakhs, ₹ 3,818.57 lakhs and ₹208.14 lakhs, respectively (30 September 2014: ₹ 4,778.80 lakhs, ₹ 3,298.48 lakhs and ₹187.32 lakhs). However, in the absence of a detailed assessment of impairment and recoverability analysis relating to the above balances, we are unable to comment on any provision for impairment loss in respect of the aforesaid assets that may be required in this regard. Our limited review report for the quarter ended 30 September 2014 was also qualified in this regard.



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For ROYAL ORCHID HOTELS LTD.

Rajal Sharma
COMPANY SECRETARY

Walker Chandiook & Co LLP

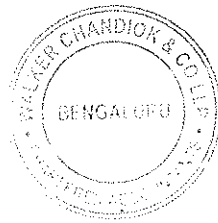
4. Based on our review conducted as above, *except for the possible effects of qualification as described in the previous paragraph*, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Walker Chandiook & Co. LLP
For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm Registration No: 001076N/N500013

Sanjay Banthia.

per Sanjay Banthia
Partner
Membership No.: 061068

Bengaluru
29 January 2015



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For ROYAL ORCHID HOTELS LTD.

Payal Sharma.
COMPANY SECRETARY

Walker Chandiok & Co LLP

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(Formerly Walker, Chandiok & Co)
"WINGS", First Floor
16/1, Cambridge Road
Ulsoor, Bengaluru 560008
India

Review Report

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To the Board of Directors of Royal Orchid Hotels Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ("the Statement") of Royal Orchid Hotels Limited ("the Company"), its subsidiaries and joint ventures (collectively referred to as "the Group") for the quarter ended 31 December 2014 and the year to date results for the period 01 April 2014 to 31 December 2014, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

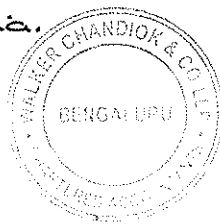
Walker Chandiok & Co. LLP
For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No: 001076N/N500013

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Sanjay Banthia.

per Sanjay Banthia
Partner
Membership No.: 061068

Bengaluru
29 January 2015



For ROYAL ORCHID HOTELS LTD.

Payal Sharma.
COMPANY SECRETARY