



**ROYAL ORCHID HOTELS LTD.,**

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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

**Date: February 13, 2020**

**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/Madam,

***Subject: Investors Presentation - Revised***

Please find enclosed herewith the revised presentation for conference call to be held on Thursday, February 13, 2020 at 02:30PM to discuss Q3 & 9M FY 20 results.

This is for the information and records of the Exchanges.

For **ROYAL ORCHID HOTELS LIMITED**

**RANABIR SANYAL  
COMPANY SECRETARY & COMPLIANCE OFFICER  
FCS: 7814**

Encl: a/a

# Royal Orchid Hotels Ltd

## Q3 FY20

### Results Presentation



# Disclaimer

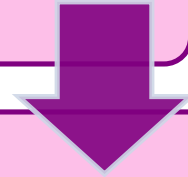


Statements made in this Presentation describing the Company's objectives, projections, estimates, predictions and expectations may be 'forward-looking statements', within the meaning of applicable securities laws and regulations. As 'forward-looking statements' are based on certain assumptions and expectations of future events over which the Company exercises no control, the Company cannot guarantee their accuracy nor can it warrant that the same will be realized by the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments or events or for any loss any investor may incur by investing in the shares of the Company based on the 'forward-looking statements'.

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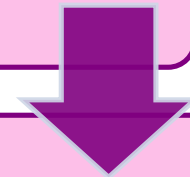
**Industry Overview**



**Company Overview**



**Business Overview**



**Financial Overview**



# Industry Overview



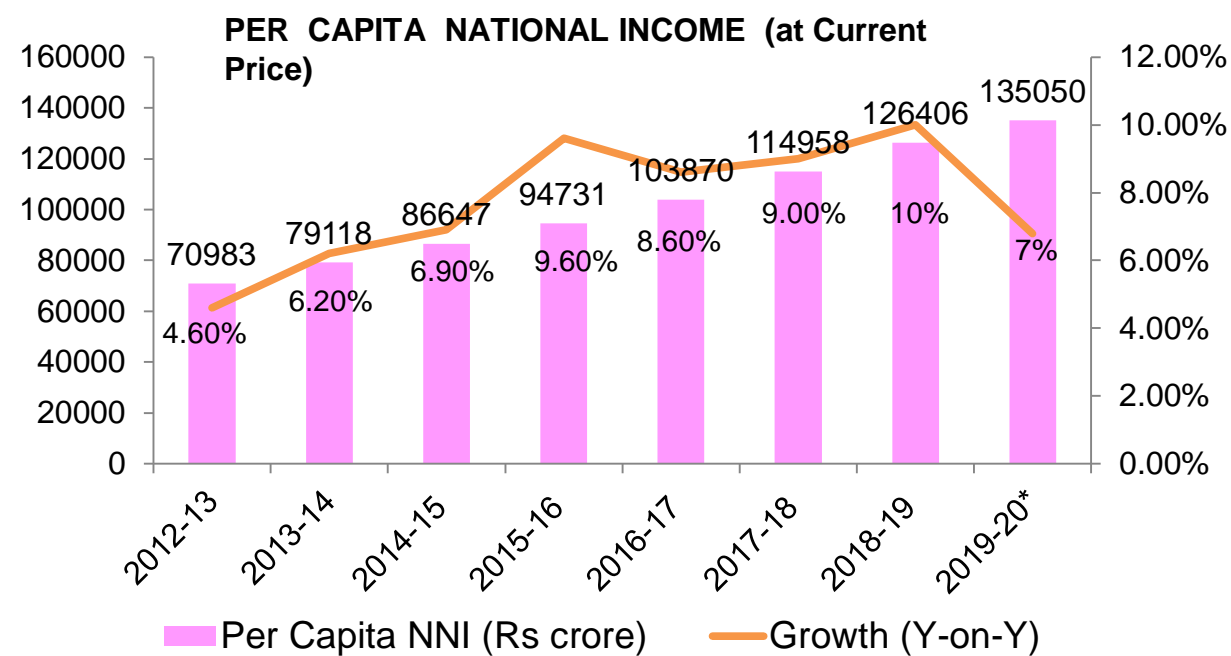
**Industry Outlook**

**Growth Drivers**

**Key Challenges**

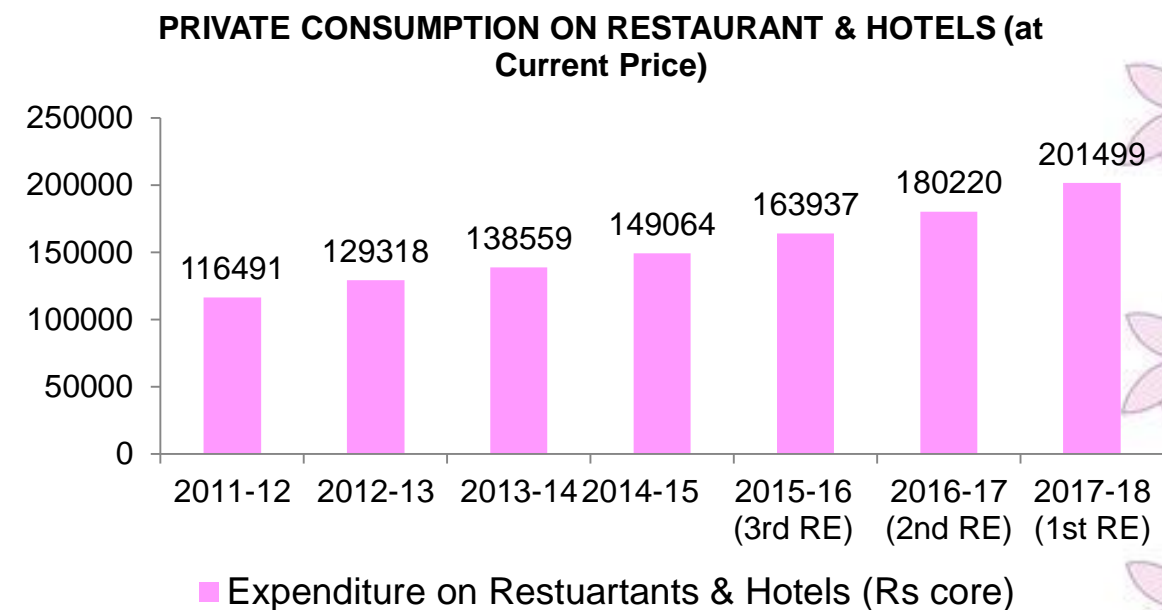
# Industry Outlook - Current Trend

## 1. Disposable income on the rise



Source: First Advance Estimates of National Income, 2019-20

\* Estimated per capita national income for 2019-20



Source: Central Statistics Office

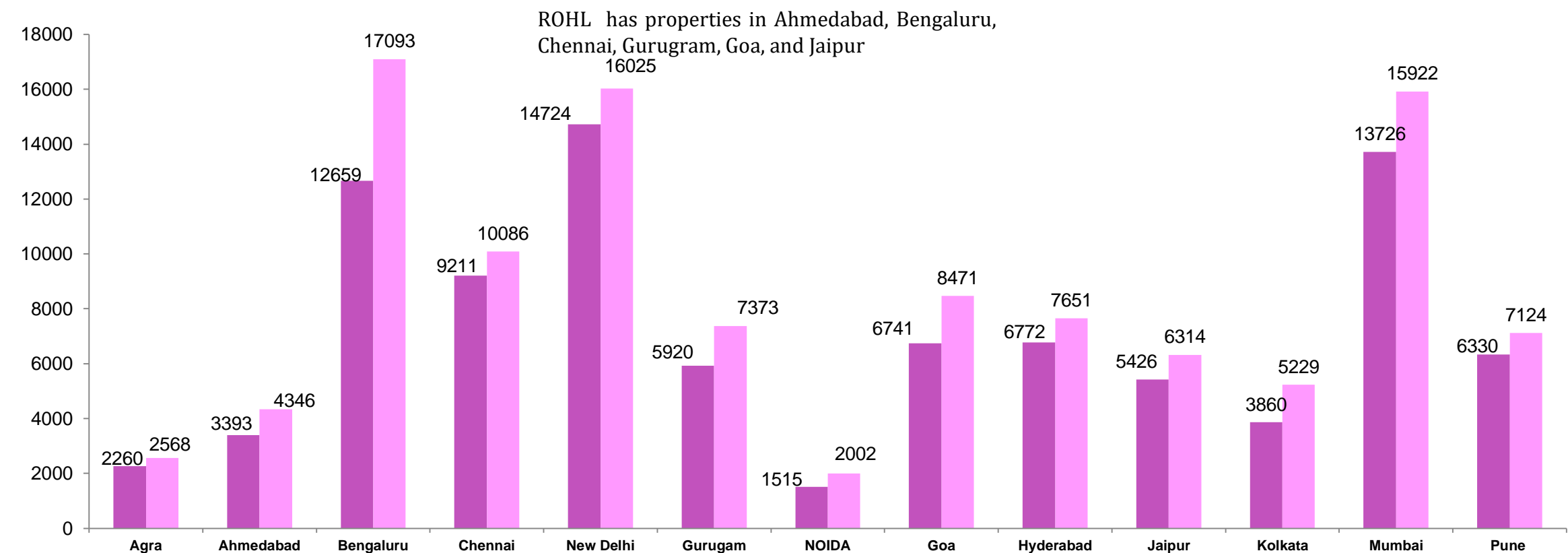
Press Release dated as on 31<sup>st</sup> May, 2019 (FY17, FY18 and FY 19)

India's Per Capita National Income grew at 6.8% to Rs. 1,35,050 during 2019-20

Private Final Consumption on Restaurants & Hotel has grown at a CAGR of 9.56% over the 6 years period 2011-12 to 2017-18

# Industry Outlook

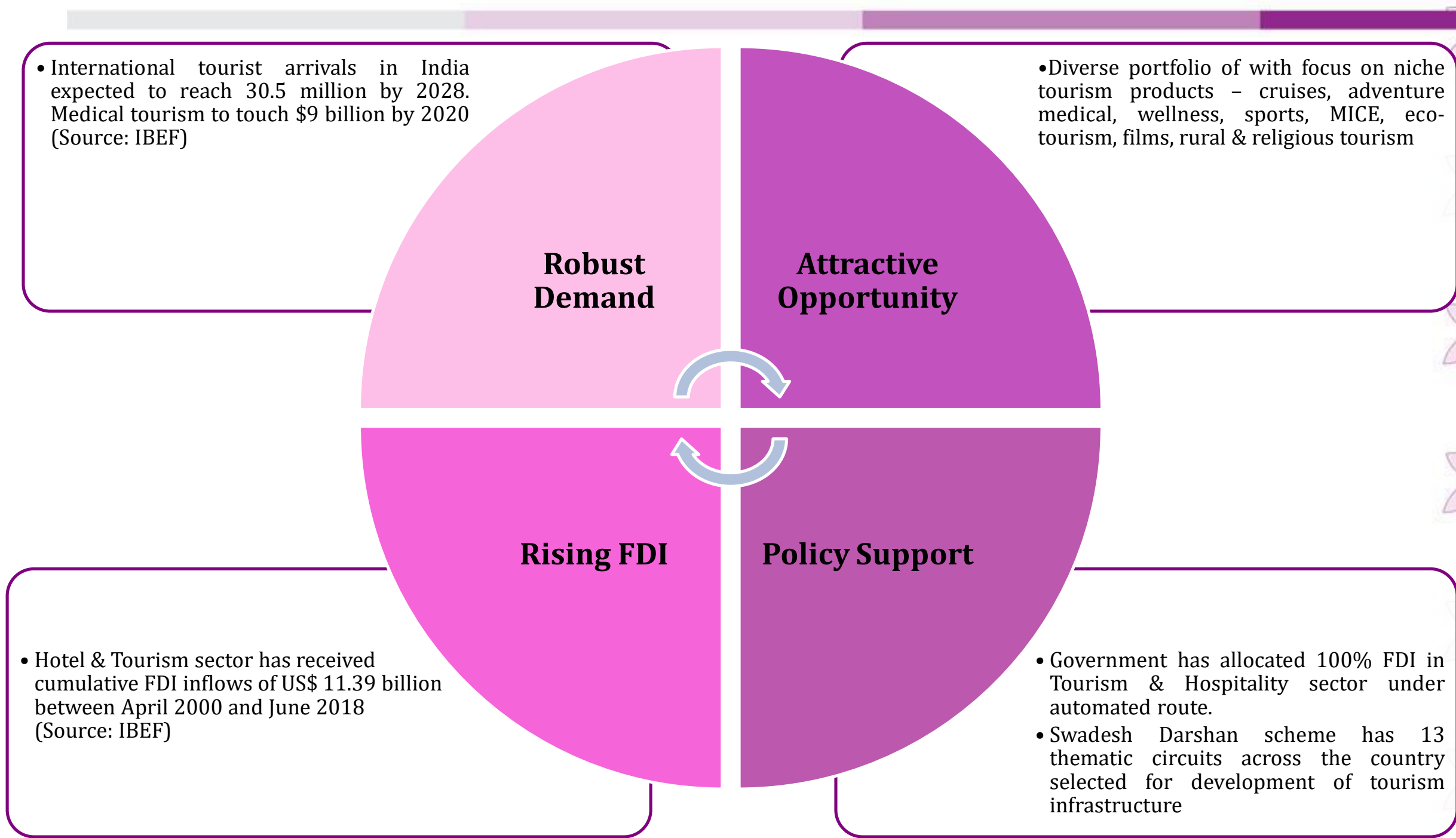
## 2. PROPOSED BRANDED HOTEL ROOMS ACROSS MAJOR CITIES



Source: 2018 India Hospitality Trends & Opportunity report by Hotelivate ■ 2017/18 ■ 2022 / 23 (P)

A report by hospitality consulting firm Hotelivate shows expected rise in branded hotel rooms by 2023 given the increasing trend in the per capita income.

# Key Growth Drivers





# Key Industry Challenges

## INFRASTRUCTURE

- Limited land availability at the desired location
- Rising property prices

## FUNDING

- Increasing cost of debt
- Medium to small size hotels, not favorable to PE, VC funding

## REGULATORY

- Delays in getting approvals and licenses leading to increasing project cost

## COMPETITION

- Entry of Travel aggregators intensifies competitive landscape



# Company Overview



**Who we are?**

**Our Journey**

**Management  
Team**

**Our Presence**

# Who we are?

- Royal Orchid Hotel Ltd (ROHL) was incorporated in 1986 under the name of Universal Resorts Ltd.
- Promoted by Mr. Chander K Baljee
- ROHL is engaged in business of managing hotels under flagship brands – Royal Orchid, Royal Orchid Central, Royal Orchid Suites, Regenta Central, Regenta Resort, Regenta Place & Regenta Inn
- The no of hotels managed as of April is 51

Present in **37** locations  
**11** states with **3,906** no  
of keys and **2.46+** lakh  
Royal Reward members

## Our Brands

**5 Star**

Hotel Royal Orchid

**4 Star**

- Royal Orchid Central
- Regenta Central

**Service  
Apartment**

Royal Orchid Suites

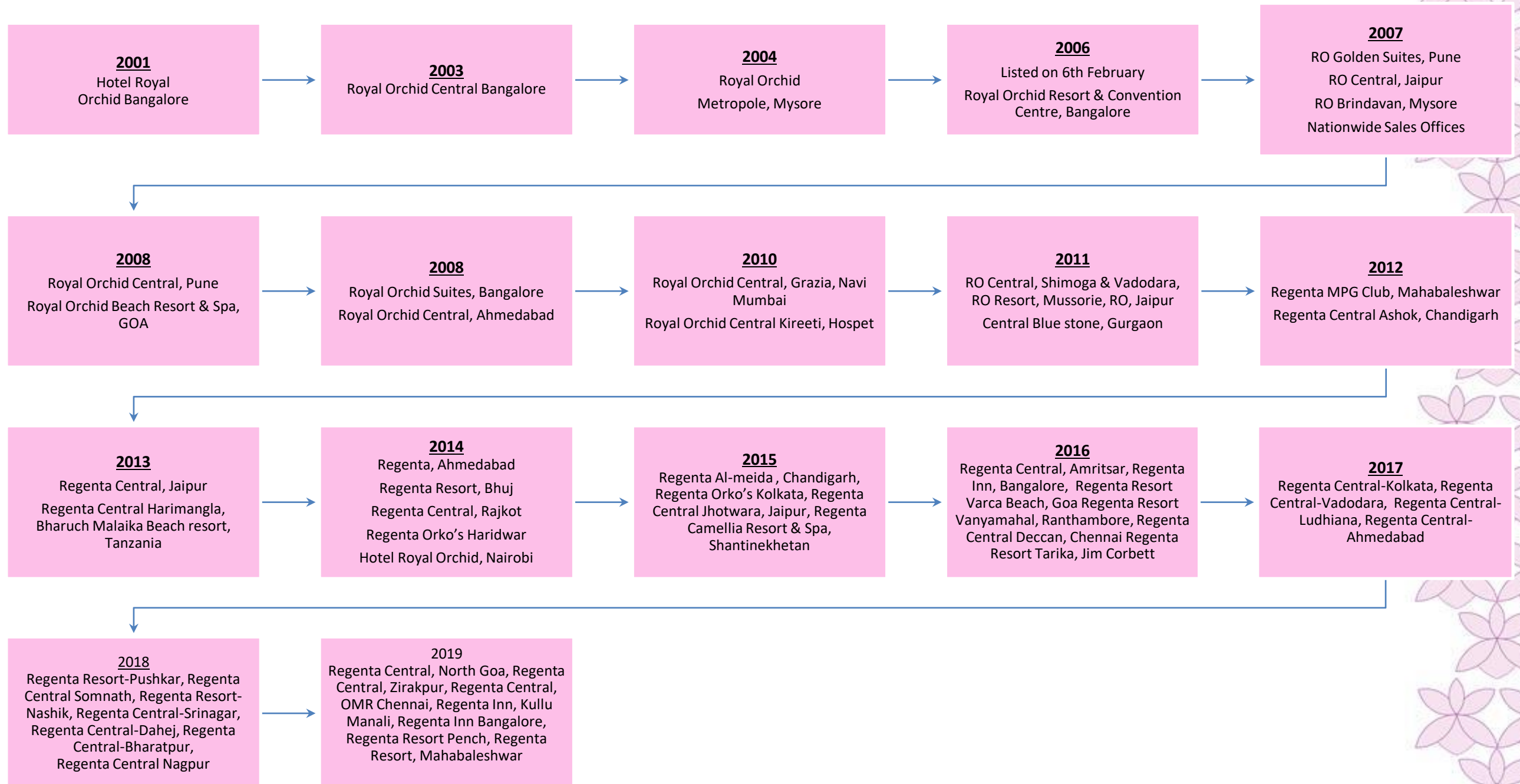
**Resorts/  
Heritage**

- Royal Orchid Resorts
- Regenta Resorts

**Budget**

- Regenta Place
- Regenta Inn

# Our Journey





# Key Management



## **Mr. Chander Baljee, Managing Director**

Royal Orchid Hotels is promoted by **Mr. Chander K Baljee**, a P.G Graduate from **Indian Institute of Management (Ahmedabad)** with over 4 decades of experience in the hospitality industry



## **Mr. Amit Jaiswal, Chief Financial Officer**

Mr. Amit Jaiswal is a Commerce graduate from Calcutta University MBA, BA LLB. He has vast experience of 25 years in different industries including Finance, Manufacturing and Hotels.



## **Mr. Chetan Tiwari, Vice President Operations (South)**

Over 23 years experience with Taj Group of Hotels, ITC Fortune & Hilton Graduate from IHM Bhubaneswar & IGNOU



## **Mr. Vikas Passi, Vice President Operations (West)**

A Hotel Management graduate from Mangalore University and MBA in Sales & Marketing from Pune University, having 16+ years of vast experience in hotel operations and sales.



## **Mr. Perkin Rocha, Vice President Operations (North)**

Mr. Perkin Rocha Graduate from IIAS, Darjeeling with 20 years experience with Lemon Tree Hotels, Duet Hotels, Park Royal International Hotel & Hotel Royal Orchid





# Royal Orchid & Regenta Hotels Across India

N O R T H	<b>AMRITSAR</b> Regenta Central	S O U T H	<b>BANGALORE</b> Hotel Royal Orchid Royal Orchid Central Royal Orchid Suites Regenta Place Royal Orchid Resort Regenta Inn Regenta Inn, Indiranagar	W E S T	<b>GUJARAT</b> Regenta Central, Ahmedabad Regenta Inn, Ahmedabad Regenta Central, Bharuch Regenta Resort, Bhuj Regenta Central, Dahej Regenta Central, Rajkot Royal Orchid Central, Vadodara Regenta Inn, Vadodara Regenta Central, Vapi
	<b>BHARATPUR</b> Regenta Resort				<b>NASHIK</b> Regenta Resort
	<b>CHANDIGARH</b> Regenta Central Regenta Central Cassia		<b>BELAGAVI</b> Regenta Resort		<b>NAGPUR</b> Regenta Central
	<b>DEHRADUN</b> Regenta Central		<b>CHENNAI</b> Regenta Central Regenta Centra RS, OMR		<b>Pench</b> Regenta Place
	<b>HARIDWAR</b> Regenta Central		<b>HOSPET</b> Royal Orchid Central		<b>GOA</b> Royal Orchid Beach Resort & Spa Regenta Resort Varca Beach Regenta Central, North Goa Regenta Place, Mandrem Beach Resort
	<b>JIM CORBETT</b> Regenta Resort		<b>MYSORE</b> Royal Orchid Brindavan Garden Royal Orchid Metropole Regenta Central		<b>INDORE</b> Regenta Central
	<b>JAIPUR</b> Hotel Royal Orchid Royal Orchid Central Regenta Central, Jal Mahal Regenta Central, Jhotwara		<b>SHIMOGA</b> Royal Orchid Central		<b>MAHABALESHWAR</b> Regenta MPG Club Regenta Place Green Leaf
	<b>KANPUR</b> Regenta Central		<b>KOLKATA</b> Regenta Central Regenta Inn		<b>NAVI MUMBAI</b> Royal Orchid Central
	<b>LUDHIANA</b> Regenta Central				<b>PUNE</b> Royal Orchid Central Royal Orchid Golden Suites
	<b>MANALI</b> Regenta Inn				
E A S T	<b>MUSSOORIE</b> Royal Orchid Fort Resort				
	<b>PUSHKAR</b> Regenta Resort				
	<b>RISHIKESH</b> Regenta Inn				
	<b>RANTHAMBORE</b> Regenta Resort				
	<b>SRINAGAR</b> Regenta Central				

\*Opening Shortly  
Vithlapur, Bhimtal, Haldwani  
Ranchi, Morbi & Noida



# Business Overview



**Our Business  
Structure**

**Our Business  
Model**

**Our Offerings**

**Competitive  
Advantage**

# Our Business Structure

Royal Orchid Hotels Limited (ROHL)

By Business Portfolio

By Legal Entity

Owned  
hotels

Leased  
Hotels

Managed &  
Franchised  
Hotels

Subsidiaries  
Companies

# Our Business Model -Asset Light Model

**Steadily gaining strong foothold through focus on Management contracts which will lead to high growth**

## **Key factors**

No upfront  
requirement of capex

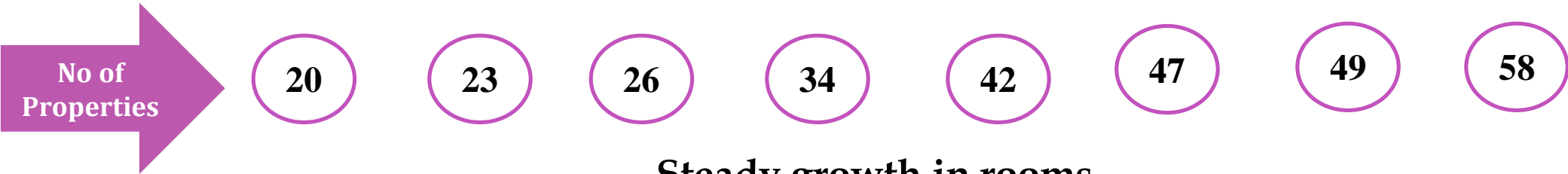
Maintenance Capex  
required – Nil

Break even of  
Operating profit in  
just 1 year

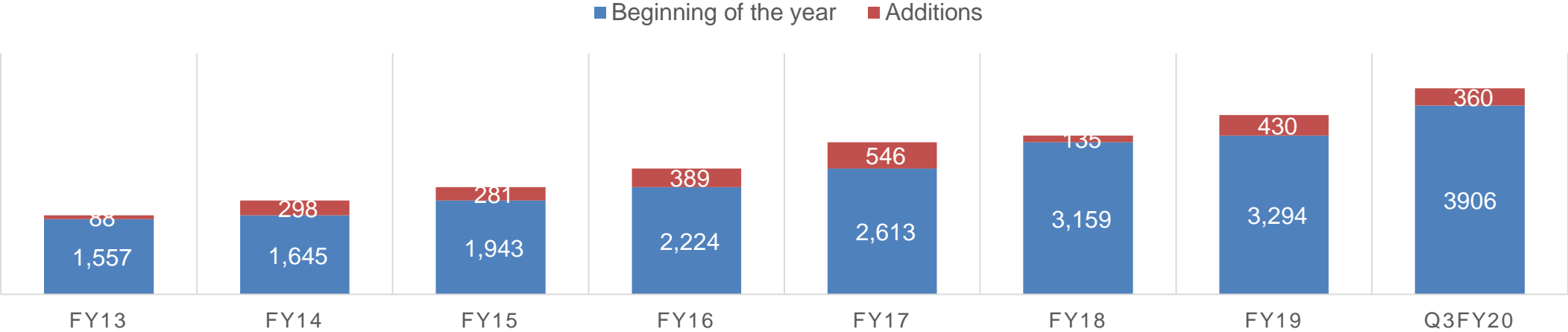
Facilitates expansion  
plans and ramping up  
presence

Creates brand  
visibility at a faster  
rate

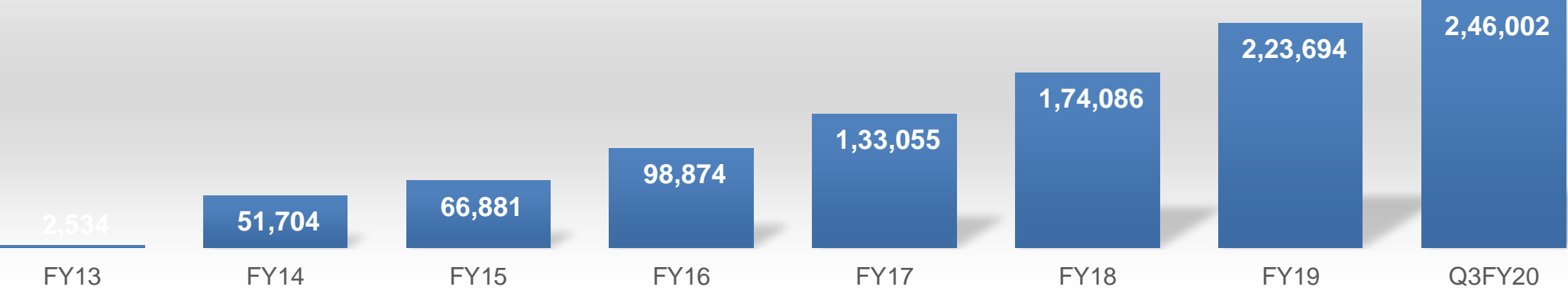
# Growth in rooms and loyalty members



## Steady growth in rooms



## Loyalty members







**BIRTHDAYS**



**ANNIVERSARIES**

**HONEYMOON**



**PILGRIMAGE**

**VACATIONS**



## *Holiday Destinations*

Goa • Bangalore • Mysore • Hampi  
Belagavi • Nashik • Bharatpur • Bhuj  
Jaipur • Mahabaleshwar • Mussoorie  
Manali • Pushkar • Ranthambore  
Jim Corbett • Srinagar • Rishikesh  
Haridwar



# *Wedding Destinations*

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Goa • Bangalore  
Ranthambore • Jim Corbett  
Dehradun • Jaipur • Mussoorie  
Mahabaleshwar • Nagpur  
Pushkar • Bharatpur • Bhuj





## *Business Destinations*

Ahmedabad • Bangalore • Bharuch  
Chandigarh • Chennai • Dehradun  
Dahej • Indore • Jaipur • Kolkata  
Kanpur • Ludhiana • Mysore • Nashik  
Navi Mumbai • Nagpur • Pune  
Rajkot • Shimoga • Vadodara • Vapi



# *Wildlife Destinations*

Ranthambore • Jim Corbett  
Pench National Park







Hotel Royal Orchid, Bangalore







Royal Orchid Brindavan Garden Palace & Spa, Mysore







Royal Orchid Resort & Convention Centre, Bangalore







Hotel Royal Orchid, Jaipur







Royal Orchid Central, Hampi, Hos







Regenta Resort, Belagavi





# Competitive Advantage



Balanced portfolio having presence  
in over **37 locations and 11 states**

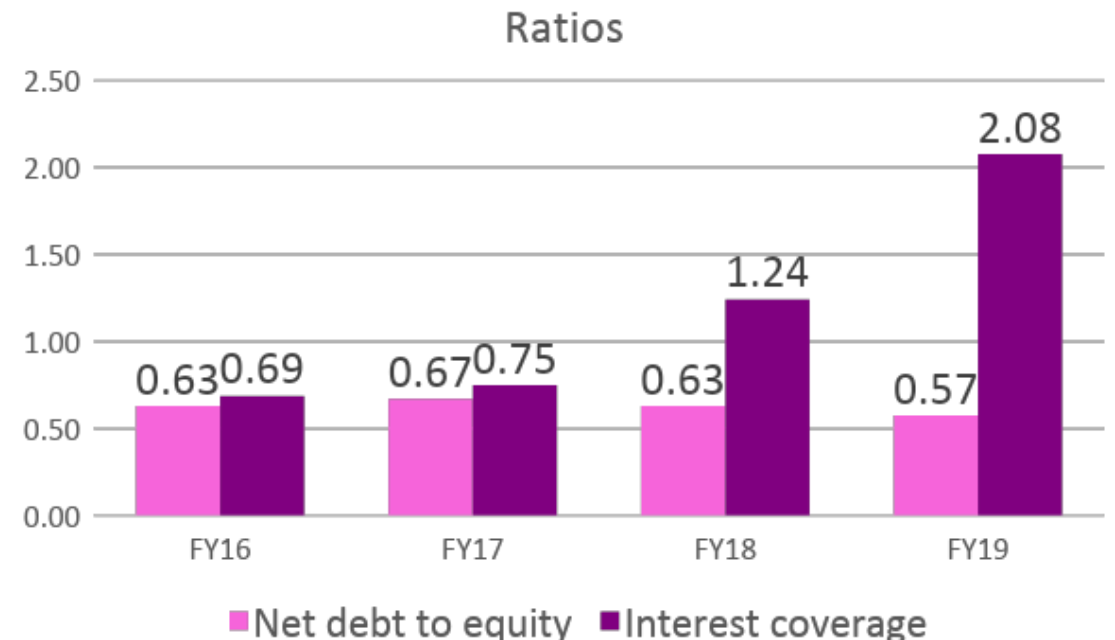
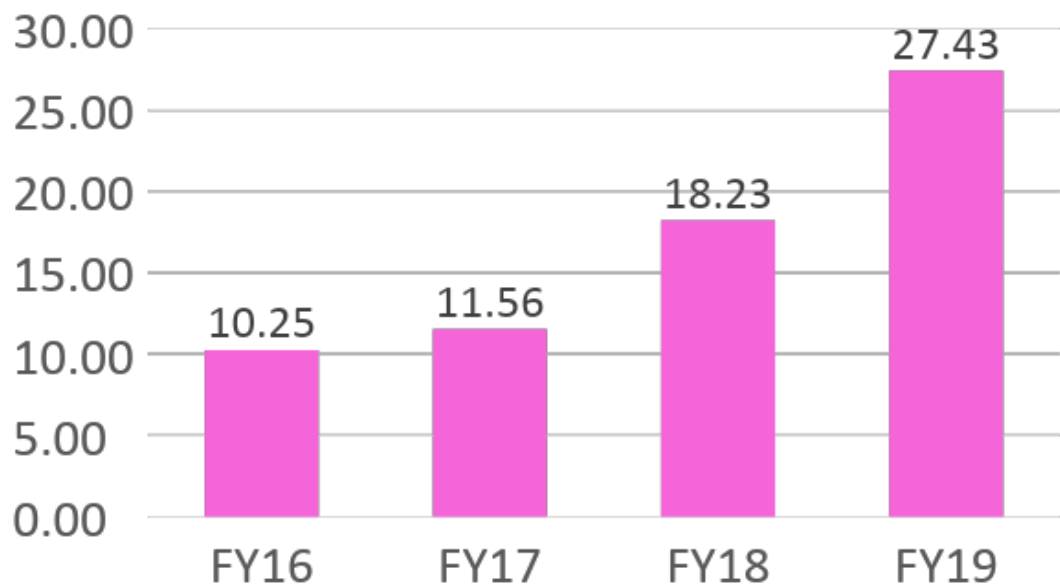
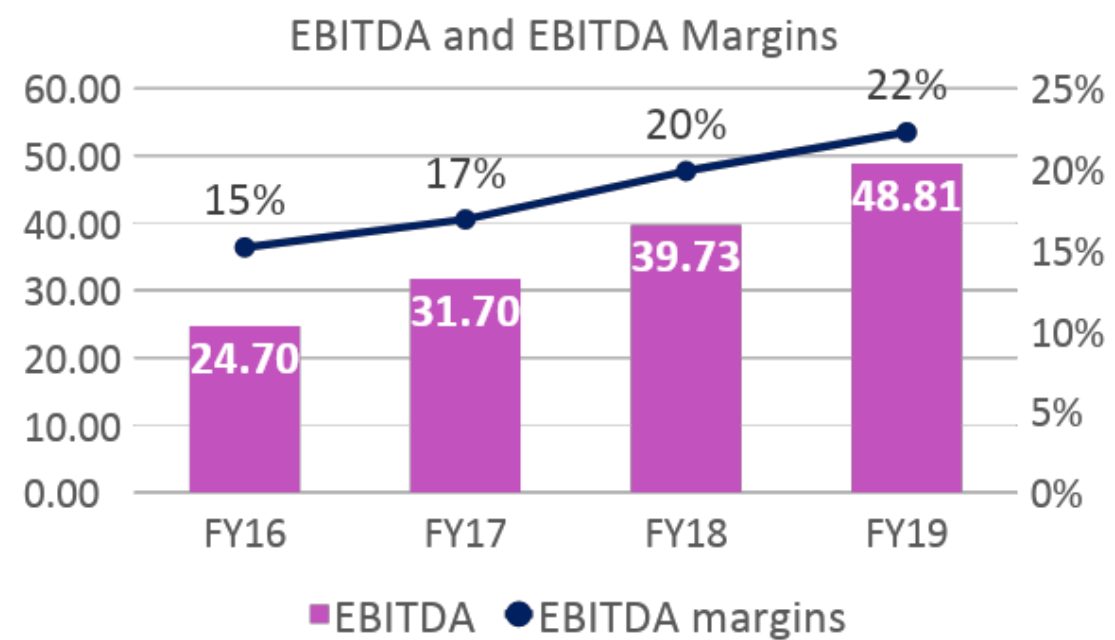
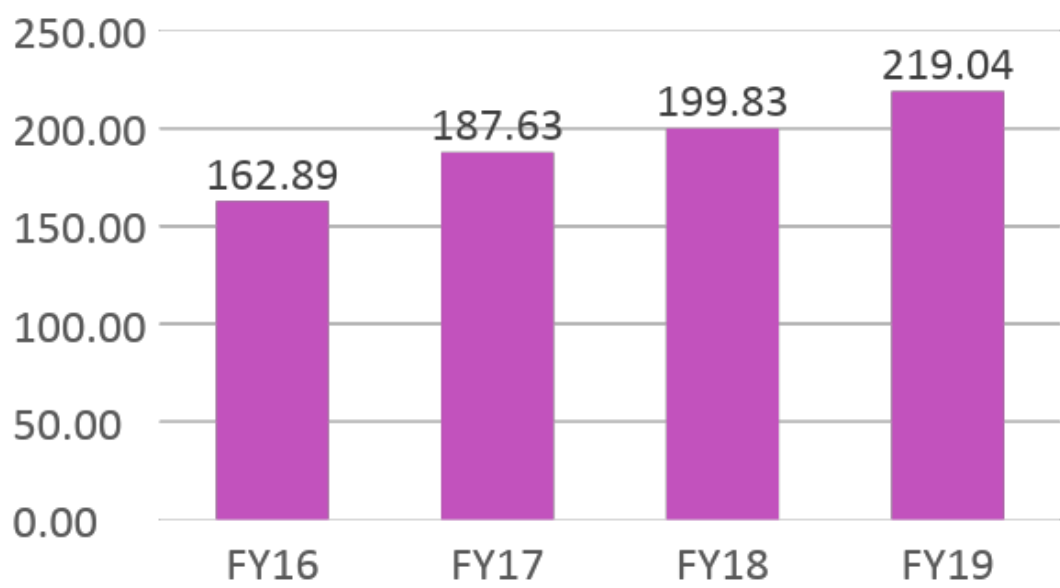


Strong sales presence across major source  
markets in India



Affordable luxury having plethora of options  
for modern travellers

# Sustainable Growth – Yearly Consolidated numbers



# Revenue Model

Category	FY2019	9MFY20	(%)
5 Star	334	334	
4 Star	1,861	1,927	
Service Apartment	159	159	
Resort / Heritage / MICE	935	1017	
Budget Hotels	389	469	
Total Keys	3,714	3906	

Category	FY 2019	9MFY20	(%)
Owned	195	195	
Leased	517	517	
JV	313	313	
Managed	1928	2084	
Franchised	761	801	
Total Keys	3714	3906	

Category	Owned	Leased	JV	Managed	Franchised	Total
5 Star	195		139			334
4 Star		380		906	641	1927
Service Apartment				159		159
Resort/Heritage/MICE		54	174	789		1017
Budget Hotels		83		301	85	469
Total Keys	195	517	313	2,155	726	3906

Asset  
Portfolio



# Property breakup with rooms

No of Keys	FY19	FY20*
Management / Franchise	2689	2881
JV	313	313
Owned (Domestic)	195	195
Owned (Overseas)	-	-
Leased	517	517
<b>Total KEYS</b>	<b>3,714</b>	<b>3906</b>
Average Occupancy rate (JLO)	77%	78%
Average Room Rate (JLO) (Rs)	4,513	4,618
Average Occupancy rate (Managed)	68%	71%
Average Room Rate (Managed) (Rs)	3,154	3,250

\*Expected

# Financial Overview



**Quarterly & Nine  
Month Highlights and  
Financial results**

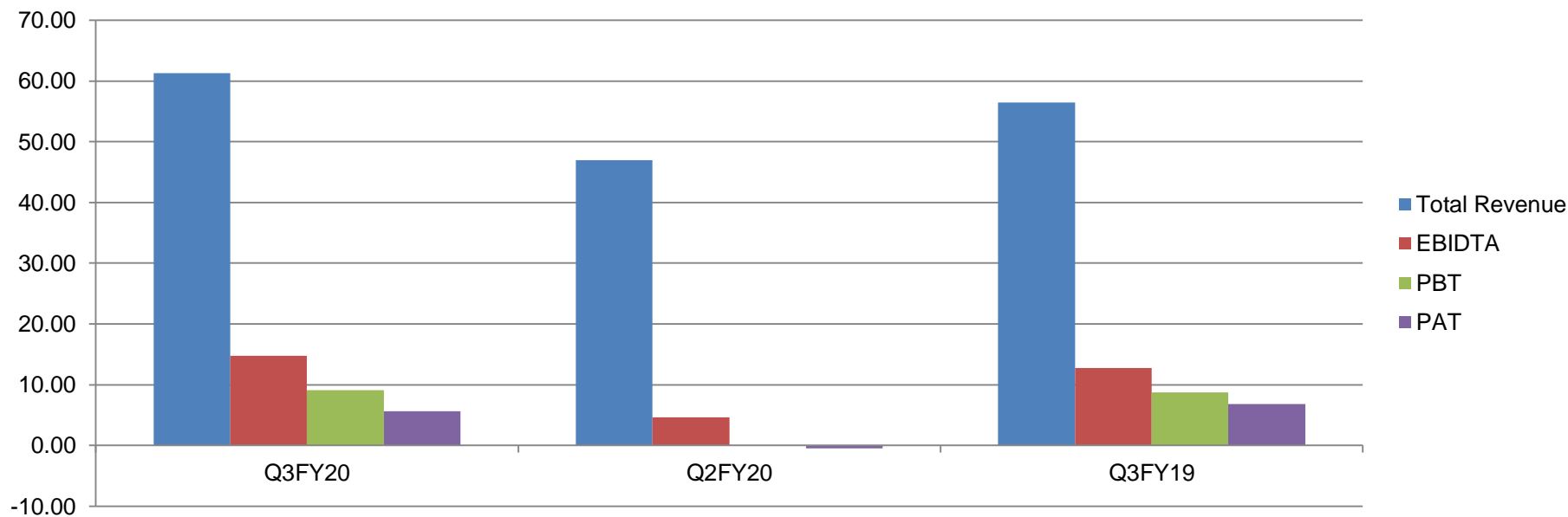
**Margins**

**Consolidated  
Income Statement  
& Balance Sheet  
snapshot**

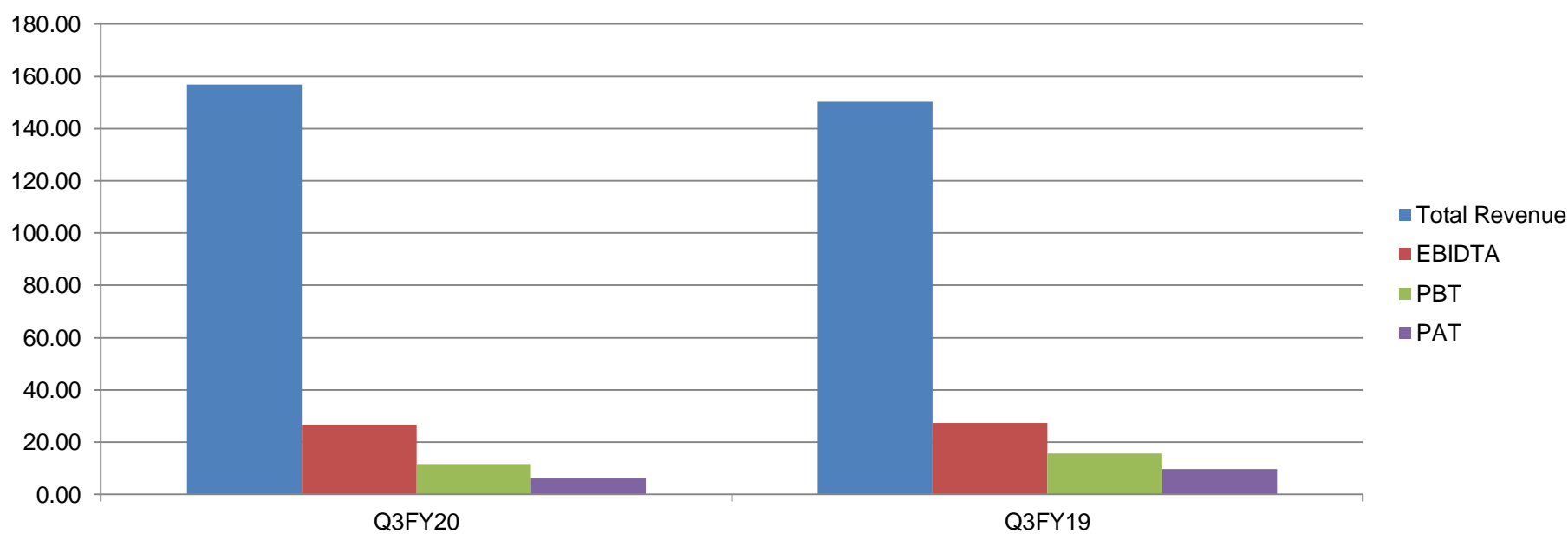
**Shareholding**

# Consolidated Quarter and Nine Month highlights

Quarterly



Nine Month

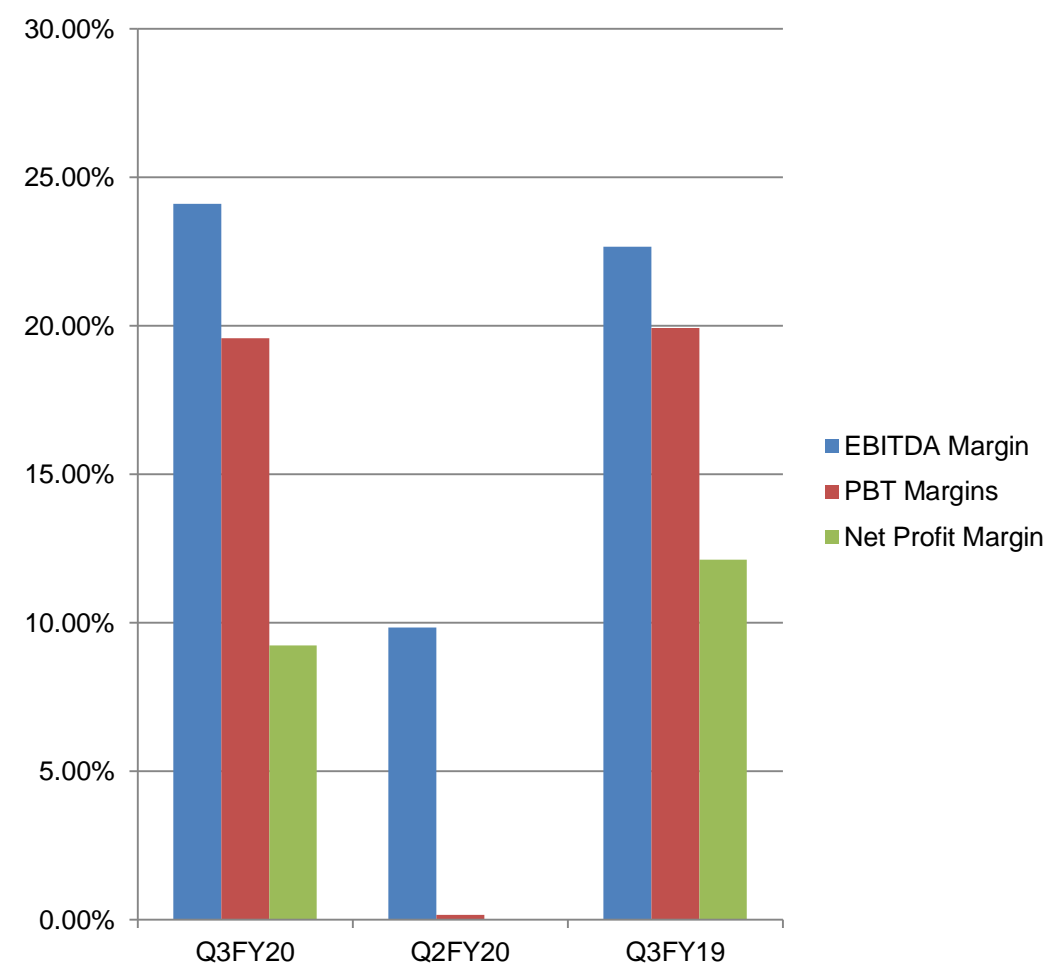


Rs. In crore

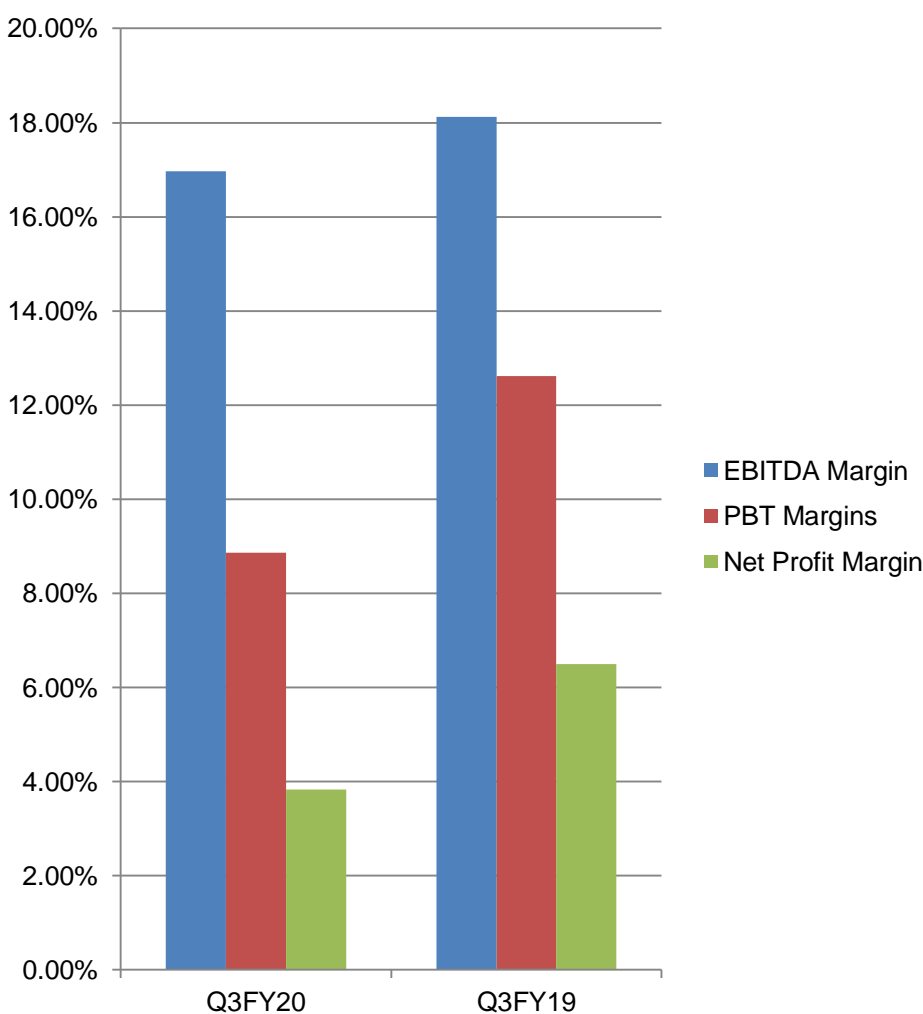


# Margins

## Quarterly Margins



## Nine Month Margins



# Standalone Q3 & 9MFY20 Financial results

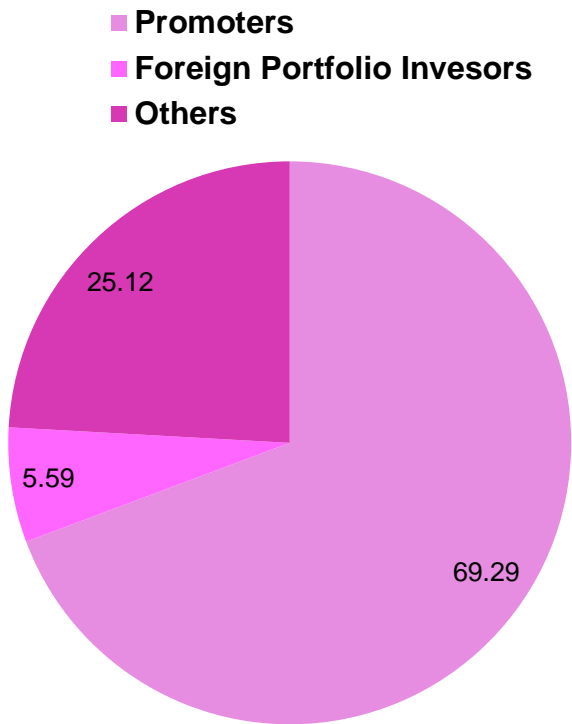
Particulars (Rs in Crs)	Q3FY20	Q2FY20	Q3FY19	Q-o-Q (%)	Y-o-Y (%)	9MFY20	9MFY19	% Change
Income from Operations	34.11	26.37	30.55	29.37%	11.66%	87.91	83.01	5.90%
<b>Total Income</b>	<b>34.11</b>	<b>26.37</b>	<b>30.55</b>	29.37%	11.66%	<b>87.91</b>	<b>83.01</b>	5.90%
Cost of Material Consumed	4.54	2.95	3.40	53.91%	33.56%	10.79	8.57	25.83%
Employee Benefits Expense	6.45	6.57	5.70	-1.84%	13.21%	19.70	16.57	18.87%
Power and fuel Expense	3.31	2.99	2.89	10.67%	14.62%	10.15	8.60	18.08%
Rent Expense	2.60	2.20	3.47	18.23%	-24.91%	7.16	9.59	-25.34%
Other Expenses	8.44	7.23	8.25	16.80%	2.38%	23.01	23.69	-2.88%
<b>Total Expense</b>	<b>25.35</b>	<b>21.95</b>	<b>23.71</b>	15.51%	6.95%	<b>70.81</b>	<b>67.03</b>	5.65%
<b>EBITDA</b>	<b>8.76</b>	<b>4.42</b>	<b>6.84</b>	98.22%	27.99%	<b>17.10</b>	<b>15.99</b>	6.96%
<i>EBITDA Margin (%)</i>	<i>25.67</i>	<i>16.76</i>	<i>22.40</i>	53.22%	14.62%	<i>19.45</i>	<i>19.26</i>	1.00%
Other Income	0.91	1.94	1.13	-52.84%	-19.39%	5.00	4.22	18.37%
Depreciation	1.86	1.80	1.07	2.92%	73.27%	5.44	3.15	72.48%
<b>EBIT</b>	<b>7.82</b>	<b>4.55</b>	<b>6.91</b>	71.65%	13.19%	<b>16.66</b>	<b>17.06</b>	-2.33%
Finance Cost	1.94	1.73	1.11	12.12%	75.55%	5.61	3.38	66.06%
<b>PBT</b>	<b>5.88</b>	<b>2.82</b>	<b>5.80</b>	108.13%	1.31%	<b>11.05</b>	<b>13.68</b>	-19.22%
<i>PBT Margins (%)</i>	<i>17.23</i>	<i>10.71</i>	<i>18.99</i>	60.88%	-9.27%	<i>12.57</i>	<i>16.48</i>	-23.72%
<b>Tax</b>								
Current Tax	2.13	1.06	1.23	100.94%	73.65%	4.03	3.60	11.94%
Deferred Tax	0.58	-0.45	0.09	227.98%	565.78%	-0.23	0.51	-145.28%
<b>Total Tax</b>	<b>2.71</b>	<b>0.61</b>	<b>1.31</b>	343.59%	106.07%	<b>3.80</b>	<b>4.11</b>	-7.50%
Exceptional Items	0.00	0.00	0.00			0.00	0.00	
<b>Net Profit</b>	<b>3.17</b>	<b>2.21</b>	<b>4.49</b>	43.24%	-29.35%	<b>7.25</b>	<b>9.57</b>	-24.26%
Other Comprehensive Income/(Loss)	-0.02	-0.02	0.00	0.00%		-0.06	0.00	
<b>Total Comprehensive Income</b>	<b>3.15</b>	<b>2.19</b>	<b>4.49</b>	43.62%	-29.78%	<b>7.19</b>	<b>9.57</b>	-24.87%
Net Profit Margin (%)	9.29	8.39	14.69	10.72%	-36.73%	8.25	11.53	-28.48%
<b>EPS (In Rs)</b>	<b>1.15</b>	<b>0.80</b>	<b>1.64</b>	43.75%	-29.88%	<b>2.62</b>	<b>3.50</b>	-25.14%



# Consolidated Q3FY20 Statement - Snapshot

Particulars (Rs in Crs)	Q3FY20	Q2FY20	Q3FY19	Q-o-Q (%)	Y-o-Y (%)	9MFY20	9MFY19	% Change
Income from Operations	61.33	46.93	56.44	30.68%	8.66%	156.78	150.30	4.31%
<b>Total Income</b>	<b>61.33</b>	<b>46.93</b>	<b>56.44</b>	30.68%	8.66%	<b>156.78</b>	<b>150.30</b>	4.31%
Cost of Material Consumed	7.74	5.57	6.19	38.94%	25.19%	18.88	16.07	17.48%
Employee Benefits Expense	14.13	13.82	12.83	2.23%	10.17%	41.61	36.93	12.68%
Power and fuel Expense	4.93	4.79	4.64	3.03%	6.27%	15.46	13.94	10.86%
Rent Expense	2.90	2.46	3.94	17.75%	-26.55%	8.00	10.98	-27.17%
Other Expenses	16.85	15.67	16.06	7.50%	4.90%	46.24	45.14	2.43%
<b>Total Expense</b>	<b>46.55</b>	<b>42.32</b>	<b>43.66</b>	10.01%	6.63%	<b>130.19</b>	<b>123.06</b>	5.79%
<b>EBITDA</b>	<b>14.78</b>	<b>4.62</b>	<b>12.79</b>	220.14%	15.59%	<b>26.59</b>	<b>27.24</b>	-2.37%
<i>EBITDA Margin (%)</i>	<i>24.10</i>	<i>9.84</i>	<i>22.65</i>	144.99%	6.38%	<i>16.96</i>	<i>18.12</i>	-6.40%
Other Income	2.76	3.72	2.98	-25.86%	-7.53%	9.91	9.44	5.06%
Depreciation	4.55	4.47	3.77	1.99%	20.80%	13.33	11.23	18.76%
<b>EBIT</b>	<b>12.98</b>	<b>3.87</b>	<b>12.00</b>	235.67%	8.21%	<b>23.17</b>	<b>25.45</b>	-8.93%
Finance Cost	3.86	3.80	3.30	1.70%	17.03%	11.64	9.91	17.42%
<b>PBT</b>	<b>9.12</b>	<b>0.07</b>	<b>8.70</b>	13056.42%	4.86%	<b>11.53</b>	<b>15.53</b>	-25.75%
<i>PBT Margins (%)</i>	<i>19.59</i>	<i>0.16</i>	<i>19.92</i>	11859.40%	-1.66%	<i>8.86</i>	<i>12.62</i>	-29.82%
<b>Tax</b>								
Current Tax	2.93	1.19	2.05	145.74%	43.09%	5.71	5.48	4.32%
Deferred Tax	0.52	(0.69)	-0.20	175.83%	164.28%	-0.19	0.30	-164.72%
<b>Total Tax</b>	<b>3.45</b>	<b>0.51</b>	<b>1.85</b>	581.30%	86.40%	<b>5.52</b>	<b>5.77</b>	-4.42%
Exceptional Items	0.00	0.00	0.00			0.00	0.00	
<b>Net Profit</b>	<b>5.67</b>	<b>(0.44)</b>	<b>6.84</b>	1396.57%	-17.20%	<b>6.01</b>	<b>9.76</b>	-38.38%
Other Comprehensive Income/(Loss)	0.01	0.02	0.00	-55.43%		0.02	0.00	
<b>Total Comprehensive Income</b>	<b>5.68</b>	<b>(0.42)</b>	<b>6.84</b>	1452.50%	-17.08%	<b>6.04</b>	<b>9.76</b>	-38.14%
Net Profit Margin (%)	9.24	(0.93)	12.13	1092.18%	-23.79%	3.84	6.49	-40.92%
<b>EPS (In Rs)</b>	<b>2.07</b>	<b>(0.16)</b>	<b>2.50</b>	1393.75%	-17.20%	<b>2.19</b>	<b>3.57</b>	-38.66%

# Shareholding



KEY INVESTORS	Holding %
JUPITER INDIA FUND	4.36
GEOSPHERE INDIA FUND	0.34
JUPITER SOUTH ASIA INVESTMENT COMPANY LIMITED - SOUTH ASIA ACCESS FUND	0.89
Total	5.59



# Vision 2022



“

Our Vision for 2022 is to operate 100+ profitable and responsible hotels where guests love to stay, dine and celebrate. We wish to create hotels which have a soul, a reflection of our distinctly warm Indian Hospitality.

In this journey towards 100 hotels, we will also empower the youth of our country. The ones who wish to join hospitality industry, but are limited by financial means. We will provide skill development training to 10,000+ students over the next three years, thereby making them employable, and so they can in turn strengthen the Indian hospitality workforce.”

”

# Thank You

