



ROYAL ORCHID HOTELS LTD.,

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HAL Airport Road, Kodihalli, Bangalore - 560 008, India.

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CIN : L55101KA1986PLC007392

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Date: November 11, 2019

**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

In continuation to our intimation letter dated November 8, 2019 please find enclosed herewith the presentation for conference call to be held today i.e. Monday 11, 2019 at 4.30 p.m. to discuss Q2/FY20 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

Q2 FY20

Results Presentation



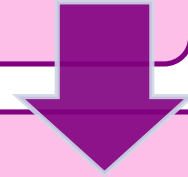
Disclaimer



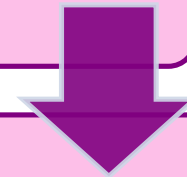
Statements made in this Presentation describing the Company's objectives, projections, estimates, predictions and expectations may be 'forward-looking statements', within the meaning of applicable securities laws and regulations. As 'forward-looking statements' are based on certain assumptions and expectations 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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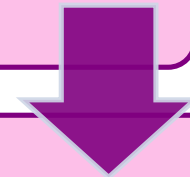
Industry Overview



Company Overview



Business Overview



Financial Overview



Industry Overview



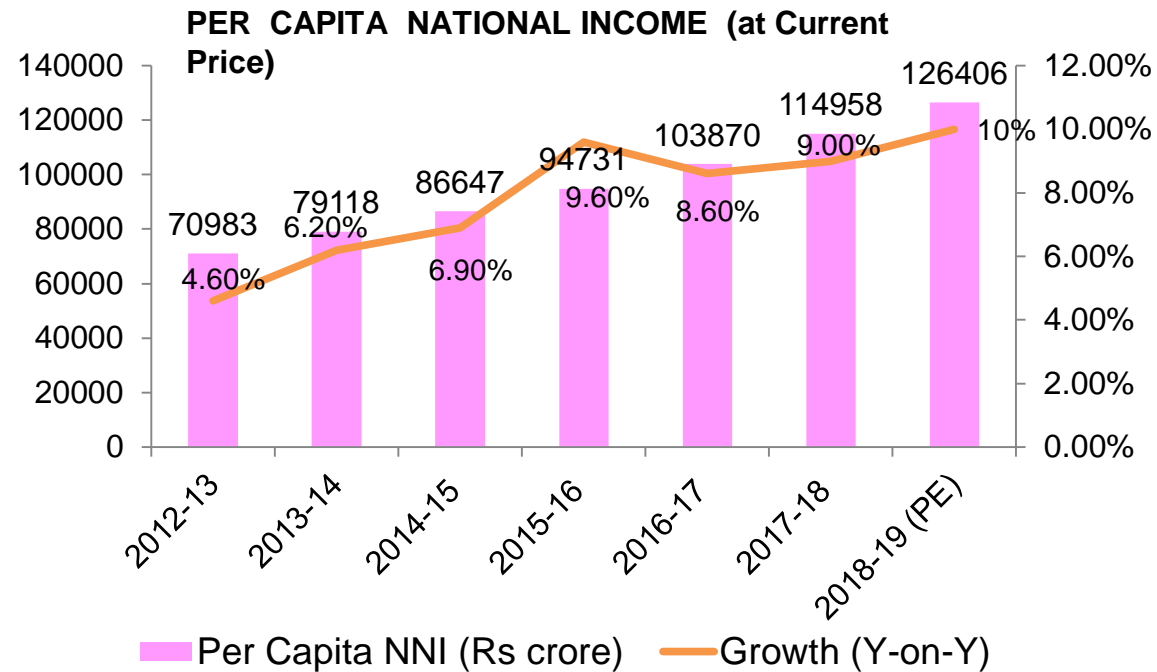
Industry Outlook

Growth Drivers

Key Challenges

Industry Outlook - Current Trend

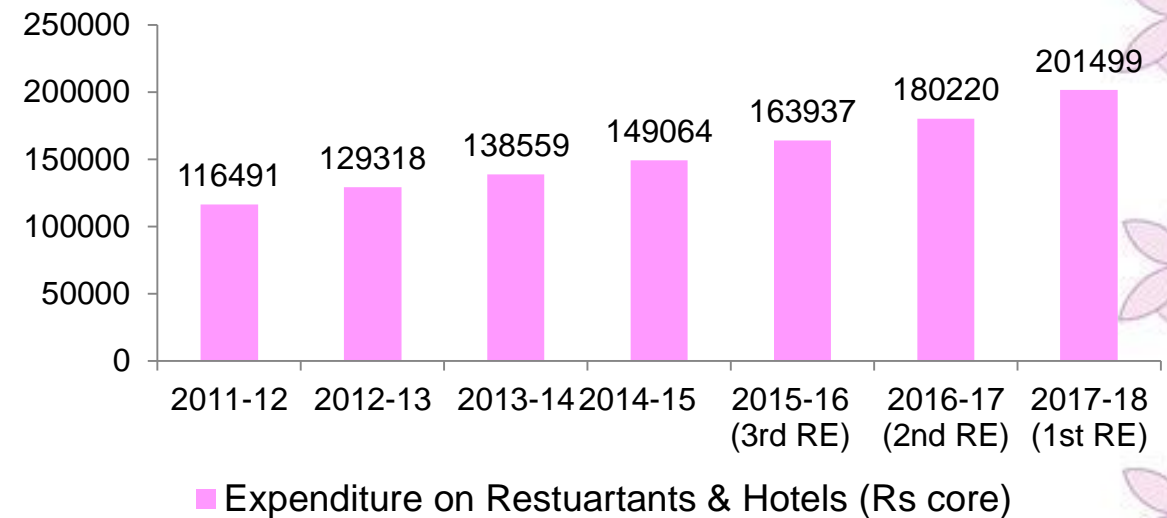
1. Disposable income on the rise



Source: Central Statistics Office

Press Release dated as on 31st May, 2019 (FY18 and FY 19)

PRIVATE CONSUMPTION ON RESTAURANT & HOTELS (at Current Price)



Source: Central Statistics Office

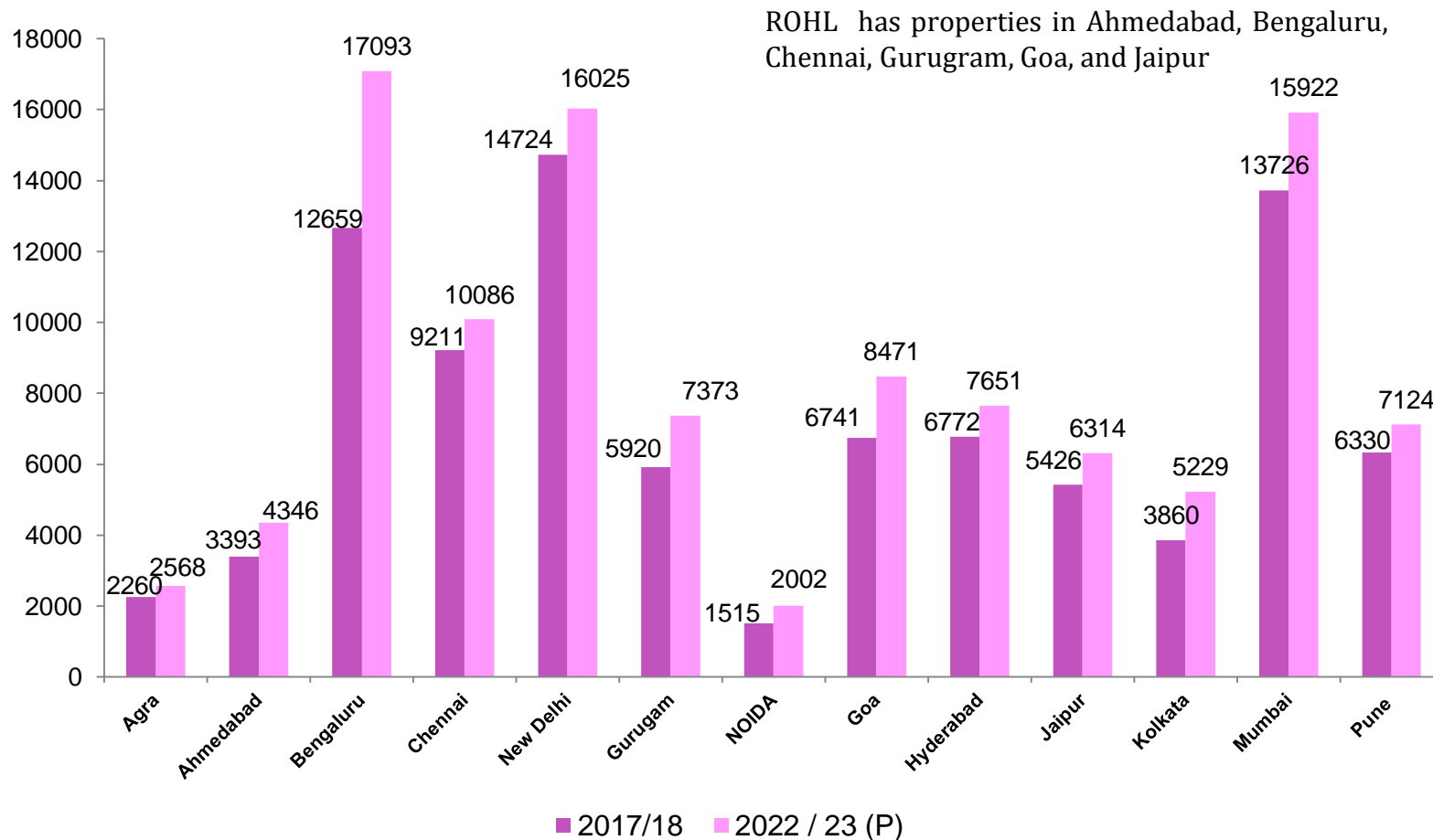
Press Release dated as on 31st May, 2019 (FY17, FY18 and FY 19)

India's Per Capita National Income has increased at a CAGR of 10.1% over the last 6 years from 2012-13 to 2018-19

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

Top 10 Busiest Airports in India by Passenger Traffic (2017/18 -2018/19)

(Rs in Lakh)	2017/18	2018/19	% Change
Delhi (DIAL)	656.9	692.33	5.39%
Mumbai (MIAL)	485.0	488.15	0.65%
Bengaluru (BIAL)	269.10	333.08	23.78%
Chennai	203.60	225.44	10.73%
Kolkata	198.90	218.77	9.99%
Hyderabad (GHIAL)	181.60	214.04	17.86
Cochin (CIAL)	101.70	101.20	-0.49%
Ahmedabad	91.70	111.72	21.83%
Goa	76.10	84.67	11.26%
Pune	81.60	90.71	11.16%

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

• International tourist arrivals in India expected to reach 30.5 million by 2028. Medical tourism to touch \$9 billion by 2020 (Source: IBEF)

Robust Demand

• Diverse portfolio of with focus on niche tourism products – cruises, adventure medical, wellness, sports, MICE, eco-tourism, films, rural & religious tourism

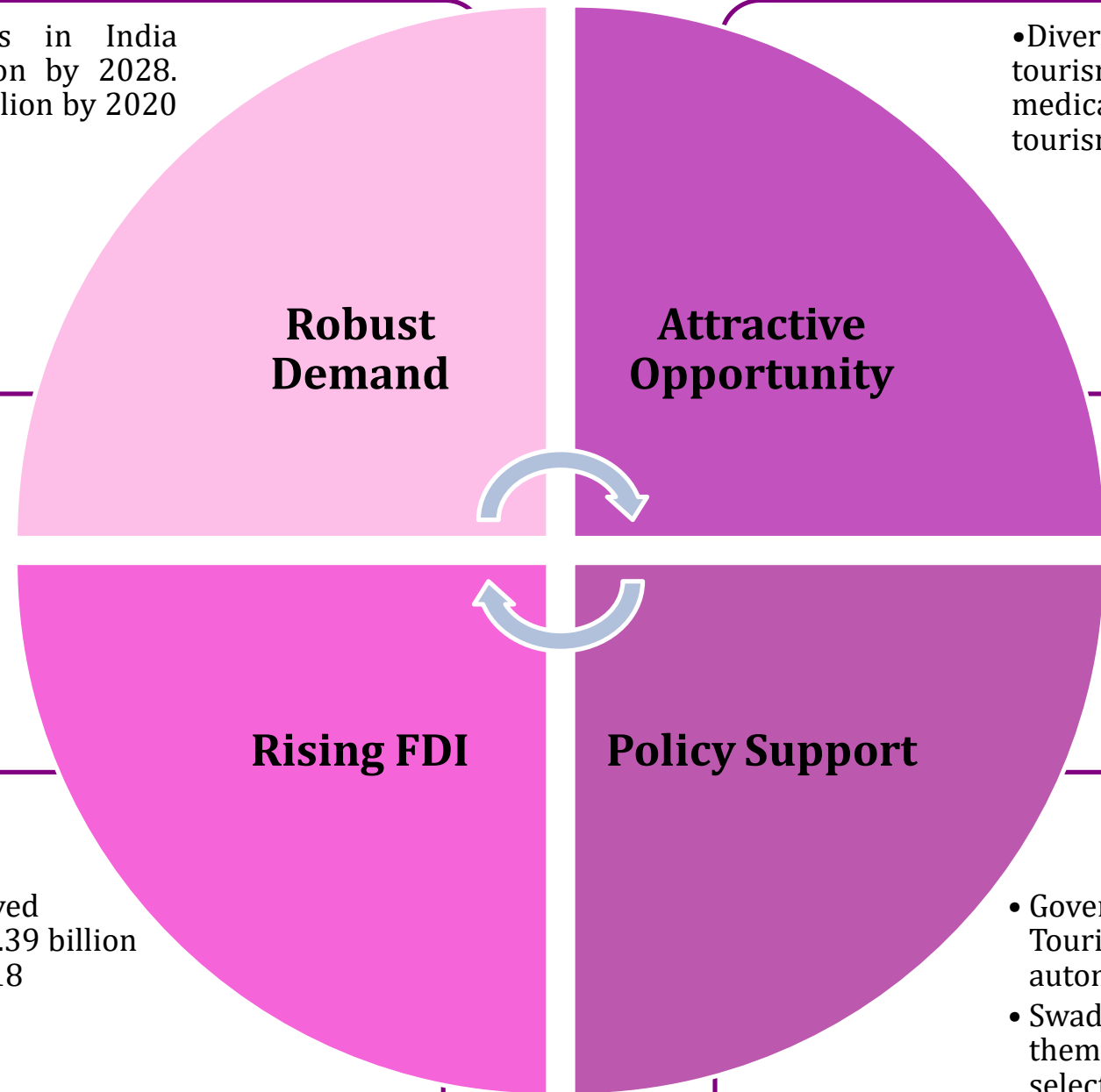
Attractive Opportunity

• Hotel & Tourism sector has received cumulative FDI inflows of US\$ 11.39 billion between April 2000 and June 2018 (Source: IBEF)

Rising FDI

• Government has allocated 100% FDI in Tourism & Hospitality sector under automated route.
• Swadesh Darshan scheme has 13 thematic circuits across the country selected for development of tourism infrastructure

Policy Support



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 under Royal Orchid & Regenta Brand as of October 2019 is 55.

Present in **35** locations
11 states with **3,783** no
of keys and **2.49+** lakh
Royal Reward members

Our Brands

5 Star

Hotel Royal Orchid

4 Star

- Royal Orchid Central
- Regenta Central

Service
Apartment

Royal Orchid Suites

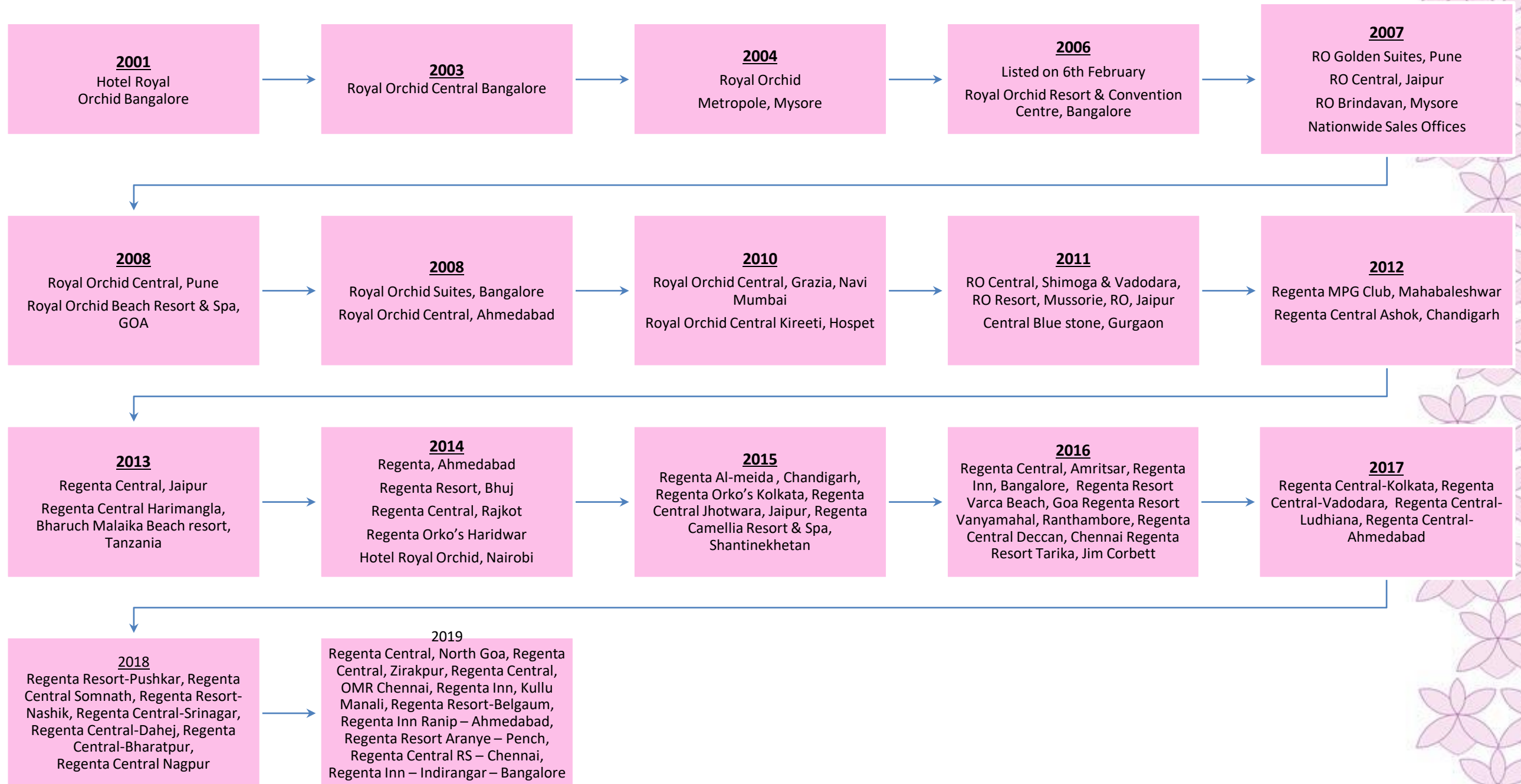
Resorts/
Heritage

- 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. Ranjan Gupta, Vice President Operations (South)

A Hotel Management graduate from IHM, Mumbai, having 30+ years of vast experience in hotel operations and development.



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

AMRITSAR

Regenta Central

BHARATPUR

Regenta Resort

CHANDIGARH

Regenta Central
Regenta Central Cassia

DEHRADUN

Regenta Central

HARIDWAR

Regenta Central

JIM CORBETT

Regenta Resort

JAIPUR

Hotel Royal Orchid
Royal Orchid Central
Regenta Central, Jal Mahal
Regenta Central, Jhotwara

KANPUR

Regenta Central

LUDHIANA

Regenta Central

MANALI

Regenta Inn

MUSSOORIE

Royal Orchid Fort Resort

PUSHKAR

Regenta Resort

RISHIKESH

Regenta Inn

RANTHAMBORE

Regenta Resort

SRINAGAR

Regenta Central

S
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BANGALORE

Hotel Royal Orchid
Royal Orchid Central
Royal Orchid Suites
Regenta Place
Royal Orchid Resort
Regenta Inn
Regenta Inn, Indiranagar

BELAGAVI

Regenta Resort

CHENNAI

Regenta Central
Regenta Centra RS, OMR

HOSPET

Royal Orchid Central

MYSORE

Royal Orchid Brindavan Garden
Royal Orchid Metropole
Regenta Central

SHIMOGA

Royal Orchid Central

KOLKATA

Regenta Central
Regenta Inn

GUJARAT

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

NASHIK

Regenta Resort

NAGPUR

Regenta Central

Pench

Regenta Place

GOA

Royal Orchid Beach Resort & Spa
Regenta Resort Varca Beach
Regenta Central, North Goa

INDORE

Regenta Central

MAHABALESHWAR

Regenta MPG Club

NAVI MUMBAI

Royal Orchid Central

PUNE

Royal Orchid Central
Royal Orchid Golden Suites

*Opening Shortly
Ahmedabad, Bhimtal, Goa, Haldwani
Mahabaleshwar, Ranchi, Morbi & Noida

Business Overview

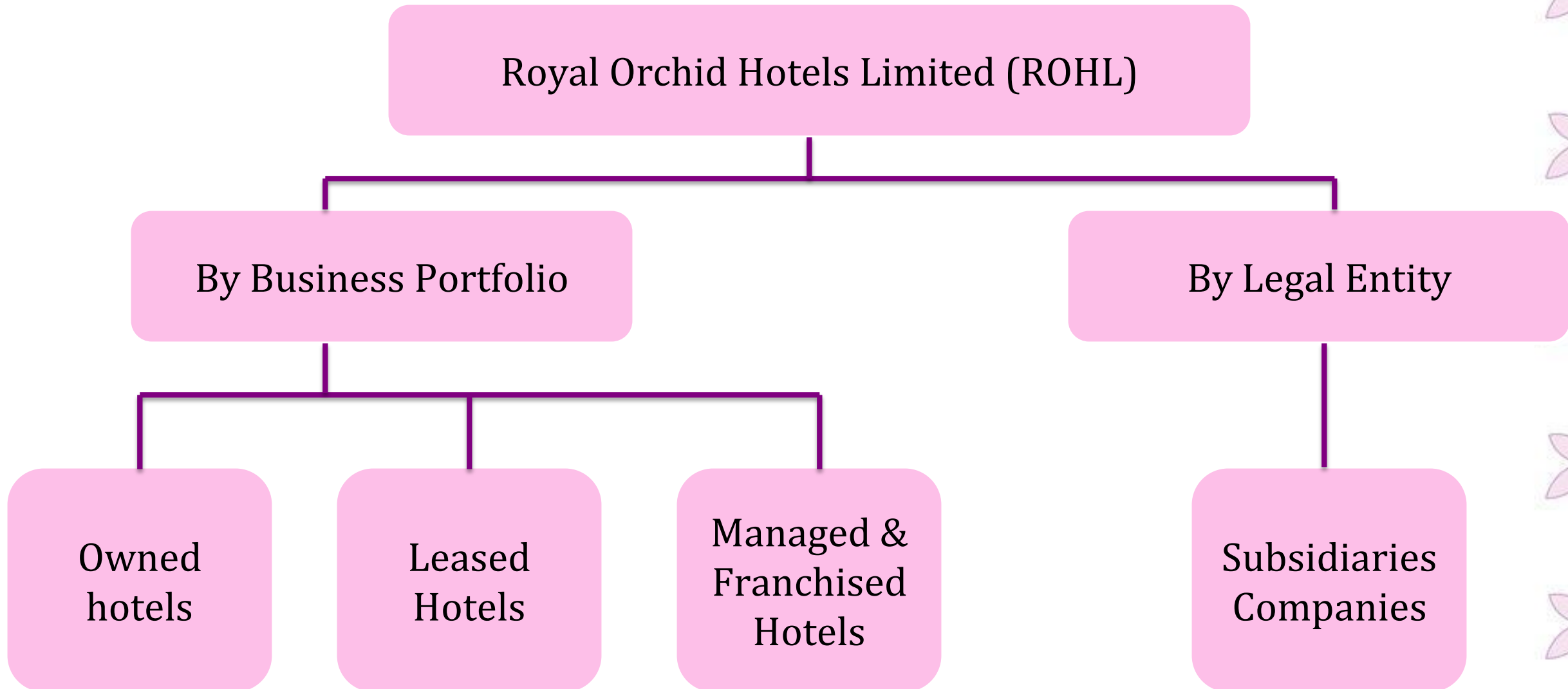
**Our Business
Structure**

**Our Business
Model**

Our Offerings

**Competitive
Advantage**

Our Business Structure



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

Revenue Model

Category	FY 2019	H1FY20	(%)
Owned	195	195	0%
Leased	433	433	0%
JV	396	396	0%
Managed / Franchise	2,361	2758	17%
Total Keys	3,385	3783	12%

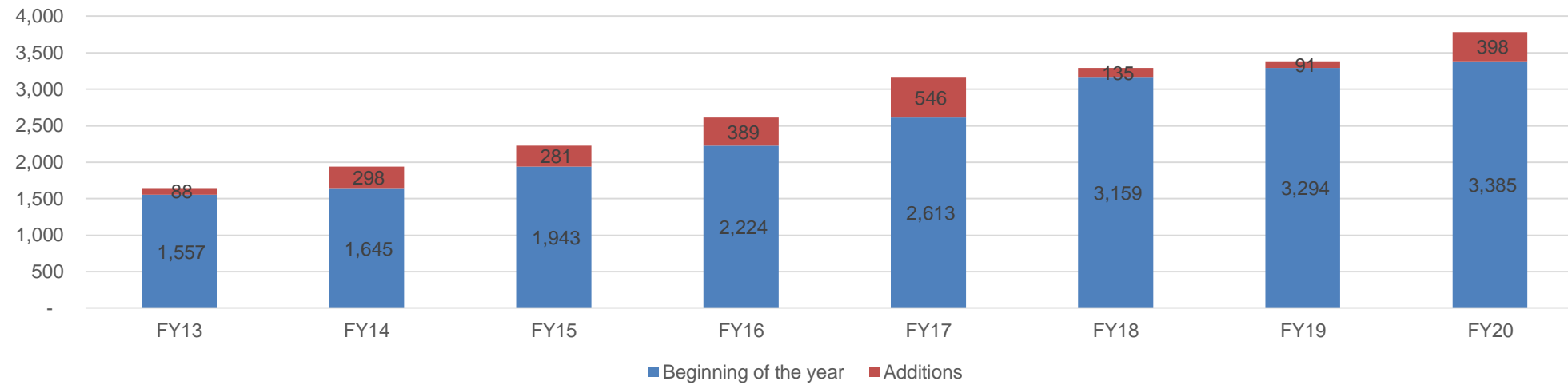
Asset
Portfolio

Category	Owned	Leased	JV	Managed	Total
5 Star	195	-	212	-	407
4 Star	-	198	130	1,954	2,282
Service Apartment	-	-	-	159	159
Resort/Heritage/MICE	-	235	54	646	935
Total Keys	195	433	396	2,759	3,783

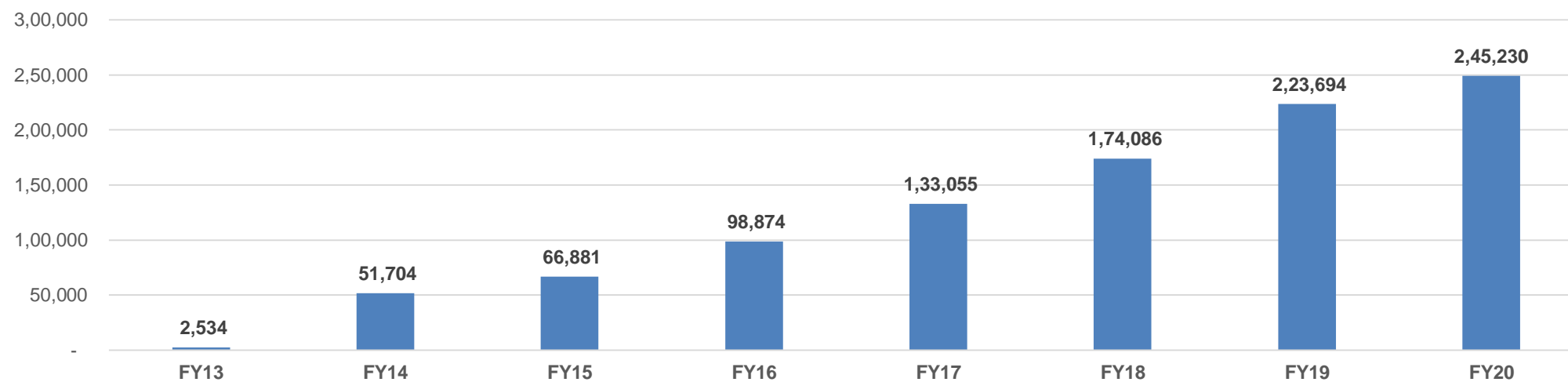
Growth in rooms and loyalty members



Steady growth in rooms



Loyalty members

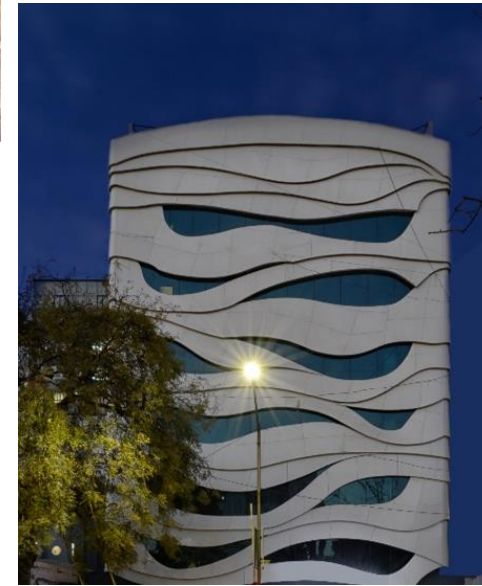


Property breakup with rooms

No of Keys	FY19	FY20*
Management / Franchisee Contracts	2,317	2,759
JV	396	396
Owned (Domestic)	195	195
Owned (Overseas)	-	-
Leased	386	433
Total KEYS	3,294	3,783
Average Occupancy (JLO)	75%	69%
Average Room Rate (JLO) (Rs)	3,854	3,945
Average Occupancy rate (Managed)	62%	58%
Average Room Rate (Managed) (Rs)	2,705	2,811

*Expected

Business Destinations



Current Locations

- Bangalore
- Mysore
- Jaipur
- Shimoga
- Pune
- Bharuch
- Ahmedabad
- Rajkot
- Chennai
- Chandigarh
- Kolkata
- Kanpur
- Ludhiana
- Vadodara
- Vapi



Leisure Destinations



Current Locations

- Goa
- Mysore
- Ranthambore
- Jim Corbett
- Mussoorie
- Bangalore
- Jaipur
- Bhuj
- Pushkar
- Hampi
- Mahabaleshwar
- Belagavi

Wedding Destinations



Current Locations

- Bangalore
- Mysore
- Goa
- Mussoorie
- Jaipur
- Dehradun
- Amritsar
- Ranthambore
- Bhuj
- Mahabaleshwar
- Ludhiana
- Nagpur

Religious Destinations

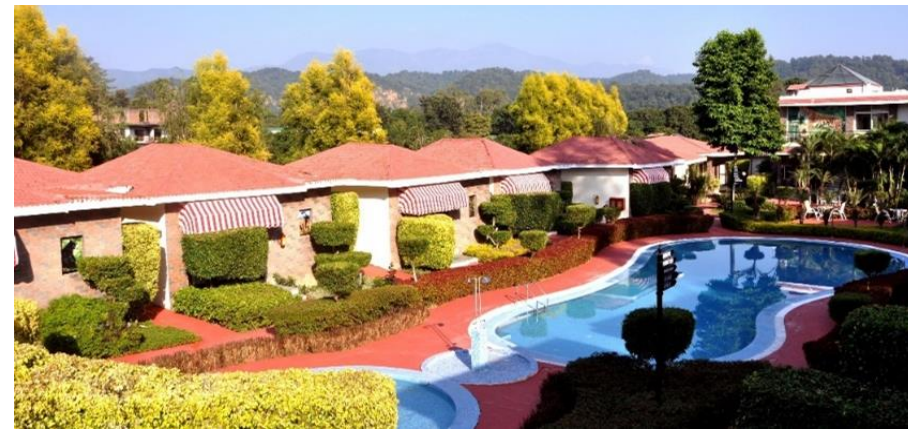


Current Locations

- Amritsar
- Ajmer
- Haridwar
- Rishikesh*

*Opening Soon


Wildlife Destinations



Current Locations

- Ranthambore
- Jim Corbett
- Haridwar
- Pench National Park

Competitive Advantage



Balanced portfolio having presence in
over 35 locations and 11 states

Strong sales presence across major source
markets in India

Affordable luxury having plethora of options for
modern travellers

Financial Overview



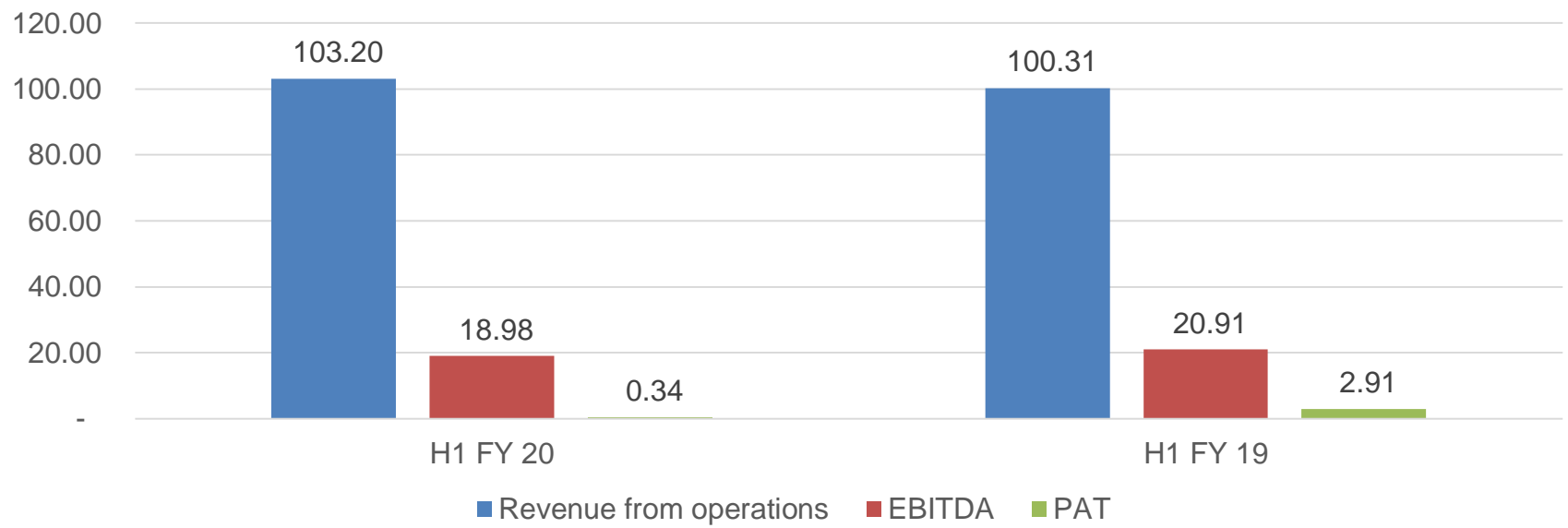
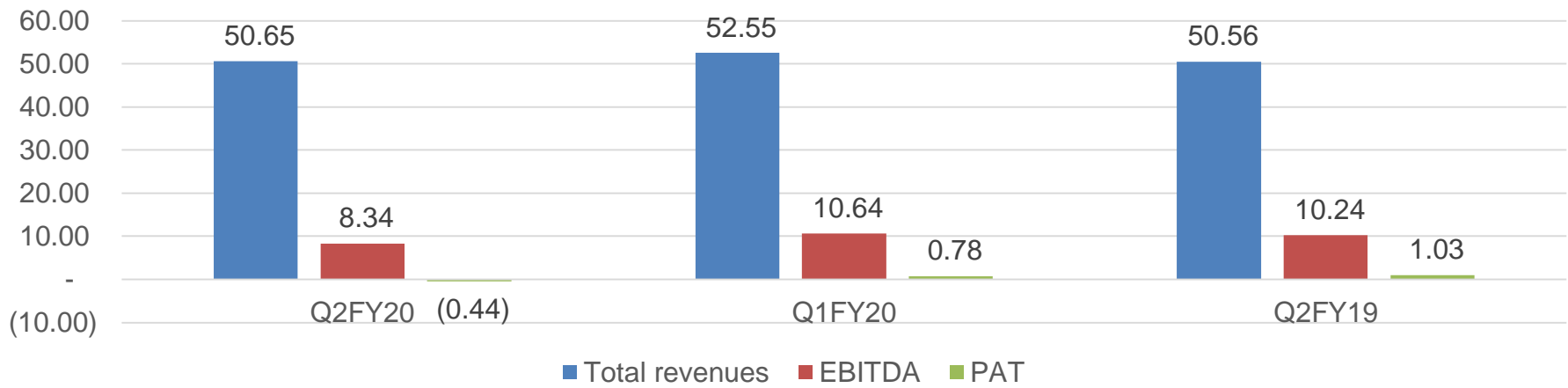
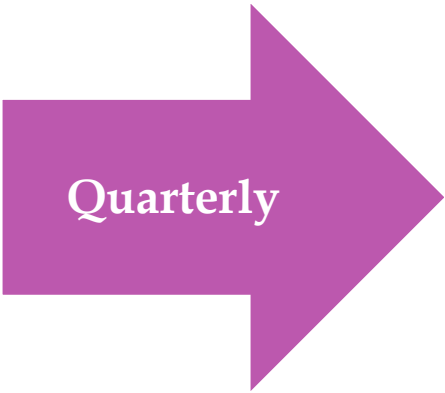
**Quarterly & Full Year
Highlights and
Financial results**

Margins

**Consolidated
Income Statement
& Balance Sheet
snapshot**

Shareholding

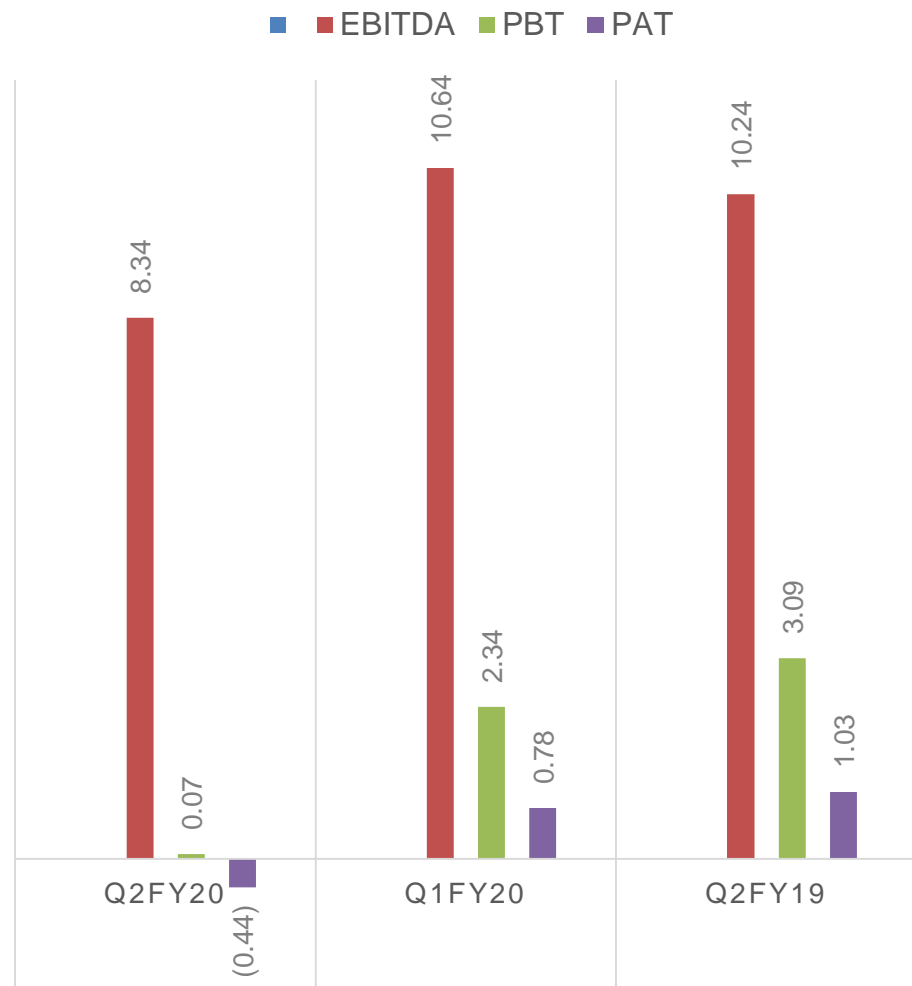
Consolidated Quarter and Full Year highlights



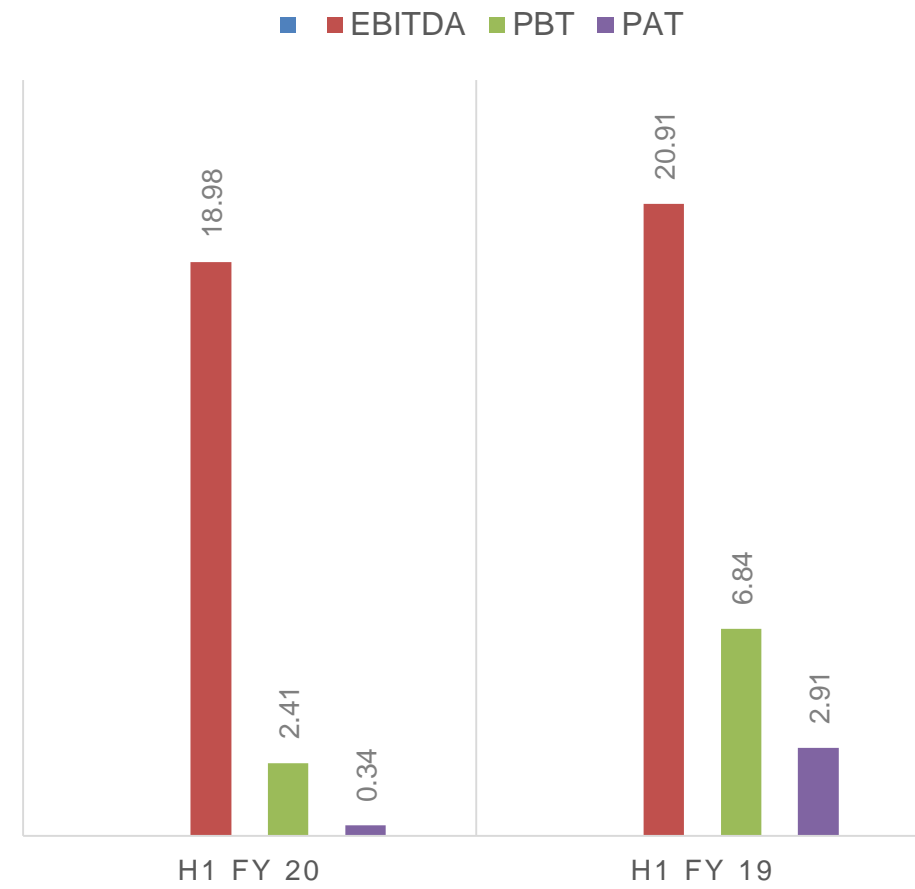
Rs. In crore

Margins

Quarterly Margins



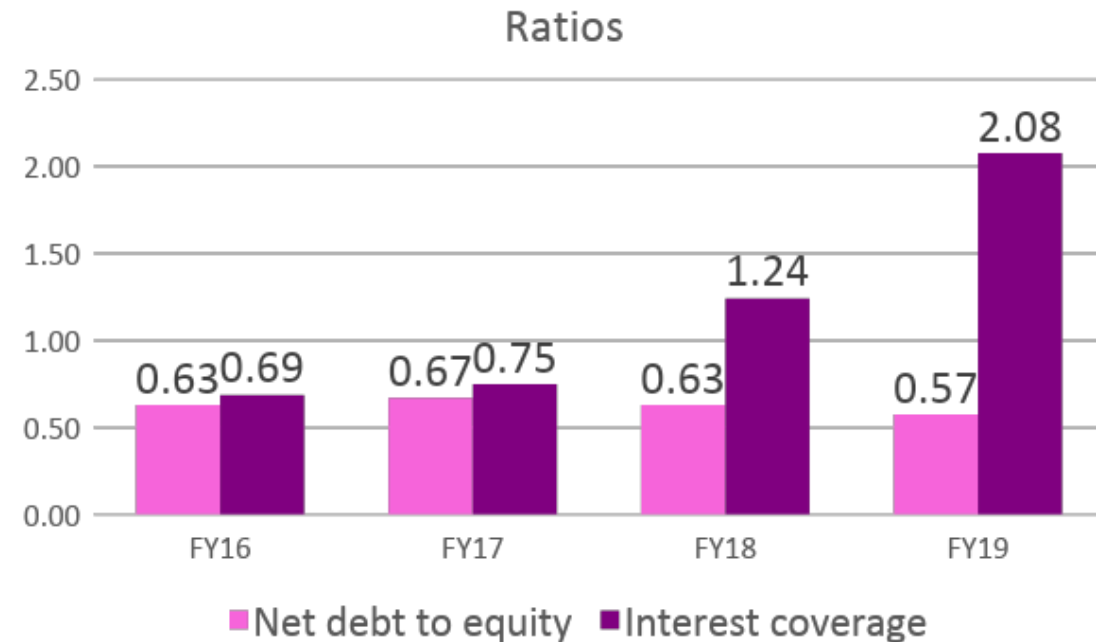
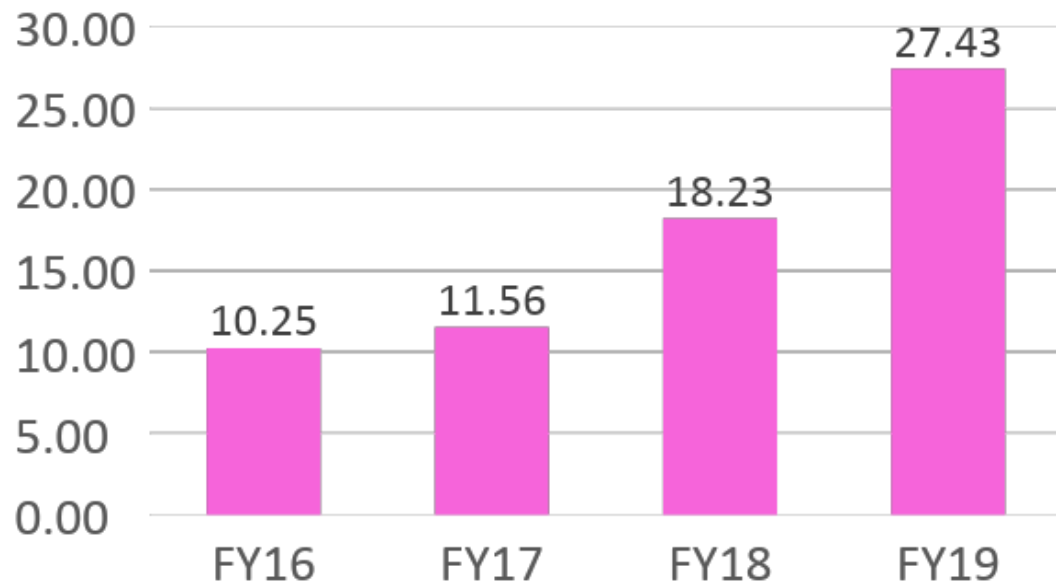
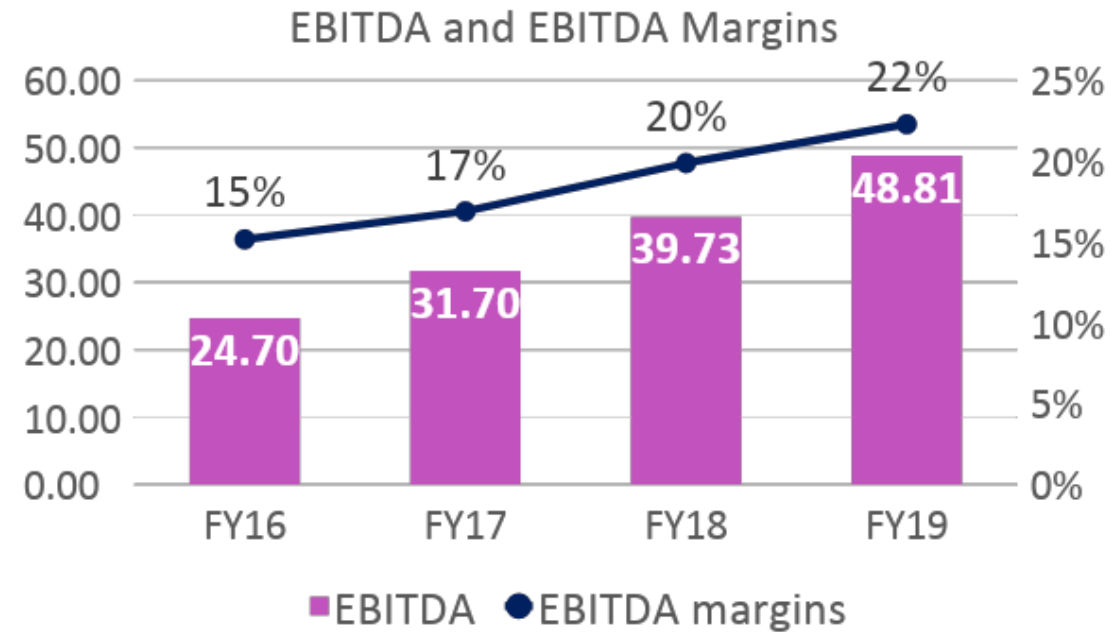
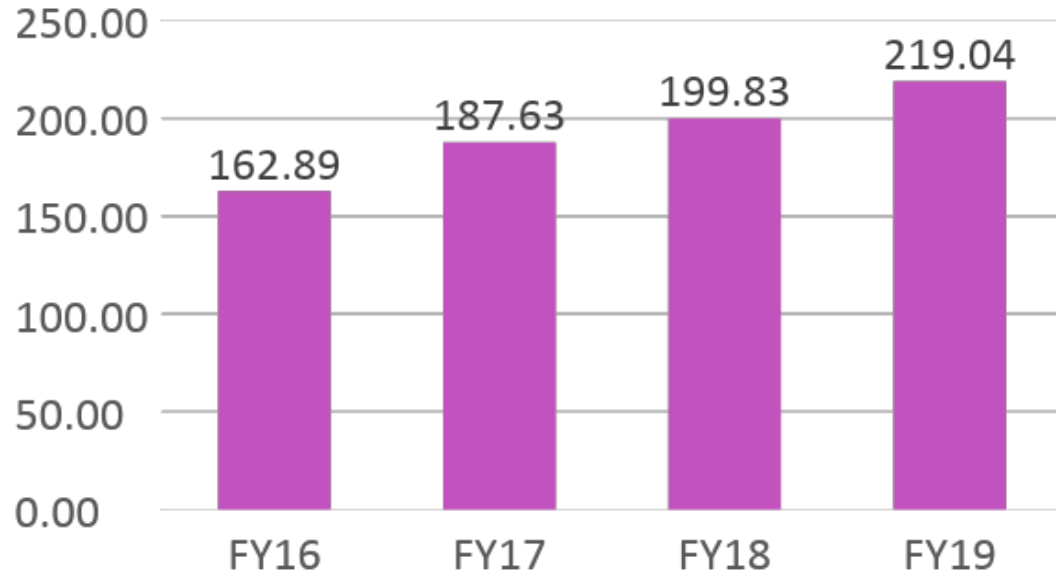
Half Year Margins



Standalone Q2 FY20 Financial results

Particulars (Rs in Crs)	Q2FY20	Q1FY20	Q2FY19	Q-o-Q	Y-o-Y
Income from Operations	26.36	27.43	26.96	-4%	-2%
Other Income	1.94	2.15	1.83	-10%	6%
Total Income	28.30	29.58	28.79	-4%	-2%
Cost of Material Consumed	2.95	3.31	2.67	-11%	10%
Employee Benefits Expense	6.57	6.67	5.54	-1%	19%
Power and fuel Expense	2.99	3.84	2.95	-22%	1%
Rent Expense	2.20	2.35	3.10	-6%	-29%
Other Expenses	7.24	7.34	7.80	-1%	-7%
Total Expense	21.95	23.51	22.06	-7%	0%
EBITDA	6.35	6.07	6.73	5%	-6%
<i>EBITDA Margin (%)</i>	22%	21%	23%	9%	-4%
Depreciation	1.80	1.78	1.04	1%	73%
EBIT	4.55	4.29	5.69	6%	-20%
Finance Cost	1.73	1.94	1.15	-11%	50%
PBT	2.82	2.35	4.54	20%	-38%
Tax expense	0.61	0.48	1.51	27%	-60%
Exceptional Items	-	-	-	0%	0%
PAT	2.21	1.87	3.03	18%	-27%
Other Comprehensive Income/(Loss)	-0.02	-0.02	-	0%	0%
Total Comprehensive Income	2.19	1.85	3.03	18%	-28%
Net Profit Margin (%)	8%	6%	11%	24%	-26%
EPS (In Rs)	0.80	0.68	1.11	17%	-28%

Sustainable Growth – Yearly Consolidated numbers



Rs. In crore

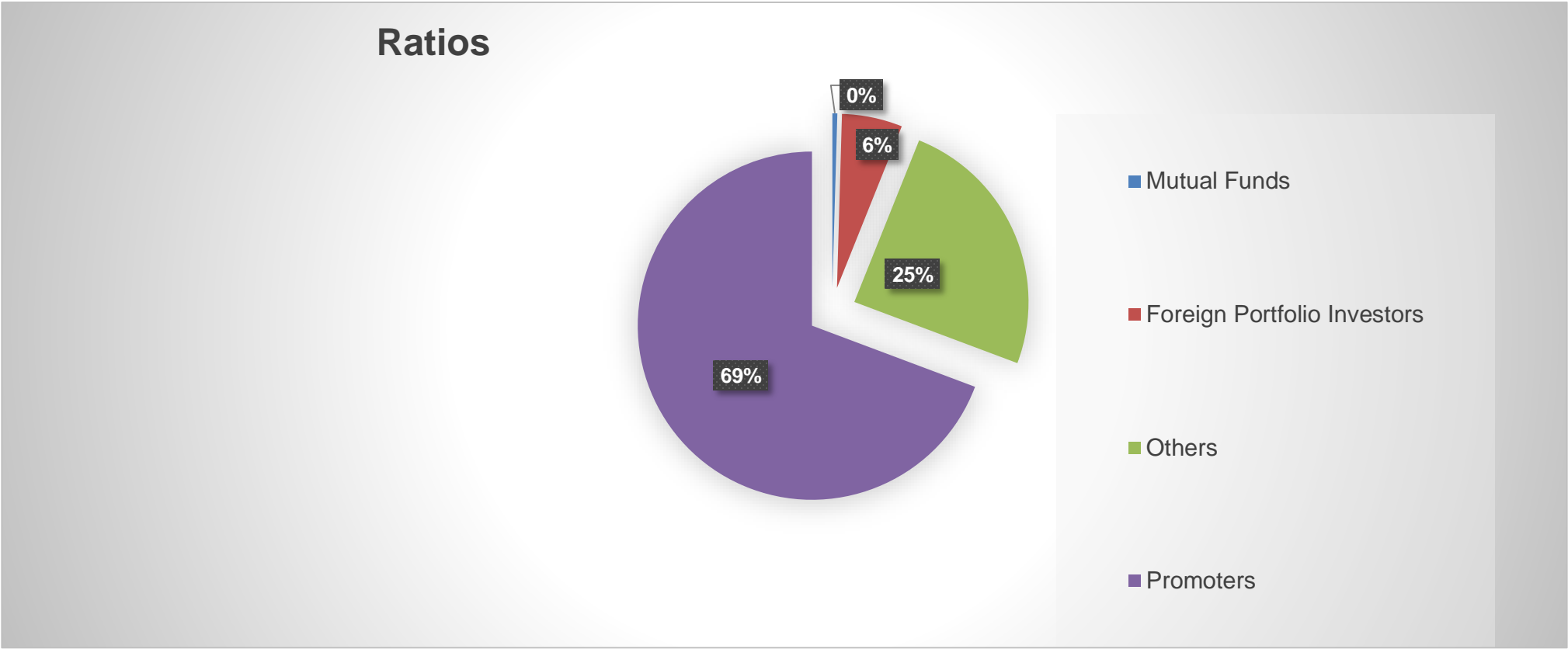
Consolidated FY20 Q2 Statement - Snapshot

Particulars (Rs in Crs)	Q2FY20	Q1FY20	Q2FY19	Q-o-Q	Y-o-Y
Income from Operations	46.93	48.52	47.17	-3%	-1%
Other Income	3.72	4.03	3.39	-8%	10%
Total Income	50.65	52.55	50.56	-4%	0%
Cost of Material Consumed	5.57	5.56	5.12	0%	9%
Employee Benefits Expense	13.82	13.66	12.13	1%	14%
Power and fuel Expense	4.79	5.74	4.74	-17%	1%
Rent Expense	2.46	2.64	3.57	-7%	-31%
Other Expenses	15.67	14.31	14.76	10%	6%
Total Expense	42.31	41.91	40.32	1%	5%
EBITDA	8.34	10.64	10.24	-22%	-19%
<i>EBITDA Margin (%)</i>	16%	20%	20%	-19%	-19%
Depreciation	4.47	4.32	3.81	3%	17%
EBIT	3.87	6.32	6.43	-39%	-40%
Finance Cost	3.80	3.98	3.34	-5%	14%
PBT	0.07	2.34	3.09	-97%	-98%
Tax expense	0.51	1.56	2.06	-67%	-75%
Exceptional Items	-	-	-	0%	0%
PAT	-0.44	0.78	1.03	-156%	-143%
Other Comprehensive Income/(Loss)	0.02	-0.00	-	0%	0%
Total Comprehensive Income	-0.42	0.78	1.03	-154%	-141%
Net Profit Margin (%)	-1%	1%	2%	-156%	-141%
EPS (In Rs)	-0.16	0.29	0.38	-155%	-141%

Consolidated FY20 Q2 Assets & Liabilities - Snapshot

Particulars (Rs in Crs)	FY 2020	FY 2019
Assets		
Property, plant and equipment	267.83	246.35
Capital work-in-progress	21.13	20.93
Goodwill	17.74	17.75
Other non-current assets	47.99	45.77
Total Non-current assets	354.69	330.79
Current Assets	81.92	72.72
Total assets	436.60	403.51
Equity and liabilities		
(a) Equity share capital	27.43	27.41
(b) Other equity	138.64	150.07
Total Networth	166.07	177.48
Non-Controlling Interests	40.87	44.17
Secured Loan and other non current liabilities	126.40	94.48
Total Non-current liabilities	126.40	94.48
Current Liabilities	103.26	87.39
Total equity and liabilities	436.60	403.51

Shareholding



Key Investors

Jupiter India fund

Holding(%)

4.36%

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

