



ROYAL ORCHID HOTELS LTD.,

Corporate Office :
1, Golf Avenue, Adjoining KGA Golf Course,
HAL Airport Road, Kodihalli, Bangalore - 560 008, India.
T +91 80 406 12345, F : +91 80 406 12346
www.royalorchidhotels.com
CIN : L55101KA1986PLC007392

Date: 08th May, 2017

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: Submission of presentation made in Analyst/Institutional Investor Meetings under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")

Pursuant to Part A of Schedule III and Regulation 30(6) of the LODR, we hereby inform you that the Analyst/Institutional Investors' meeting has been held on 8th May, 2017 in Chennai with the following Analysts/Institutional Investors and the Investor presentation is enclosed herewith.

Sr. No	Type of meeting	Name of Fund/Firm
1.	One to One	Franklin Templeton
2.	One to One	Sundaram MF

This is for the information and records of the Exchanges.

For ROYAL ORCHID HOTELS LIMITED

R. Sanyal

RANABIR SANYAL
COMPANY SECRETARY & COMPLIANCE OFFICER



Encl: a/a

Royal Orchid Hotels Ltd

Investor Presentation



**1 in every 11 people worldwide are
employed by
TOURISM SECTOR**



High Employment Potential Sector

**Rs 10 Lakhs of Investment creates
90 Jobs**



HOSPITALITY & TOURISM
is the largest contributor to GDP in
service sector

Discussion Outline



1

THE TOURISM & HOSPITALITY INDUSTRY

- Size, Opportunity,
- Challenges

2

ROHL BUSINESS CARD

- Background, Management
- Competitive Advantages

3

BUSINESS MODEL

- Asset Light Model,
- Generate FCF, High Growth

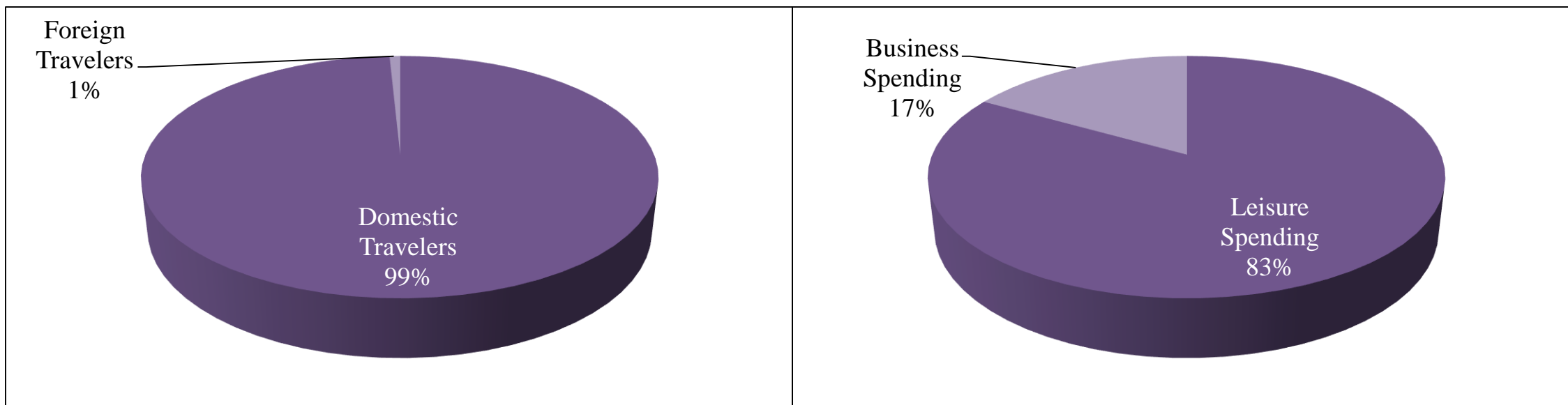
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FINANCIAL NUMBERS

- Q3 FY17 Results
- Performance Highlights
- Balance sheet and P & L statements

Indian Tourism Sector

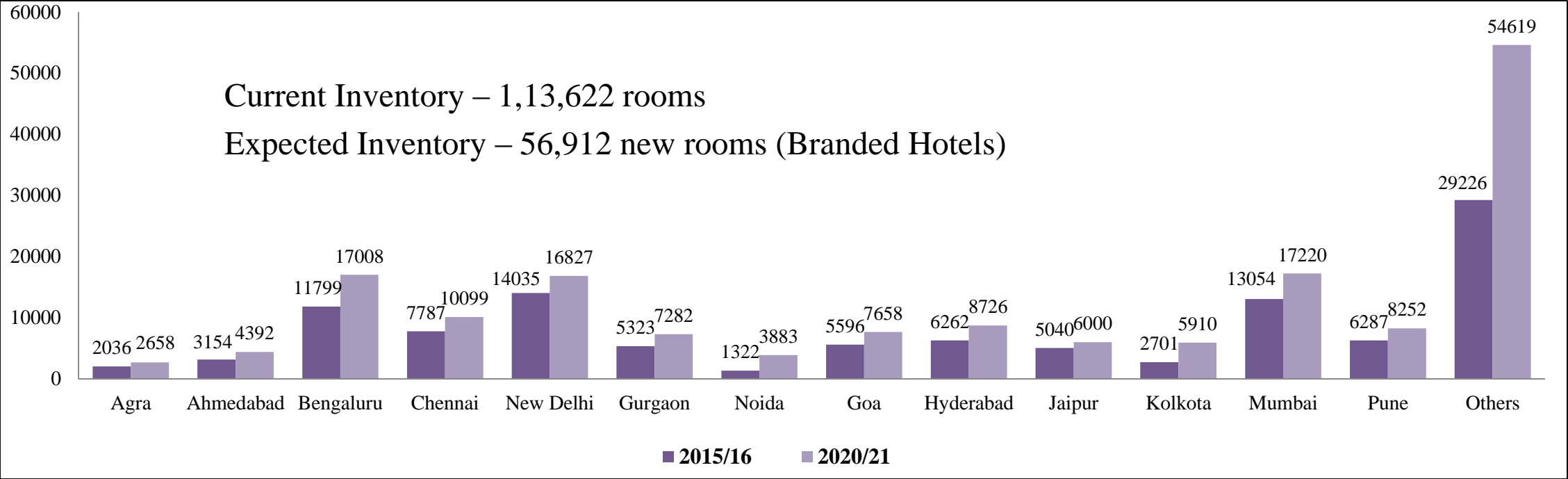
According to the World Travel & Tourism Council's Economic Impact 2016 – India report, the total contribution of Travel and tourism to the GDP was Rs 8,309 billion (6.3% of the GDP) in 2015. This is expected to grow by 7.3% to Rs 8,913.6 billion in 2016 and eventually reach Rs 18,362.2 billion (7.2% of the GDP) by 2026.



Source: Company

Government to facilitate 36 more countries for E-Tourist Visa in India

Huge Opportunity for Branded Hotels

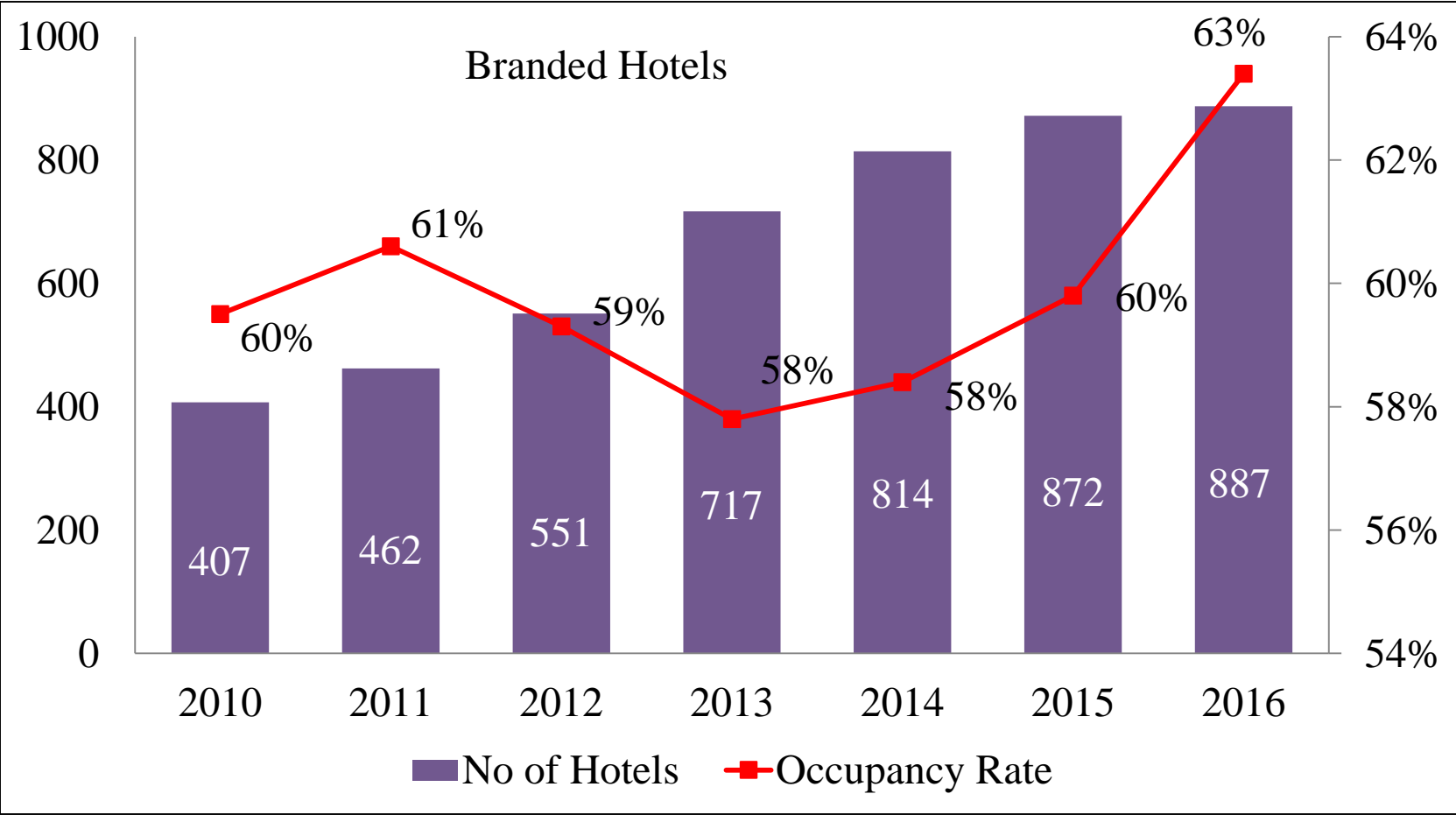


Source: Company

- Government allocation of Rs 159 crs to develop Infrastructure, attracts tourism
- E- Tourist Visa facility for 150 countries
- International Tourist Arrivals (ITA) grew by 4.2% in 2015 with CAGR of 6.2% in last 5 years
- Government cap of Rs 2,500 fare for one hour flights since June 2016

Factors Driving Growth
Government Spending on Infra
E- VISA facility
Raising Middle Class Income
Growth in Business Travelers
Booking convenience by Aggregators
Growth in Low cost Airlines

Supply Exceeded Demand



Supply	↑
Demand	↓
Occupancy	↓
ARR	↓

Supply exceeded demand leading to drop in occupancy and lower room rates

Source: HVS research

Hotel Industry – Scalability Issues

BRAND

- Brand drives Loyal customers membership which is key to profits
- Strong brand spends, need scale to justify. Scale needs a strong brand
- Quality of management at the hotel also a brand differentiator



CAPITAL INTENSIVE

- High Capital intensive business
- A typical 70 rooms hotel requires min cap-ex of Rs 675 mn– Rs 950 mn for refurbishment/interiors
- Op-ex includes establishment, employee and food & beverages, all upfront costs



ARR & OCCUPANCY

- Given the nature of business, it is still price sensitive
- Pricing and Quality of service a key driver for loyal customers
- All the other hotels give similar look and feel and service quality. This is where brand plays an important role
- Strong brand along with competitive room rates leads to higher occupancy

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ROHL – Business Card

- Royal Orchid Hotel Ltd was incorporated in 1986 under the name of Universal Resorts Ltd.
- Promoted by Mr. Chander Baljee, Managing Director
- Engaged in business of Managing Hotels with turnover of Rs 158 crs as on FY16.
- Operates under flagship brands – Royal Orchid, Royal Orchid Central, Royal Orchid Suites, Regenta Hotels & Regenta Inn

As on 21 st Mar 2017	Units
CMP (Rs)	86.80
Market Cap (Rs cr)	236.39
MCap Free Float (Rs cr)	68.55
52 week high (Rs)	97.25
52 week low (Rs)	60.75
Face Value (Rs)	10
Promoter Holding	70.77%

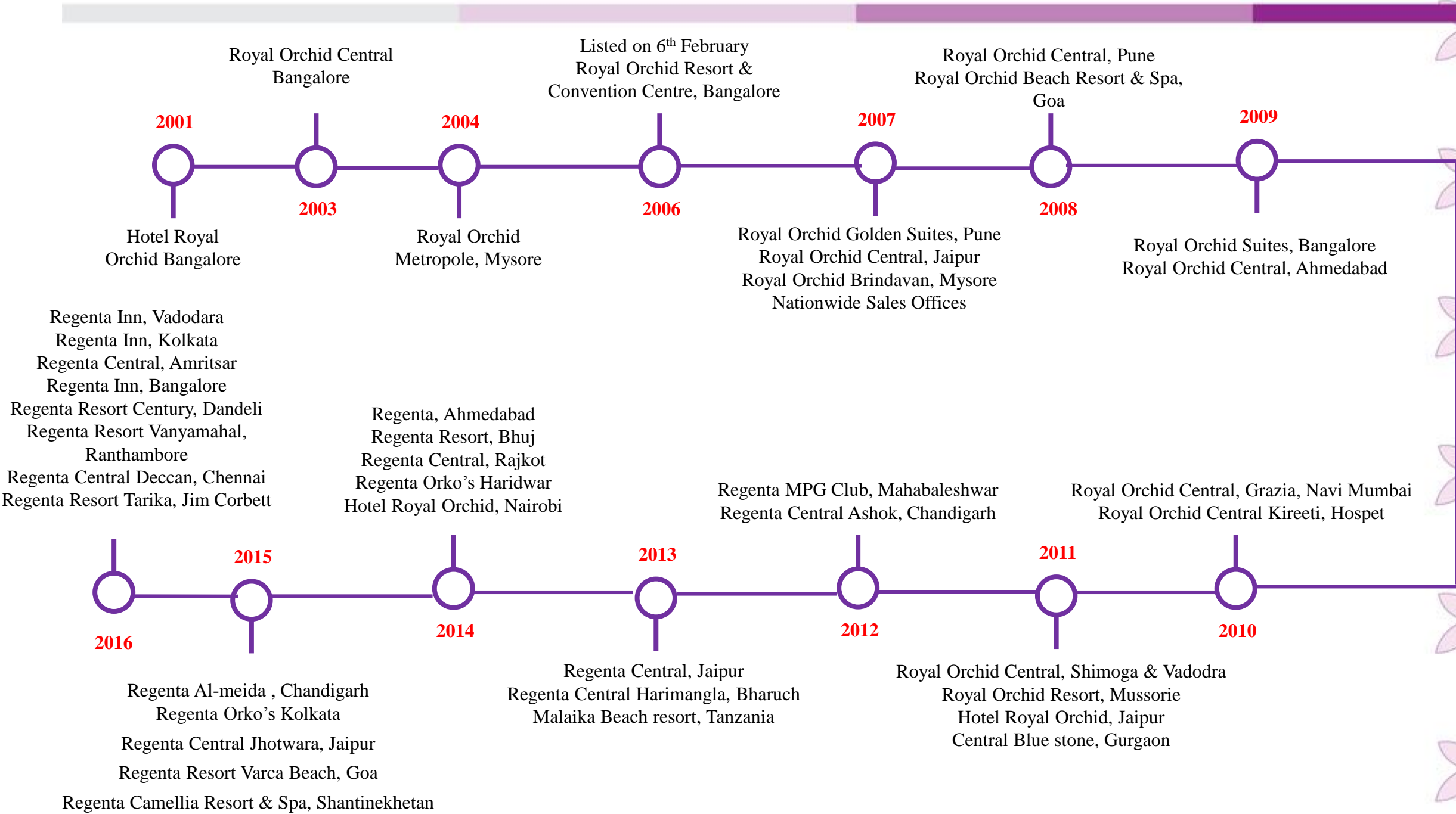
5 Star
Hotel Royal Orchid

4 Star
<ul style="list-style-type: none">• Royal Orchid Central• Regenta Hotels<ul style="list-style-type: none">- Regenta Central- Regenta Resorts

Service Apartment
Royal Orchid Suites

Budget Hotel
Regenta Inn

Journey so far...



Management Team

Mr. Chander Baljee, Managing Director

Royal Orchid Hotels is promoted by **Mr. Chander 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 Bachelor of Commerce Graduate from Calcutta University and an MBA. He has vast experience of 24 years in different industries including Finance, Manufacturing and Hotels.

Mr. Pushpinder Kumar, Sr. Vice President Operations

A graduate from IHM, Mumbai and OCLD (Gold medalist) with 28+ years of experience with Marriott Renaissance, Oberoi hotels & Park Plaza Hotels. Previously recognized as the CEO for Fern Hotels and Resorts.

Mr. Vikas Passi, Vice President Operations

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. Amit Nag, Vice President Sales and Marketing

A graduate in Commerce from Delhi University and holds Degree in Business Management from University of Los Angeles, California, U.S.A. He has three decades of rich experience in Hospitality, Aviation and Travel industry in Business Strategy and Planning, Sales and Marketing, Revenue Management, Brand promotion, Business Operations and Development domain.

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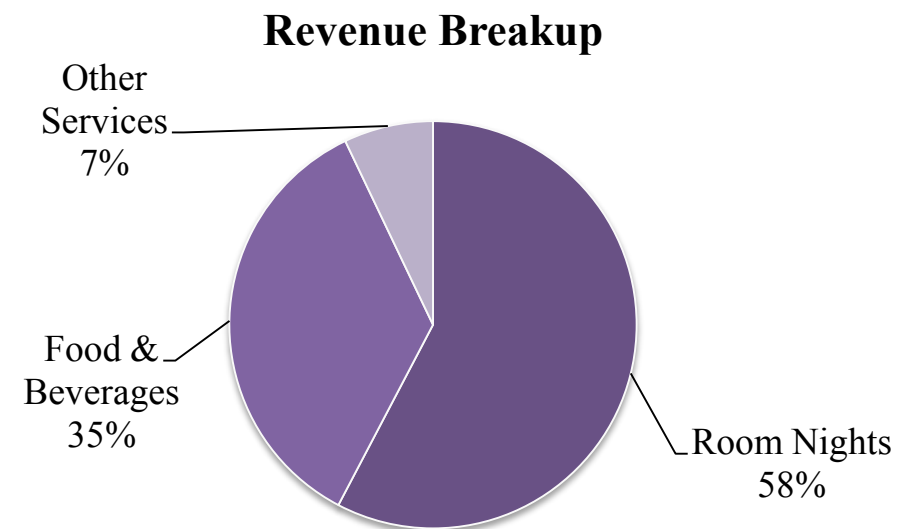
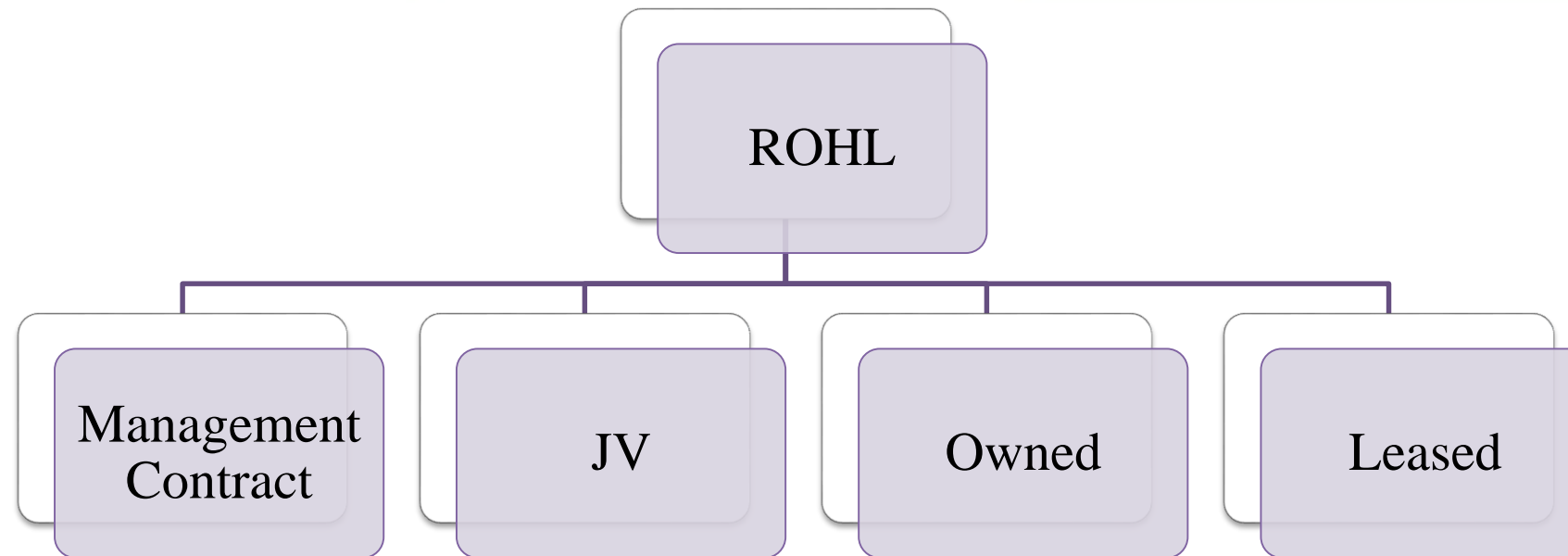
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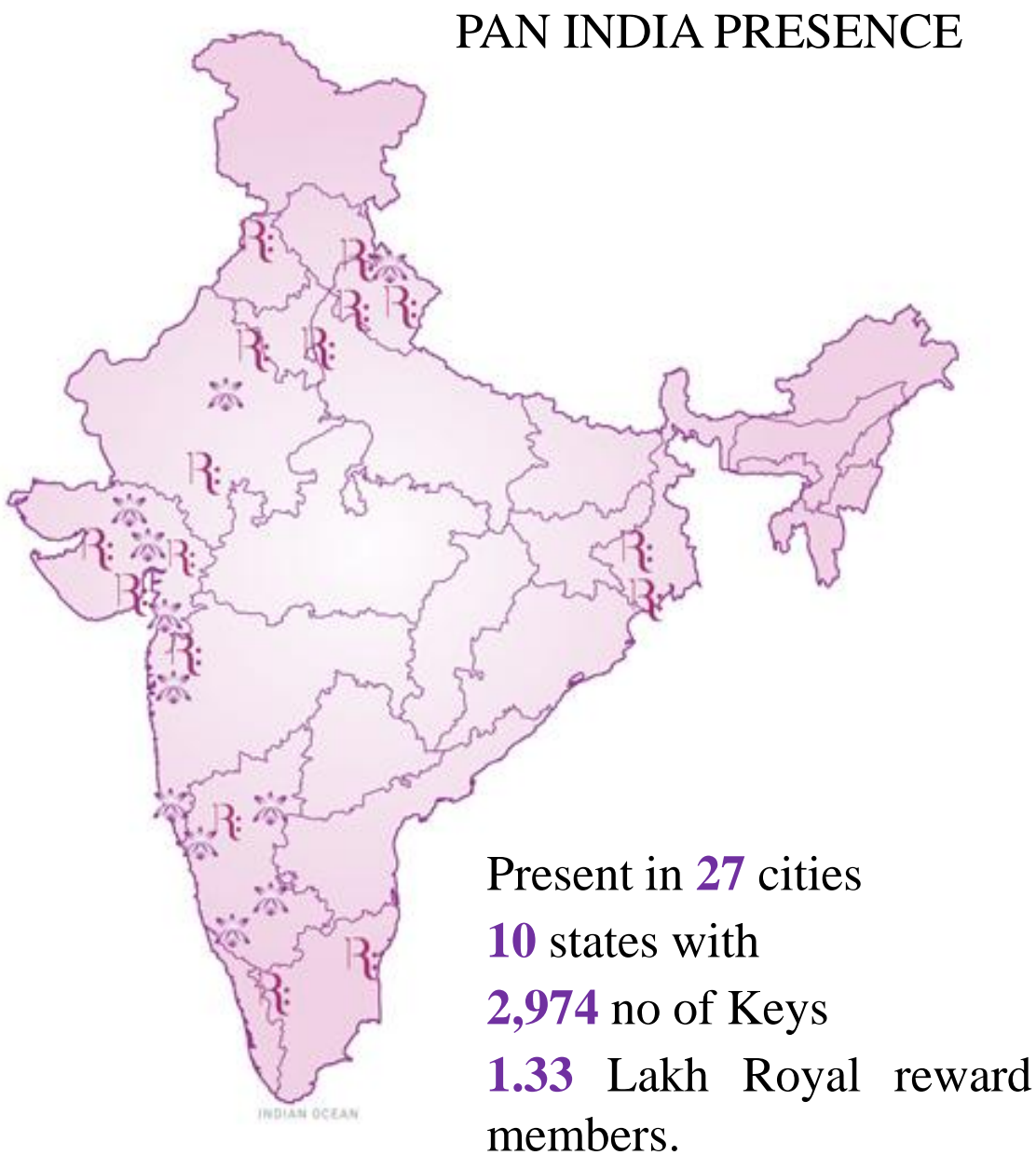
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Revenue Model



Asset Light Model – Generate FCF



Business Model	MC	JV	Owned	Leased	Total
5-Star Royal Orchid	129	139	195	-	463
4-Star Central	1,246	130	-	268	1,644
Resort/ Heritage	527	73	-	54	654
Convention /MICE	-	54	-	-	54
Serviced Apartments	159	-	-	-	159
Total Keys	2,061	396	195	322	2,974

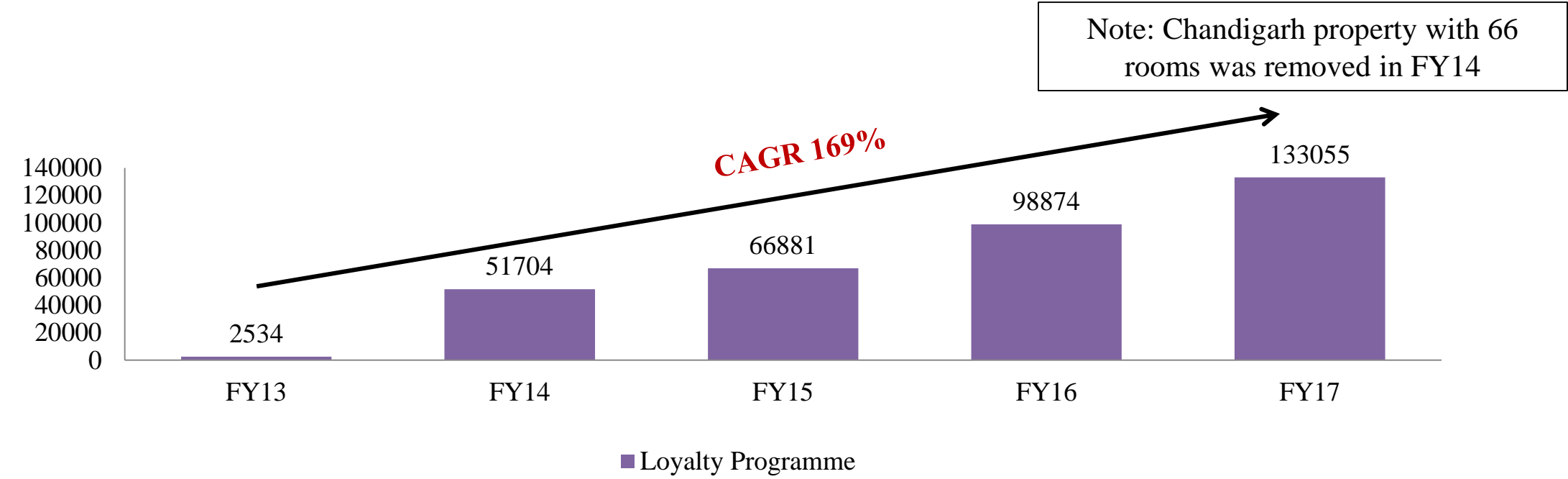
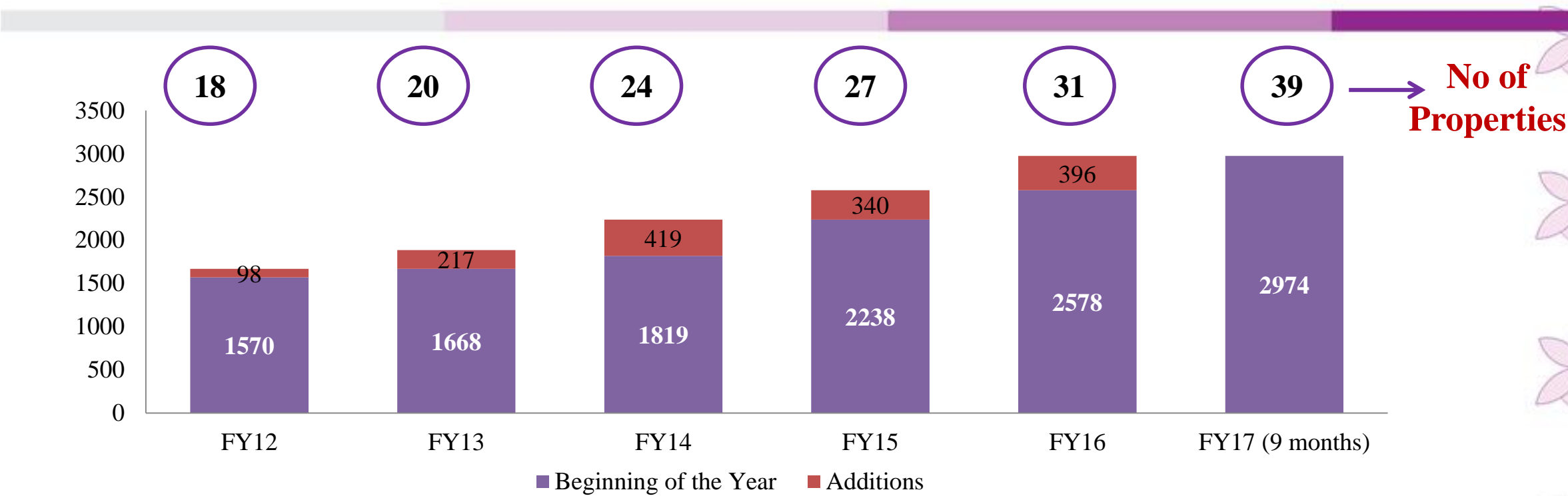
ROYAL ORCHID BUSINESS MODEL VALIDATION

- Most of the other hotels are present in Metro cities.
- ROHL has demonstrated the scalability of keys by establishing its presence in Tier I & Tier II cities.
- ROHL will continue to bring Luxury rooms at lower rates across country.

Details of Properties

Category	Owned		JV		Leased		Managed Properties		Total Keys
	Location	Keys	Location	Keys	Location	Keys	Location	Keys	
5-Star Hotel Royal Orchid	Bangalore	195	Jaipur (50%)	139			Ahmedabad	129	463
4-Star Royal Orchid Central			Bangalore (51%)	130	Jaipur	70	Vashi	67	1,644
					Pune	115	Shimoga	108	
					Bangalore	83	Vadodara	81	
							Gurgaon	50	
							Chandigarh	75	
							Jaipur	57	
							Bharuch	104	
							Rajkot	60	
							Haridwar	56	
							Nairobi	165	
							Kolkata	69	
							Amritsar	38	
							Chennai	93	
							Bangalore	40	
							Kolkata	45	
							Vadodara	94	
							Jaipur	44	
Resort/ Heritage			Goa (50%)	73	Mysore	30	Mahabaleshwar	32	654
					B.Garden	24	Dandeli	17	
							Mussoorie	58	
							Jim Corbett	45	
							Varca Beach, Goa	48	
							Ranthambore	70	
							Shantiniketan	58	
							Hospet	134	
Convention MICE Hotel			Bangalore (65%)	54			Bhuj	65	54
Serviced Apartment							Pune	71	159
							Bangalore	88	
Total Keys	1	195	4	396	5	322	29	2,061	2,974

Growth – Rooms & Members



High Growth – Focusing on Management Contracts

Adding No of Keys	FY16	9 Months FY17
Management Contracts	1,738	2,061
JV	396	396
Owned (Domestic)	195	195
Owned (Overseas)	-	-
Leased	457	322
Total KEYS	2,786	2,974
Average Occupancy rate	65%	68%
Average Room Rate (Rs)	3200	3259

- **No up front Capex required for Management Contracts model**
- **Maintenance Capex required – Rs 1 to 1.5 crore**
- **Break even of Operating profit in just 1 year**

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Standalone Results – Q3 FY17

Particulars (Rs in crs)	Q3 FY17	Q2 FY17	Q-o-Q %	Q3 FY16	Y-o-Y %
Income from Operations	22.13	19.19	15%	23.98	-8%
Other Income	2.92	2.65	10%	0.94	211%
Total Income	25.05	21.84	15%	24.92	1%
Cost of Material Consumed	2.89	2.44	18%	3.49	-17%
Employee Benefits Expense	4.29	4.28	0%	5.49	-22%
Rent Expense	2.21	2.13	4%	2.83	-22%
Power & Fuel	1.94	1.95	-1%	2.25	-14%
Other Expenses	6.8	5.83	17%	6.42	6%
Total Expense	18.13	16.63	9%	20.48	-11%
EBITDA	6.92	5.21	33%	4.44	56%
<i>EBITDA Margin (%)</i>	<i>28%</i>	<i>24%</i>	<i>15%</i>	<i>18%</i>	<i>55%</i>
Depreciation	1.14	0.97	18%	0.95	20%
EBIT	5.78	4.24	36%	3.49	66%
Finance Cost	1.55	1.5	3%	1.49	4%
PBT	4.23	2.74	54%	2.00	112%
Tax	-	-	0%	-	0%
Net Profit/(Loss)	4.23	2.74	54%	2.00	112%
<i>NPM (%)</i>	<i>17%</i>	<i>13%</i>	<i>30%</i>	<i>8%</i>	<i>110%</i>

P & L Statement - Standalone

Particulars (Rs in crs)	FY16	FY15	FY14
Income from Operations	87.85	84.63	83.65
Other Income	6.93	10.65	8.73
Total Income	94.78	95.28	92.38
Cost of Material Consumed	12.04	11.53	10.74
Employee Benefits Expense	18.35	19.67	17.78
Rent Expense	10.31	10.01	9.55
Power & Fuel	9.59	9.22	9.00
Other Expenses	26.90	25.15	27.33
Total Expense	77.19	75.58	74.40
EBITDA	17.59	19.70	17.98
<i>EBITDA Margin (%)</i>	<i>19%</i>	<i>21%</i>	<i>19%</i>
Depreciation	4.00	4.40	4.12
EBIT	13.59	15.30	13.86
Finance Cost	6.11	6.32	7.34
PBT	7.48	8.98	6.52
Tax	-	-	(4.41)
Net Profit/Loss before discontinuing operations	7.48	8.98	10.93
Loss on Discontinuing Operation	-	-	24.57
Loss on Sale of Property	-	-	13.29
Net Profit/Loss	7.48	8.98	(26.93)
<i>NPM (%)</i>	<i>8%</i>	<i>9%</i>	<i>-</i>

Balance Sheet - Standalone

Particulars (Rs in crs)	FY16	FY15	FY14
Sources of Funds			
Share Capital	27.23	27.23	27.23
Reserves & Surplus	167.14	159.65	152.38
Total Networth	194.37	186.88	179.61
Secured Loan	37.19	37.80	45.94
Total Debt	37.19	37.80	45.94
Current Liabilities	36.63	34.54	38.26
Total Sources of Funds	268.19	259.22	263.81
Application of Funds			
Fixed Assets			
Tangible Assets	33.77	32.90	37.38
CWIP	1.69	1.81	0.23
Loans & Advances	48.55	44.33	72.66
Non Current Investments	162.92	154.70	104.81
Total Current Assets	21.26	25.48	48.73
Total Application of Funds	268.19	259.22	263.81



**ADDED 8 NEW HOTELS
IN 9 MONTHS OF FY17**

Regenta Inn Vadodara

The hotel is located inside the Grand VED Transcube Bus Terminal and close to the airport. The campus consists of PVR Multiplex, shopping centres, a flea market, kids Zone and a thematic Food court



ROYAL ORCHID
HOTELS





Regenta Inn Kolkata

Regenta Inn is located 10 minutes away from both the International & Domestic airport offering premium accommodations, all-day dining and MICE meeting spaces beside the hotel.



ROYAL ORCHID
HOTELS

Regenta Inn Bangalore

Regenta Inn is the latest brand to be part of the following offering budget friendly accommodations, all day dining options and shuttle services to the airport for complete convenience and traffic free commute.



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Regenta Resort Century, Dandeli

Regenta Resort Dandeli is a haven amidst the jungles in the outbacks of Karnataka. The resort is equipped with adventure thrill activities, open lawns for outdoor events with a capacity of upto 100 guests and an indoor hall with a capacity of 70 guests.

The restaurant is open all day for all meals along with in-room dining offerings.



ROYAL ORCHID
HOTELS



Regenta Central Amritsar

Regenta Central is a 5 Star property in the holy city of Amritsar. It is strategically located and is just 5 minutes drive from the Golden Temple.

Restaurants: Limelight & Mixx

Banquet Space : 10,000 sq. - combined space



ROYAL ORCHID
HOTELS





Regenta Resort Vanyamahar, Ranthambore

Regenta Resort, is an ideal destination for special occasion like Weddings, Conferences & Events and it's architecture complements the beauty of the event. The resort has abundant lawns to accommodate 3000 guests. The resort also offers continental, mughlai and Rajasthani cuisine.



ROYAL ORCHID
HOTELS



Regenta Resort, Tarika Jim Corbett

The resort offers a panoramic overview of the sanctuary with wild life tours and guided packages for groups and couples.

An haven placed within the jungles along with 5 star facilities, dining options like Pinxx, coffee shop, Mixx bar and a Twilight Sky lounge bar.

Banquet: Lawns capacity is for 1000 guests along with indoor halls for upto 75 guests



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Regenta Central Deccan, Chennai

Hotel is a unique, excellently appointed hotel situated in perhaps the most central part of the sprawling city of Chennai. The hotel offers an excellent vantage point for holiday, business or professional stay.

Restaurants (Veg Only)

Olive restaurant – all day coffee shop.

Downtown bar

L9Mylai : Specialty south Indian restaurant.

Banquet Halls – 4 halls with a capacity from 50 -150 guests



ROYAL ORCHID
HOTELS



Thank You



For further information, please contact:

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