

Royal Orchid Hotels secures an arbitration award against Rock Reality, receives INR 25 Lakh in damages

Royal Orchid Hotels Limited has received an arbitration award from the sole arbitrator, Justice Ajit J. Gunjal, a former Judge of the High Court of Karnataka, according to the exchange filing.

The award pertains to the arbitration case between Royal Orchid Hotels Limited and Rock Reality Private Limited, conducted under the Arbitration and Conciliation Act, 1996.

The arbitrator rejected the relief of specific performance (i.e., renewal of lease) but awarded a payment of INR 2,14,26,000 as a refund of the security deposit from Rock Realty Private Limited to Royal Orchid Hotels Limited. Additionally, it was ruled that Royal Orchid Hotels Limited is entitled to damages of INR 25,00,000, carrying interest at the rate of 12 percent from the date of the award.

Royal Orchid Hotels Limited is also entitled to the costs of these proceedings, quantified at INR 10 lakh. Stamp duty is payable as per the Karnataka Stamp Act, 1957.

The award was pronounced on September 9, 2024, and received on September 12, 2024.