



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 : L55101KA1966PLC007392  
Email : investors@royalorchidshotels.com

Date: August 09, 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,

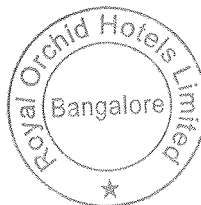
**Subject: Investors Presentation**

In continuation to our intimation letter dated August 08, 2019 please find enclosed herewith the presentation for conference call to be held today i.e. Friday, August 09, 2019 at 5:00 p.m. to discuss Q1/FY20 results.

This is for the information and records of the Exchanges.

For ROYAL ORCHID HOTELS LIMITED

*R. Sanyal*



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

Encl: a/a

# Royal Orchid Hotels Ltd

## Q1 FY20

### Results Presentation



# Disclaimer

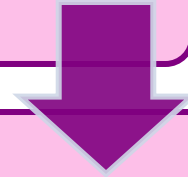


Statements made in this Presentation describing the Company's objectives, projections, estimates, predictions and expectations may be 'forward-looking statements', within the meaning of applicable securities laws and regulations. As 'forward-looking statements' are based on certain assumptions and expectations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

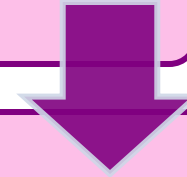
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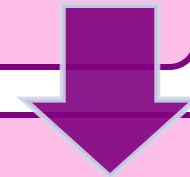
**Industry Overview**



**Company Overview**



**Business Overview**



**Financial Overview**



# Industry Overview



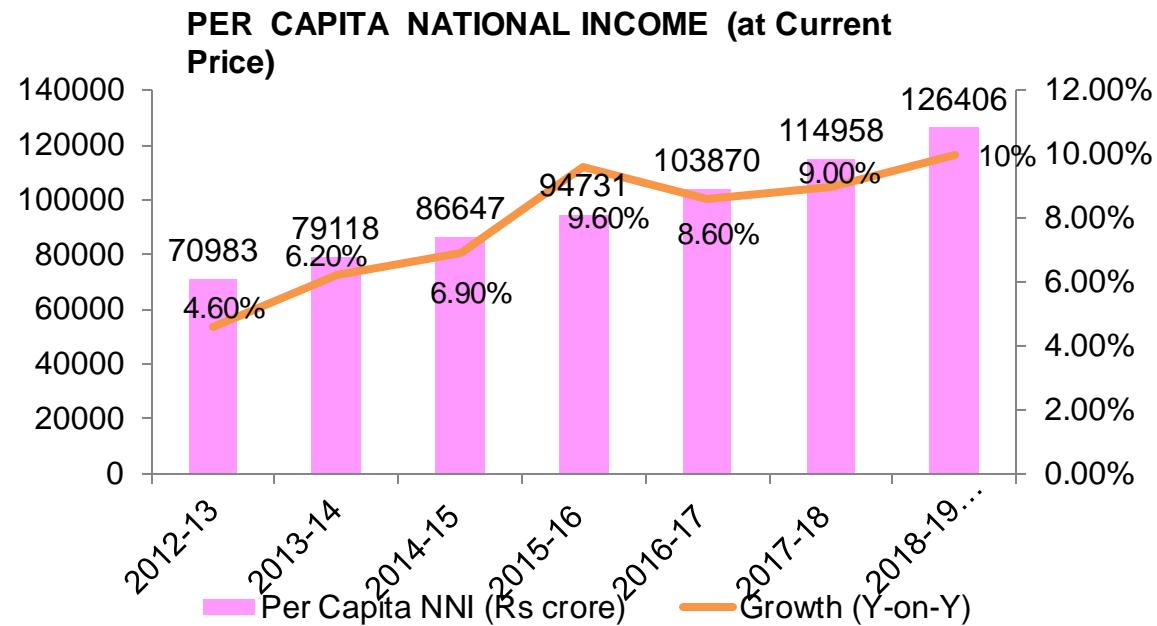
**Industry Outlook**

**Growth Drivers**

**Key Challenges**

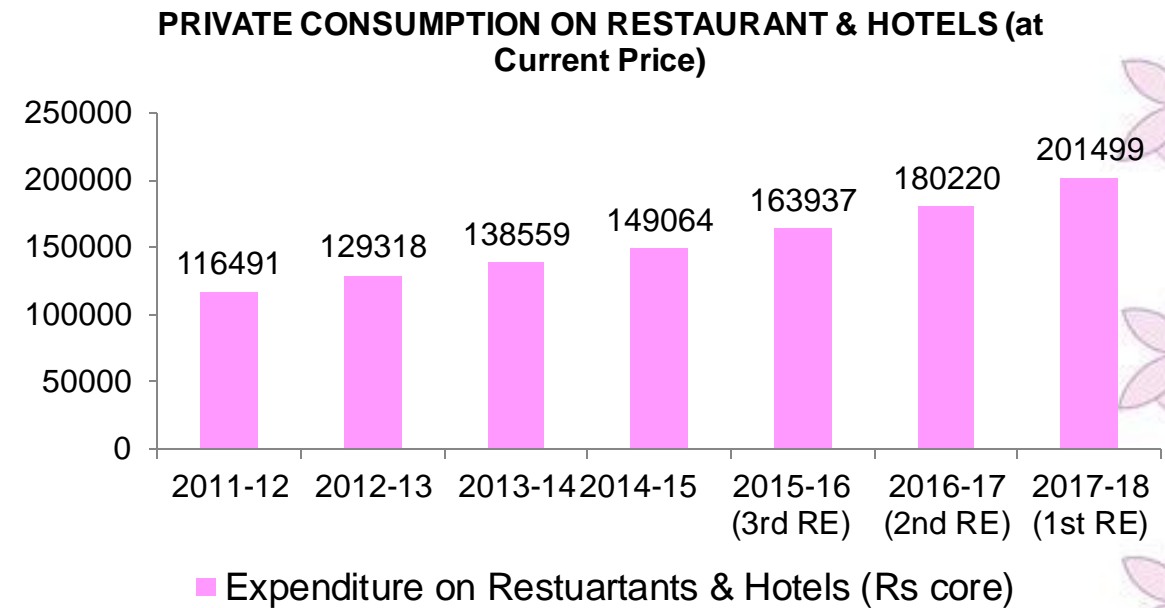
# Industry Outlook - Current Trend

## 1. Disposable income on the rise



Source: Central Statistics Office

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



Source: Central Statistics Office

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

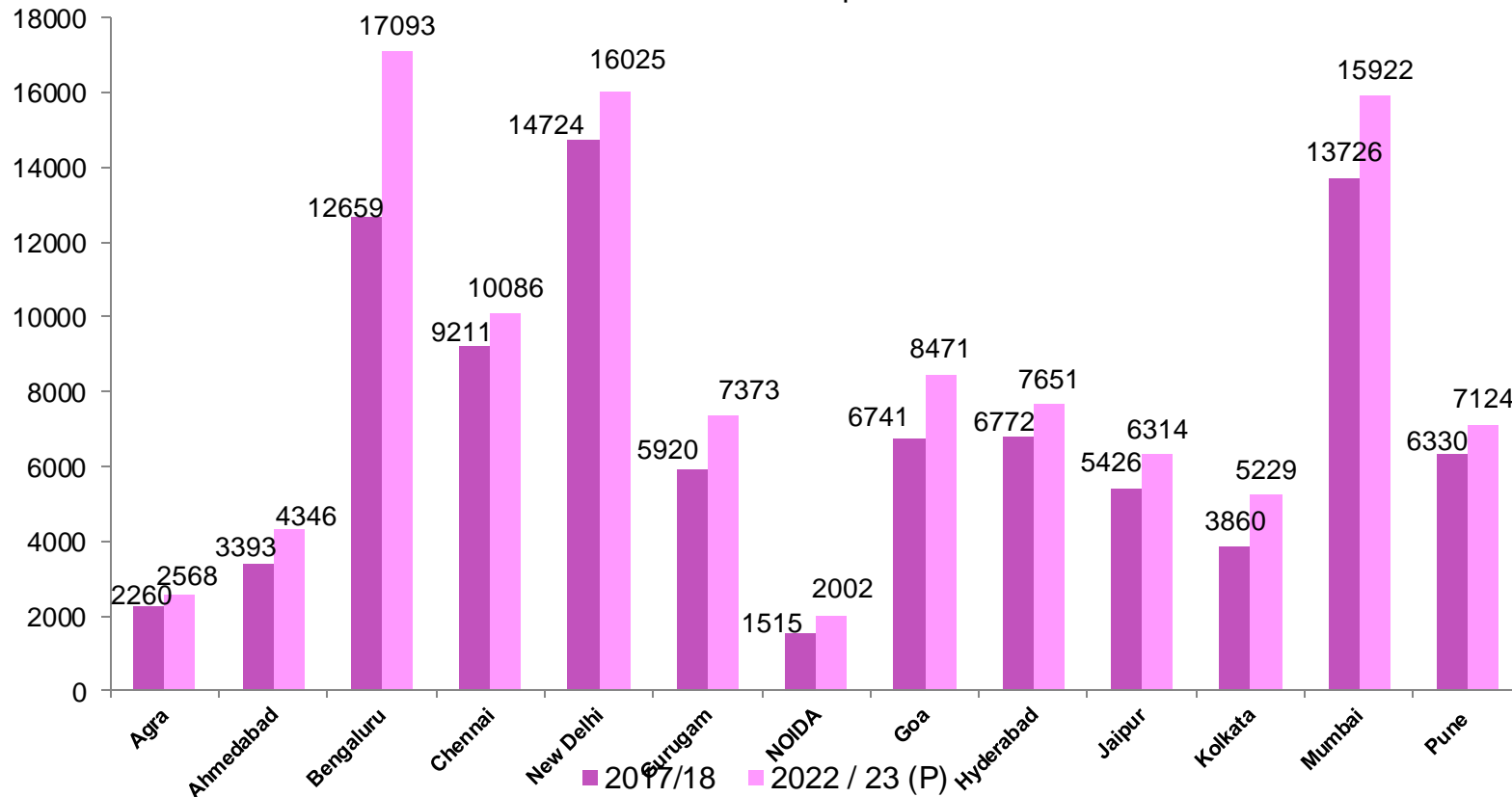
India's Per Capita National Income has increased at a CAGR of 10.1% over the last 6 years from 2012-13 to 2018-19

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

ROHL has properties in Ahmedabad, Bengaluru, Chennai, Gurugram, Goa, and Jaipur



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

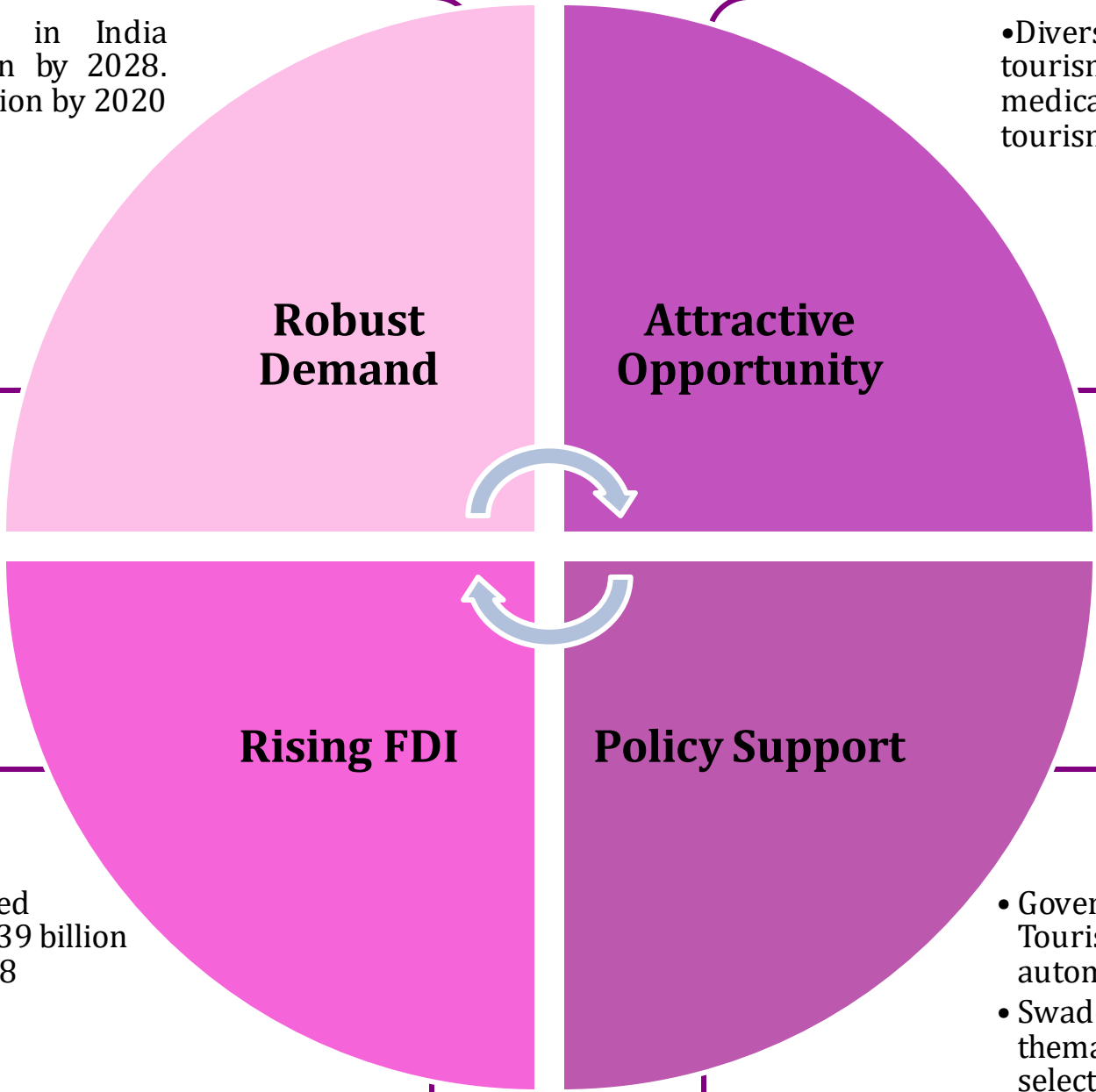
**Attractive Opportunity**

• 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 managed as of April is 51

Present in **35** locations  
**11** states with **3,385** 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

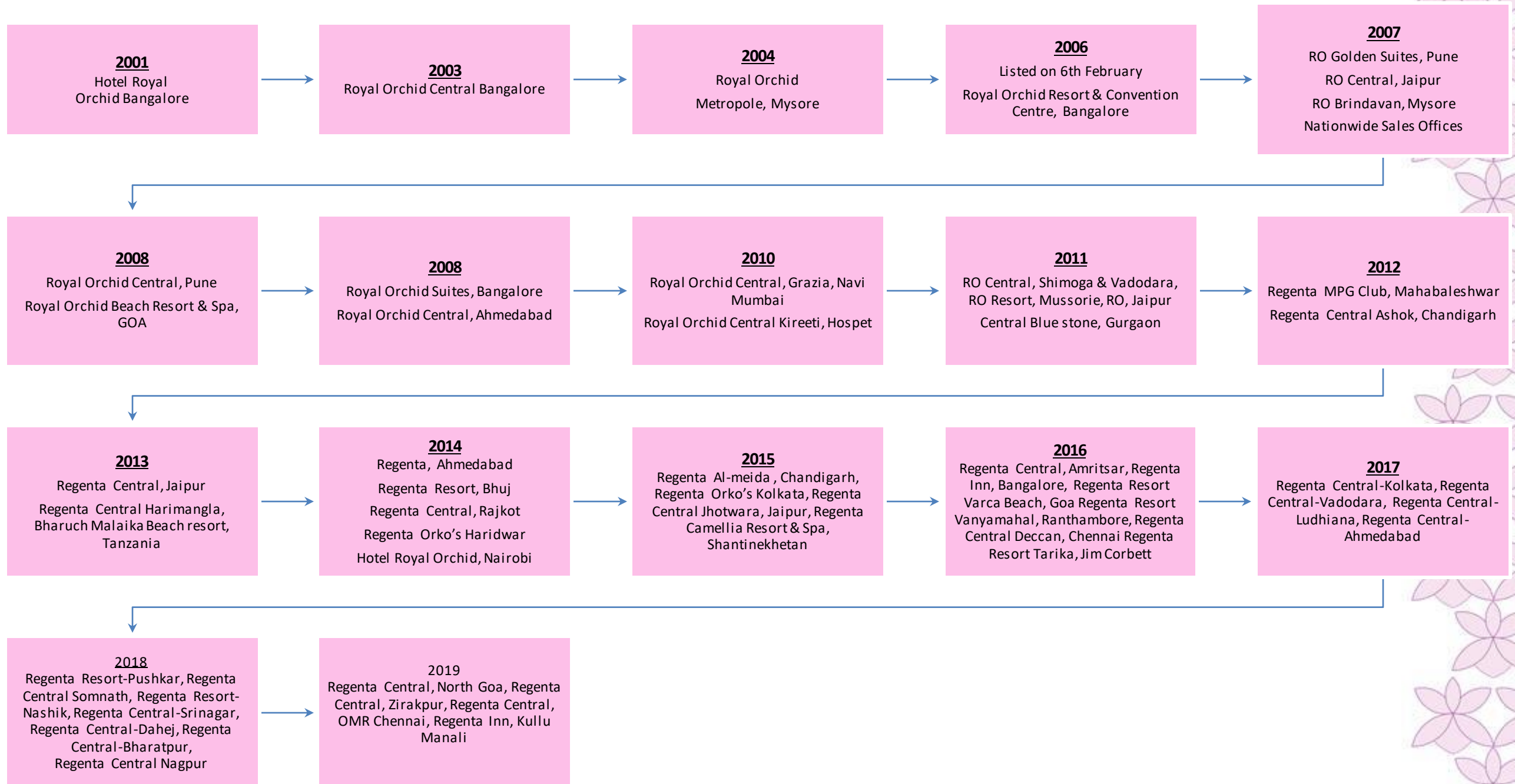
Resorts/  
Heritage

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

\*Opening Shortly  
Ahmedabad, Bangalore, Belgaum,  
Bhimtal, Goa, Mahabaleshwar, Pench National Park,  
Morbi, Ranchi & Rishikesh

# Business Overview

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**Our Business  
Structure**

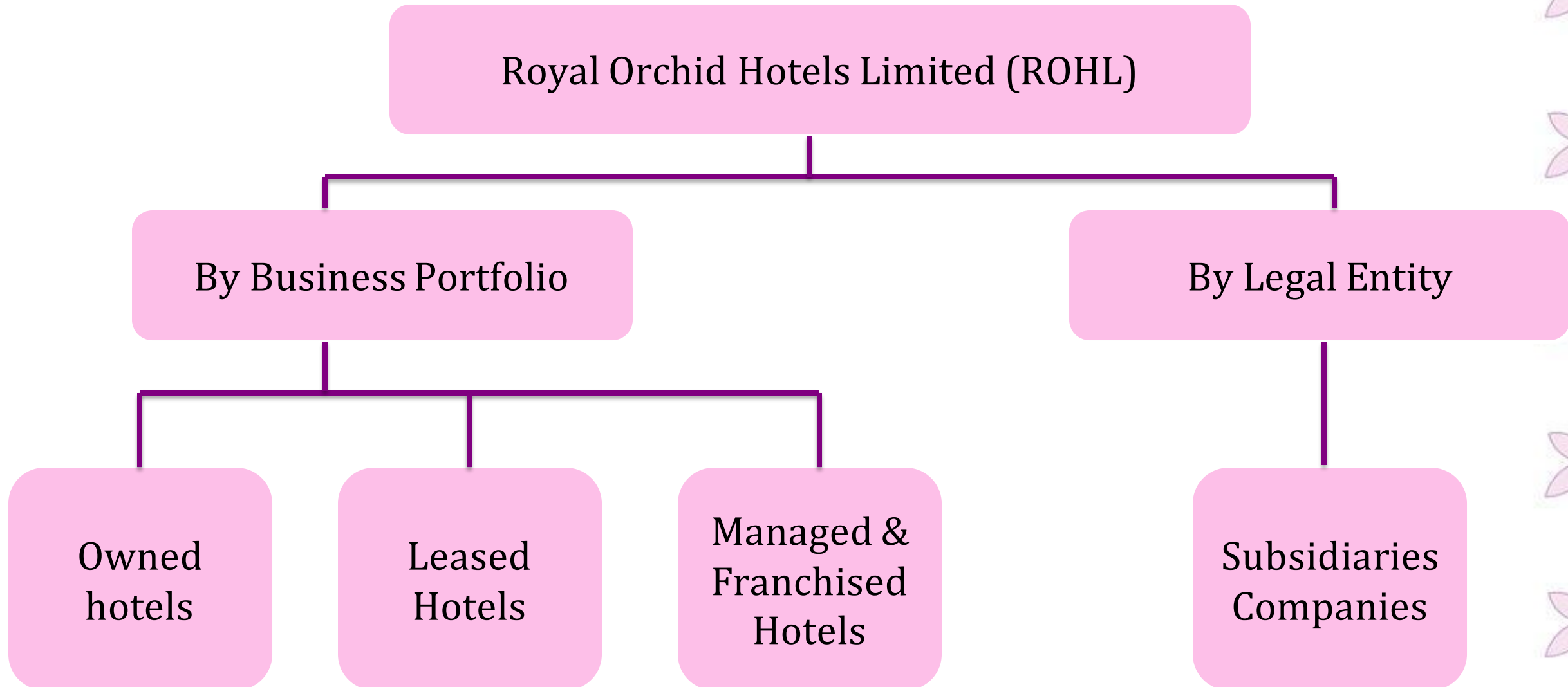
**Our Business  
Model**

**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

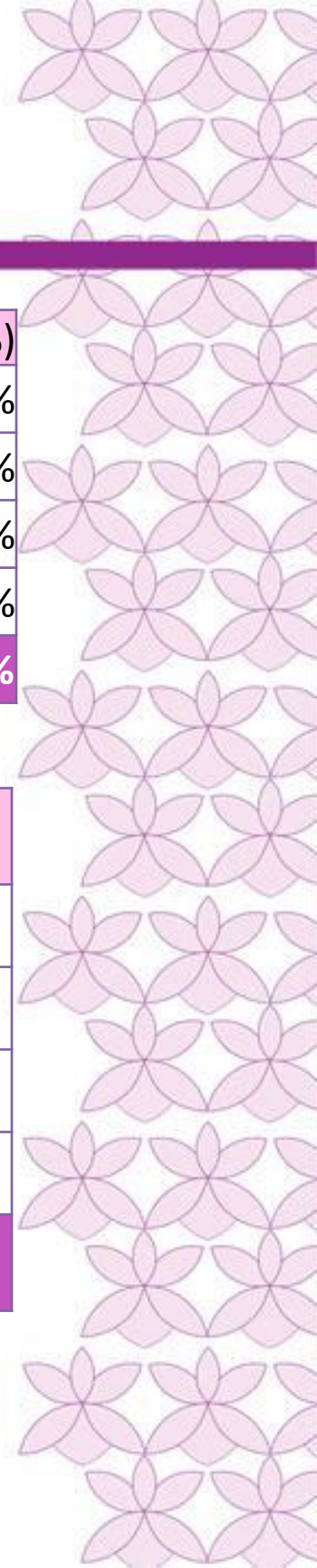
# Revenue Model

Category	FY 2018	FY2019	(%)
5 Star	334	334	0%
4 Star	1,840	1,861	1%
Service Apartment	159	159	0%
Resort/Heritage/MICE	961	1,031	7%
<b>Total Keys</b>	<b>3,294</b>	<b>3,385</b>	<b>3%</b>

Category	FY 2018	FY2019	(%)
Owned	195	195	0%
Leased	386	433	12%
JV	396	396	0%
Managed	2,317	2,361	2%
<b>Total Keys</b>	<b>3,294</b>	<b>3,385</b>	<b>3%</b>

Category	Owned	Leased	JV	Managed	Total
5 Star	195	-	139	-	334
4 Star	-	245	130	1,486	1,861
Service Apartment	-	-	-	159	159
Resort/Heritage/MICE	-	188	127	716	1,031
<b>Total Keys</b>	<b>195</b>	<b>433</b>	<b>396</b>	<b>2,361</b>	<b>3,385</b>

Asset  
Portfolio

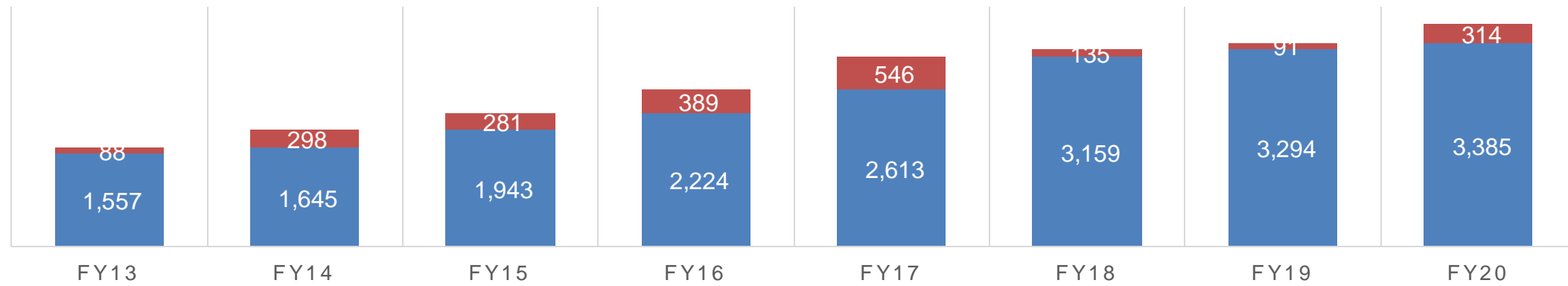


# Growth in rooms and loyalty members

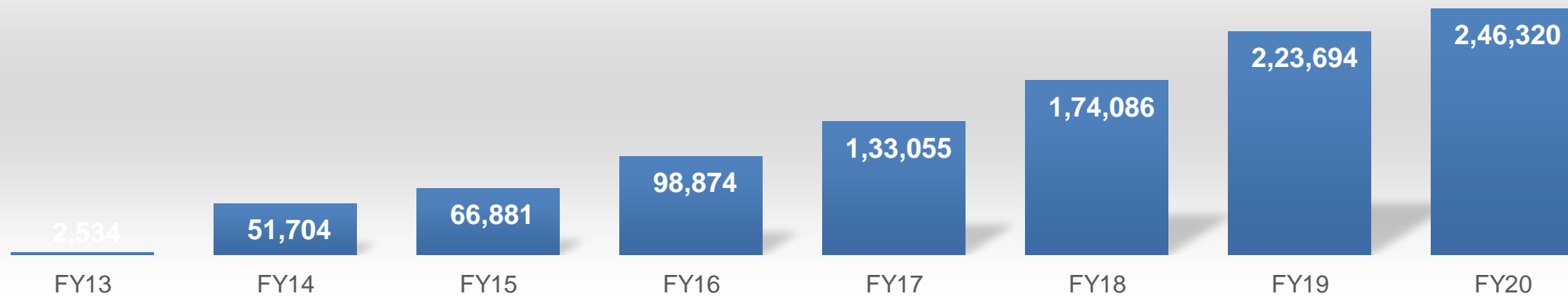


## Steady growth in rooms

■ Beginning of the year ■ Additions



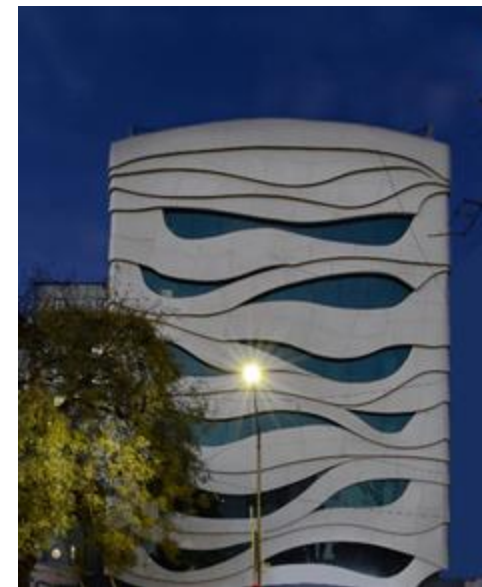
## Loyalty members



# Property breakup with rooms

No of Keys	FY19	FY20
Management Contracts	2,317	2,361
JV	396	396
Owned (Domestic)	195	195
Owned (Overseas)	-	-
Leased	386	433
<b>Total KEYS</b>	<b>3,294</b>	<b>3,385</b>
Average Occupancy rate (JLO)	74%	70%
Average Room Rate (JLO) (Rs)	3,937	4,061
Average Occupancy rate (Managed)	66%	68%
Average Room Rate (Managed) (Rs)	2,836	3,054

# Business Destinations

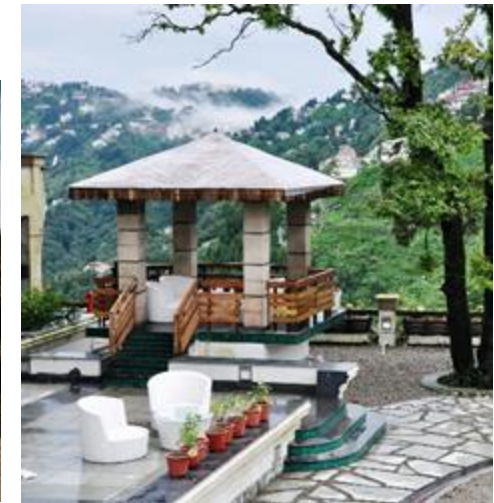


## Current Locations

- 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

# 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\*

\*Opening Soon

# 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



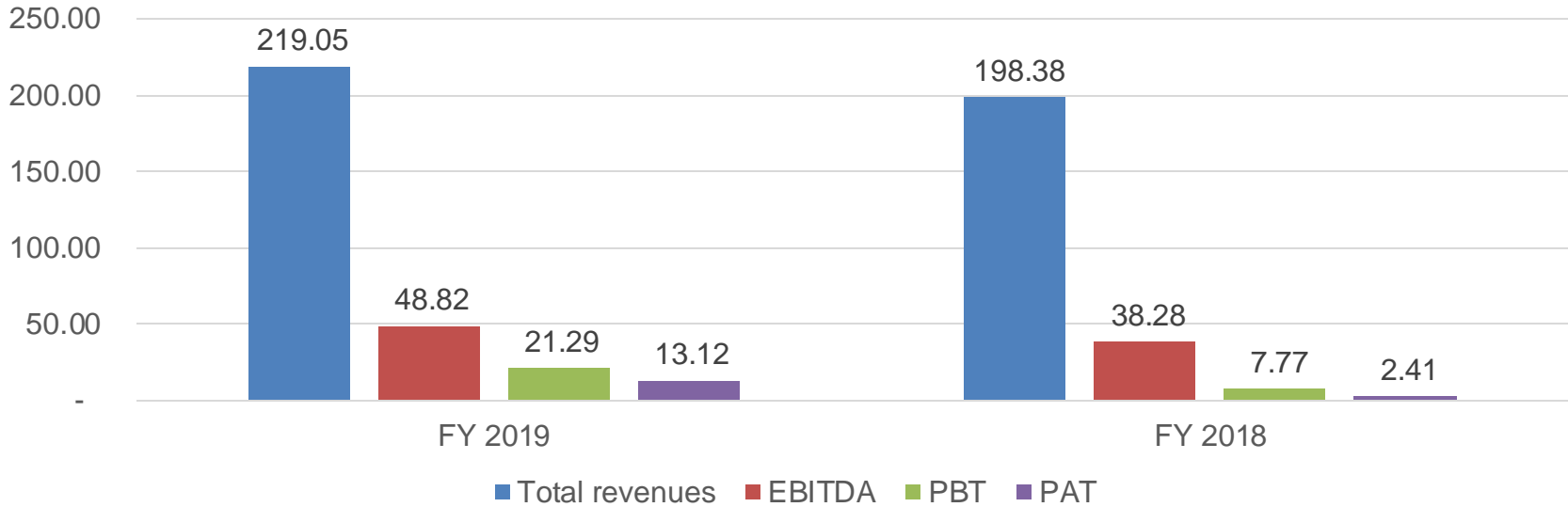
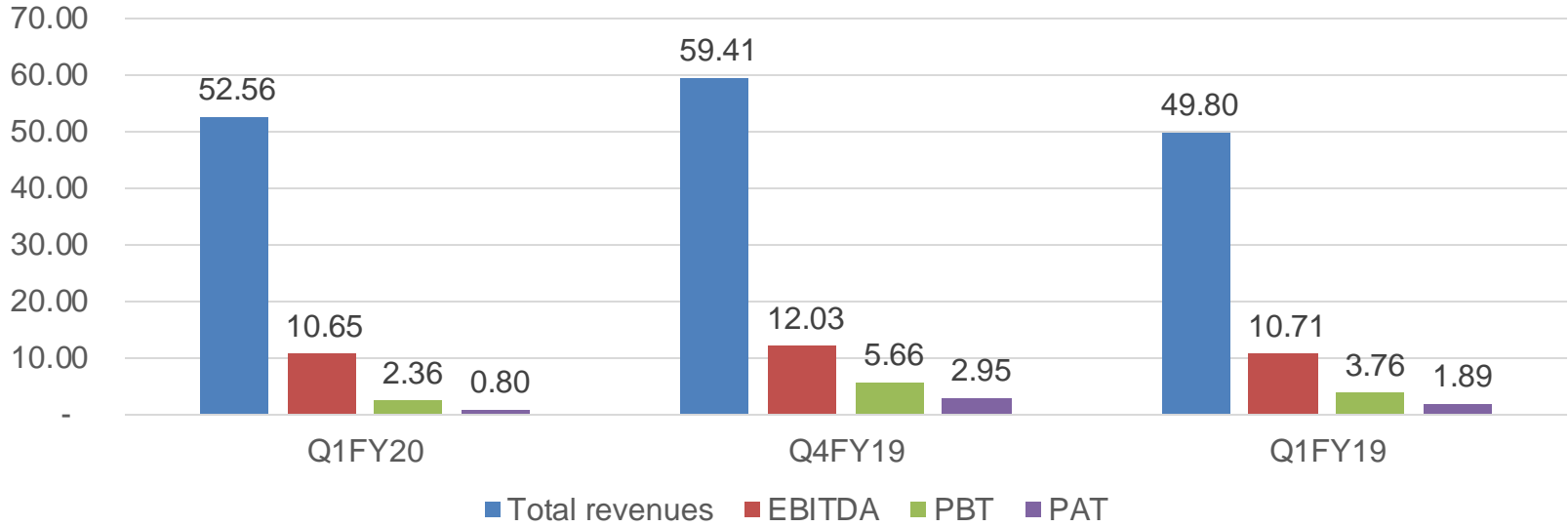
**Quarterly & Full Year  
Highlights and  
Financial results**

**Margins**

**Consolidated  
Income Statement  
& Balance Sheet  
snapshot**

**Shareholding**

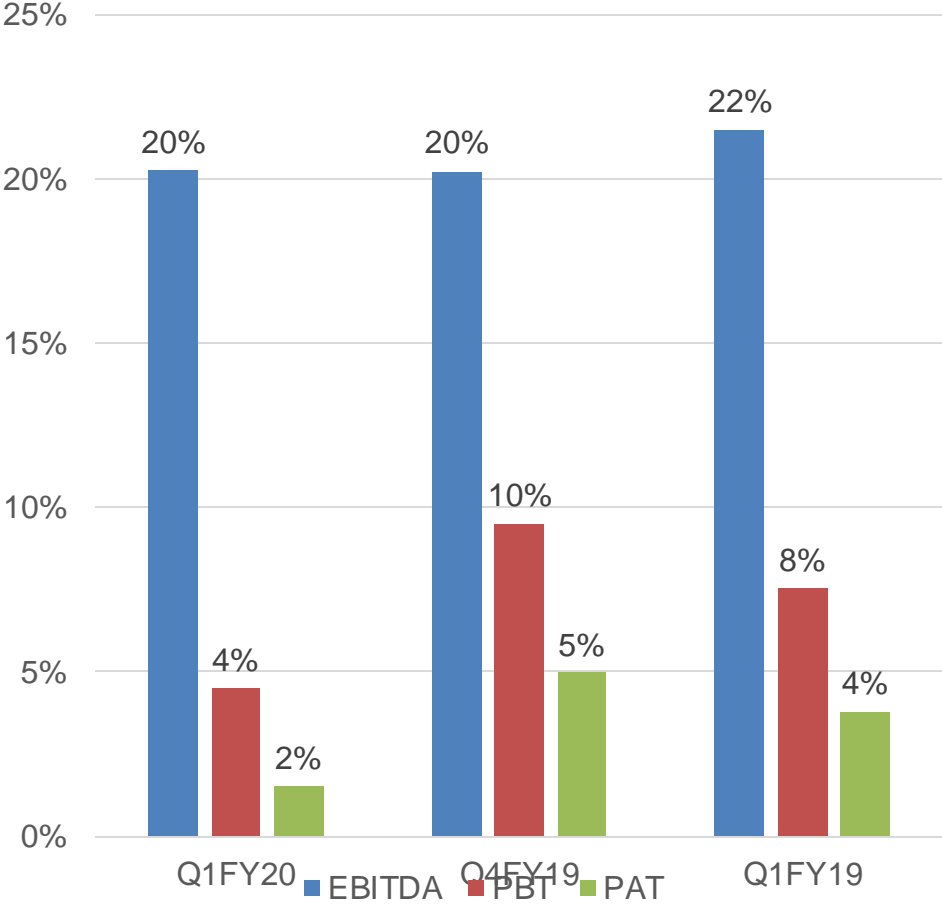
# Consolidated Quarter and Full Year highlights



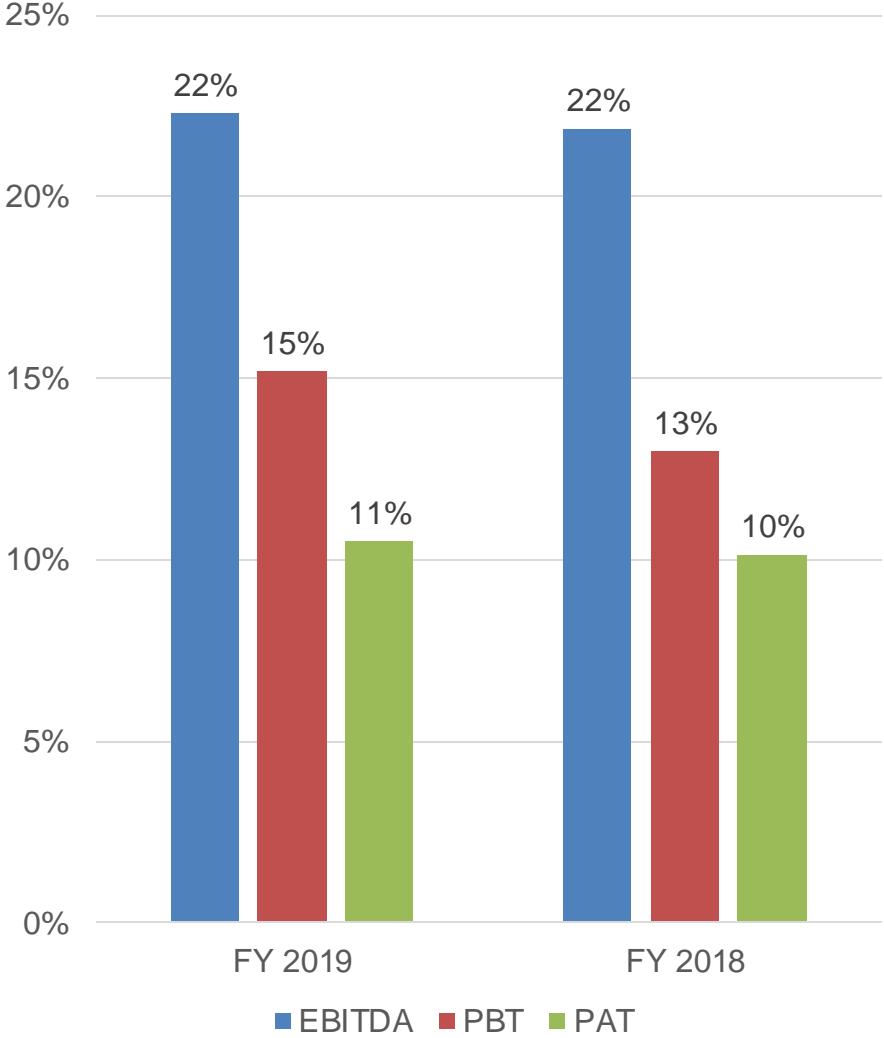
Rs. In crore

# Margins

## Quarterly Margins



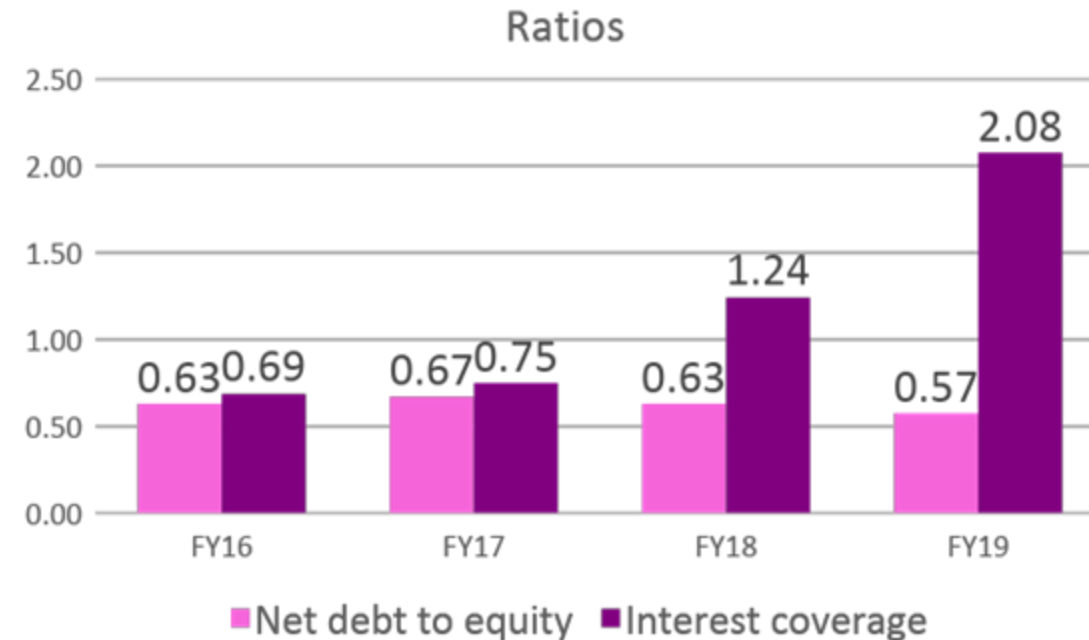
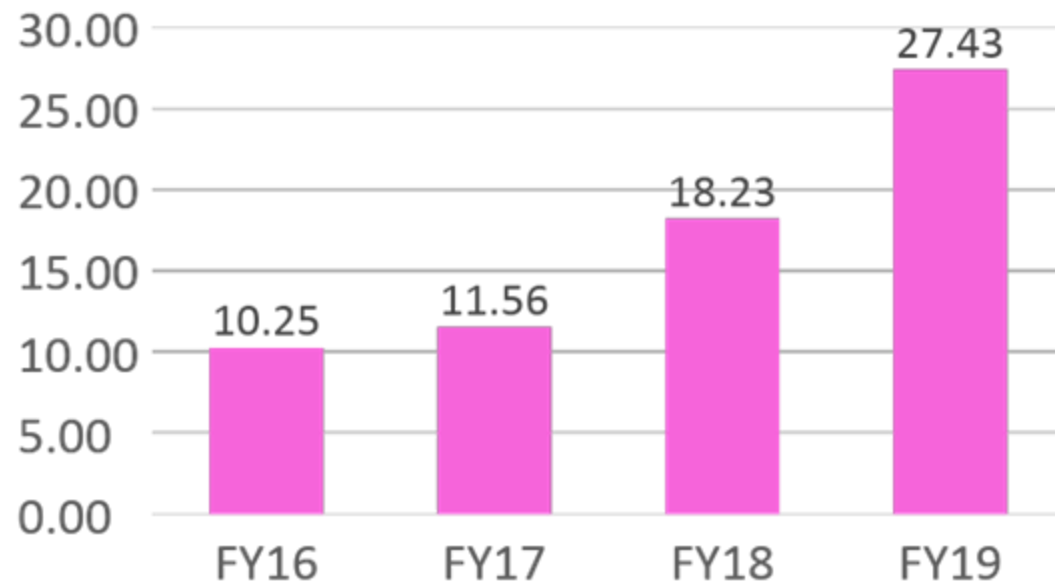
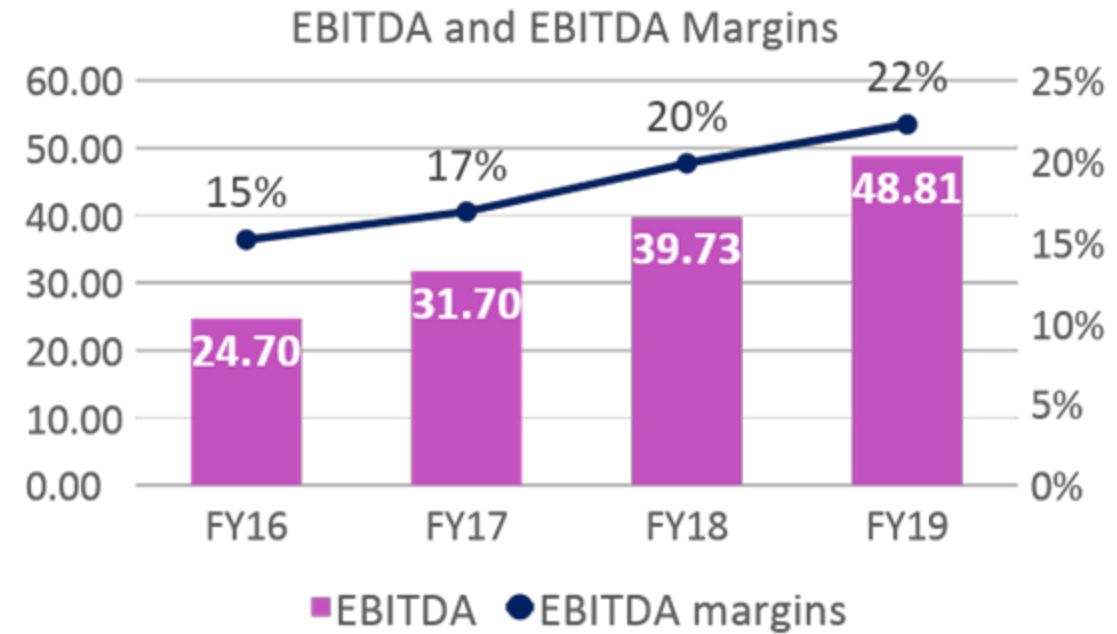
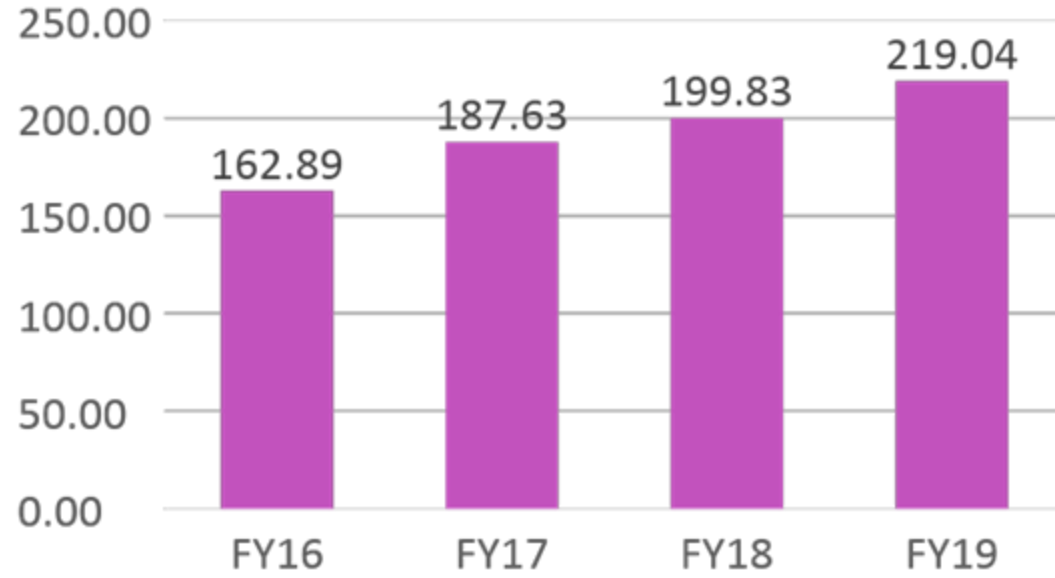
## Full Year Margins



# Standalone Q1 FY20 Financial results

Particulars (Rs in Crs)	Q1FY20	Q4FY19	Q1FY19	Q-o-Q	Y-o-Y
Income from Operations	27.44	29.53	25.50	-7%	8%
Other Income	2.15	3.60	1.26	-40%	71%
<b>Total Income</b>	<b>29.59</b>	<b>33.13</b>	<b>26.76</b>	<b>-11%</b>	<b>11%</b>
Cost of Material Consumed	3.31	3.32	2.51	0%	32%
Employee Benefits Expense	6.67	6.23	5.33	7%	25%
Power and fuel Expense	3.84	2.95	2.76	30%	39%
Rent Expense	2.35	3.48	3.01	-32%	-22%
Other Expenses	7.35	10.60	7.64	-31%	-4%
<b>Total Expense</b>	<b>23.52</b>	<b>26.58</b>	<b>21.25</b>	<b>-12%</b>	<b>11%</b>
<b>EBITDA</b>	<b>6.07</b>	<b>6.55</b>	<b>5.51</b>	<b>-7%</b>	<b>10%</b>
<i>EBITDA Margin (%)</i>	21%	20%	21%	4%	0%
Depreciation	1.78	0.87	1.05	105%	70%
<b>EBIT</b>	<b>4.29</b>	<b>5.68</b>	<b>4.46</b>	<b>-24%</b>	<b>-4%</b>
Finance Cost	1.94	1.14	1.13	70%	72%
<b>PBT</b>	<b>2.35</b>	<b>4.54</b>	<b>3.33</b>	<b>-48%</b>	<b>-29%</b>
Tax expense	0.48	1.49	1.29	-68%	-63%
Exceptional Items	-	-	-	0%	0%
<b>PAT</b>	<b>1.87</b>	<b>3.05</b>	<b>2.04</b>	<b>-39%</b>	<b>-8%</b>
Other Comprehensive Income/(Loss)	-0.02	-0.04	-	0%	0%
<b>Total Comprehensive Income</b>	<b>1.85</b>	<b>3.01</b>	<b>2.04</b>	<b>-39%</b>	<b>-9%</b>
Net Profit Margin (%)	6%	9%	8%	-31%	-18%
<b>EPS (In Rs)</b>	<b>0.68</b>	<b>1.10</b>	<b>0.75</b>	<b>-39%</b>	<b>-10%</b>

# Sustainable Growth – Yearly Consolidated numbers



Rs. In crore

# Consolidated FY20 Q1 Statement - Snapshot

Particulars (Rs in Crs)	Q1FY20	Q4FY19	Q1FY19	Q-o-Q	Y-o-Y
Income from Operations	48.52	54.02	46.70	-10%	4%
Other Income	4.04	5.39	3.10	-25%	30%
<b>Total Income</b>	<b>52.56</b>	<b>59.41</b>	<b>49.80</b>	<b>-12%</b>	<b>6%</b>
Cost of Material Consumed	5.56	5.92	4.76	-6%	17%
Employee Benefits Expense	13.66	13.15	11.97	4%	14%
Power and fuel Expense	5.74	4.51	4.56	27%	26%
Rent Expense	2.64	3.91	3.47	-32%	-24%
Other Expenses	14.32	19.89	14.33	-28%	0%
<b>Total Expense</b>	<b>41.92</b>	<b>47.38</b>	<b>39.09</b>	<b>-12%</b>	<b>7%</b>
<b>EBITDA</b>	<b>10.64</b>	<b>12.03</b>	<b>10.71</b>	<b>-12%</b>	<b>-1%</b>
<i>EBITDA Margin (%)</i>	20%	20%	22%	0%	-6%
Depreciation	4.31	3.09	3.65	39%	18%
<b>EBIT</b>	<b>6.33</b>	<b>8.94</b>	<b>7.06</b>	<b>-29%</b>	<b>-10%</b>
Finance Cost	3.98	3.28	3.30	21%	21%
<b>PBT</b>	<b>2.35</b>	<b>5.66</b>	<b>3.76</b>	<b>-58%</b>	<b>-38%</b>
Tax expense	1.57	2.71	1.87	-42%	-16%
Exceptional Items	-	-	-	0%	0%
<b>PAT</b>	<b>0.78</b>	<b>2.95</b>	<b>1.89</b>	<b>-73%</b>	<b>-59%</b>
Other Comprehensive Income/(Loss)	0.03	0.10	-	0%	0%
<b>Total Comprehensive Income</b>	<b>0.81</b>	<b>3.05</b>	<b>1.89</b>	<b>-73%</b>	<b>-57%</b>
Net Profit Margin (%)	2%	5%	4%	-70%	-59%
<b>EPS (In Rs)</b>	<b>0.29</b>	<b>1.12</b>	<b>0.69</b>	<b>-74%</b>	<b>-58%</b>



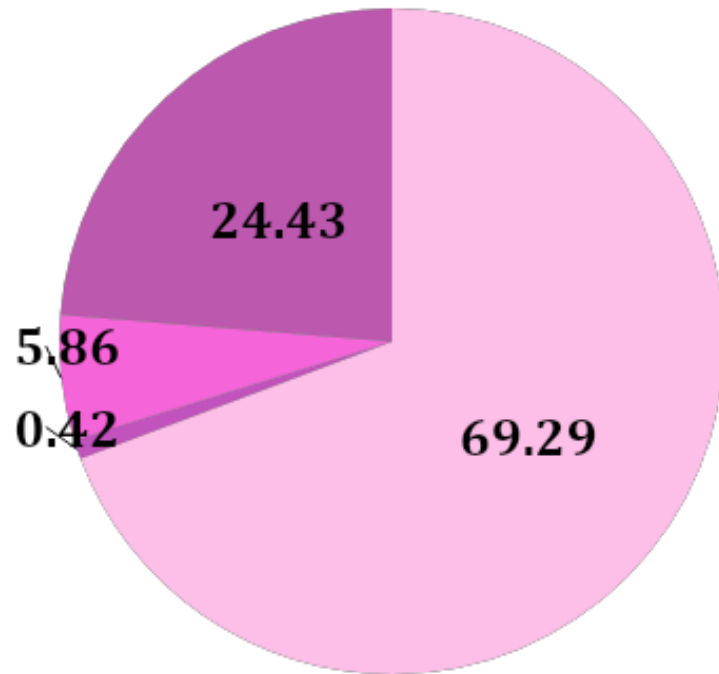
# IND-AS 116 Impact

- Effective April 01, 2019, the Company adopted Ind-AS116 "Leases" to all lease contracts existing on April 01, 2019 using the modified retrospective approach with cumulative effect at the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.
- The adoption of Ind-AS 116 has resulted in a decrease in the profit after tax by **Rs. 35 lakhs** in the Unaudited Standalone Financial result sand by **Rs. 40 lakhs** in the Unaudited Consolidated Financial results.
- The adoption of Ind-AS 116 has also impacted the debt equity ratio.

Particulars	Depreciation & Amortisation		Finance Cost		(Rs. Lakhs)
					Impact on Profit for QE 30.06.2019
Standalone Results	84	↑	84	↑	35 ↓
Consolidated Results	89	↑	103	↑	40 ↓

# Shareholding

- Promoters
- Mutual Funds
- Foreign Portfolio Investors
- Others



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## Key Investors

**Holding (%)**

National Westminster Bank PLC as trustees of the Jupiter India Fund	4.36%
Jupiter South Asia Investment Company Limited - South Asia Access Fund	1.00%

# Vision 2022

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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**

