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Date: February 17, 2023

To,
The Manager,
Department of Corporate Services,
Bombay Stock Exchange Limited
Floor 25, P. J. Towers,
Dalal Street,
Mumbai – 400 001
BSE Scrip Code: 532699

To,
The Manager,
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,

**Re: Transcript of the Earnings Conference Call for the Third Quarter ended
December 31, 2022**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed the transcript of the earnings conference call for the third quarter ended December 31, 2022 held on February 14, 2023 for your information and records.

The above information is also available on the website of the Company
<https://www.royalorchidhotels.com/>

Thanking You.

Yours Faithfully,
For **Royal Orchid Hotels Limited**


Amit Jaiswal
Chief Financial Officer



“Royal Orchid Hotels Limited
Q3 FY2023 Earnings Conference Call”

February 14, 2023



ANALYST: MR. AMIT AGARWAL – NUVAMA WEALTH RESEARCH

**MANAGEMENT: MR. CHANDER BALJEE – CHAIRMAN & MANAGING
DIRECTOR – ROYAL ORCHID HOTELS LIMITED
MR. AMIT JAISWAL – CHIEF FINANCIAL OFFICER –
ROYAL ORCHID HOTELS LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Royal Orchid Hotels Limited Q3 FY2023 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call please signal an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Amit Agarwal from Nuvama Wealth Research. Thank you and over to you Sir!

Amit Agarwal: Thank you moderator. On behalf of Nuvama Professional Clients group I welcome you all to the third quarter FY2023 earnings conference call of Royal Orchid Hotels Limited. The management on the call is represented by Mr. Chander Baljee, Chairman and Managing Director and Mr. Amit Jaiswal, Chief Financial Officer. I now hand over the call to the management for opening remarks to be followed with question and answer session. Over to you Sir!

Chander Baljee: I am Chander Baljee, Managing Director of Royal Orchid Hotels. Good evening and warm welcome to everyone. Thank you for joining us for the Royal Orchid Hotels Limited earnings conference call for the third quarter of FY2022-2023. Please note that Q3 of FY2023 quarter results, press release and investor presentation are available on the exchanges. I hope you have had the opportunity to browse through the highlights of the performance. The industry has bounced back very strongly after the COVID. From April 2022 onwards we have done robust business which were evident from the financial results of the first and second quarters. We have continued the success story in the third quarter also, in fact we have built on success and did phenomenal business in the third quarter the same is evidenced in our in our third quarter results. The company has posted a robust growth because of its strong business market and effective risk mitigation strategy. We are aiming to post better margins than what our company had witnessed in the recent past. The third quarter results has been one of the best in the last 10 years.

Financial highlights of the company of the third quarter ended December 31, 2022 on a consolidated basis are as follows: Consolidated revenue from operations in Q3 was 72.49 Crores as compared to 52.78 Crores in Q3 2022 a growth of 37%. This was attributed to an increase in ARR and occupancy and also increase in F&B business. Consolidated EBITDA for Q3 was 27.75 Crores as compared to 19.07 Crores in Q3 2022 an increase of 46%. Consolidated PAT before exceptional items for Q3 2023 stood at 15.18 Crores as compared to 5.73 Crores in Q3 of 2022 an increase of 165%.

Financial highlights of the company for the nine months ended December 31, 2022 on a consolidated basis are as follows: Consolidated revenue from operations was 191 Crores

as compared to 99 Crores in 2022, a growth of 93%. This was attributed to increase in ARR and occupancy and also increase in F&B business. Consolidated EBITDA was 72 Crores as compared to 26 Crores an increase of 176%. Consolidated PAT before exceptional items stood at 36 Crores as compared to a loss of 4.89 Crores in FY2022 an increase of 838%. During the quarter we have been able to increase the average room rate of Q3 2023 stood at 5914 as compared to 4331 for Q3 2022 a growth of 37%. We are in line with our vision to operate 100 hotels by 2023 and are looking forward to opening new hotels in different cities of India.

During the quarter we witnessed RevPAR growth led by higher ARR. We believe that industry has seen its revival and we have bounced back with better results in the current financial year. The management has set out a strategy to diversify its product offerings, provide unique customer experience and work towards a robust balance sheet. I would like to conclude my opening remarks by saying that we are witnessing major signs of growth for the industry as a whole which will show up in our overall earnings quality over the next several quarters. Thank you and now we can throw the floor open to questions.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Rahul from Lucky Investments. Please go ahead.

Rahul: Thank you for taking my question Sir. First of all congratulations on a great set of numbers, the best numbers in a long time as you just said. My first question last quarter you had mentioned about 200 Crores NCD for your expansion purposes could you give us an update on that?

Chander Baljee: We had got approval from the Board that at an appropriate time we will raise the funds so right now we are in the process of negotiating with various parties, the leases and the revenue share arrangements. We have enough funds right now to grow immediately as and when the need arises we will go ahead with the fund raise.

Rahul: Second question where do you see the industry kind of on the performance level moving ahead do you see the similar levels of RevPAR, EBITDA margins or occupancy whichever way you want to put it continue going ahead let us say for the next few quarters?

Chander Baljee: Yes I definitely see strong growth and the trend continuing because the country as a whole is doing very well and our performance depends on country's performance and I think all the worst is over for the economy you can see all the sectors booming and particularly travel people are travelling like there is no tomorrow so there is a big growth

in the domestic tourist destinations also people are travelling and I think April, May, and June are going to be very good busy summer months for us so I feel that the growth in the next few quarters is going to be as healthy if not better than the past.

Rahul: Final question and I will go back to the queue. It is obvious that you are very positive on the prospects of the industry as well as the company itself and that is why the 200 Crores NCD plan as well and as you mentioned you look at it for the next few quarters also positively from an investor point of view just a question we are seeing the promoter holding coming down in the company so what should the investors understand from this and what should we expect in the future?

Chander Baljee: Our promoters investment was very high which is not normal in most of the companies and I think there was a feeling amongst the community that we do not have enough of float in the market so we should have a little float in the market and suppose any big investor comes in he has no way to enter and support so that is the reason otherwise we have no intention of exiting the company also.

Rahul: No Sir that was not the question, the question was that if the promoter holding keeps going down there is a supply coming from the promoter side as well, if a big investor wants to come through or wants to buy from the market he is always there but at these low valuations the promoter kind of dilutes then it becomes an overhang kind of issue nothing else and this is coming from a shareholder I am a shareholder in the company so just share the feedback I am kind of giving this to you. Thank you very much.

Chander Baljee: I know Lucky has always been lucky for us also I think some personal requirements also we need to dilute to some extent but it would not be very much.

Rahul: So are you suggesting that there will be a little bit more of a kind of promoter selling out here?

Chander Baljee: There could be I cannot write out to give you a sense. We are open to that and we are looking at least maybe 1% or 2% may come down.

Amit Jaiswal: As well promoters are holding 65% plus of the holding and if you really look at it from 2007 onwards there had not been any dilution of the assets of the promoters holding okay so there is a very minor dilution which has happened in the quarter and promoter wants to hold the stake of roughly around 64% to 65%. There is no requirement as such to make any dilution as such but yes 1 or 2% here and there I do not think it makes much difference as far as the market is concerned.

- Rahul:** Sir I will not debate this much but all things matter in terms of perception and overhang when the promoter kind of dilutes at these low valuations that is all I have to say. Thank you very much for hearing me out Sir. Thank you.
- Moderator:** Thank you. The next question is from the line of Sushil from Vinar Integration. Please go ahead. Due to no response we move on to the next participant. The next question is from the line of Krisha Kansara from Molecule Ventures. Please go ahead.
- Krisha Kansara:** My question is in which city did we see the highest traction and traction in terms of let us say ARR and occupancies in Q3 and also if you could answer this question for Q4 and going forward also?
- Chander Baljee:** We are finding that Bengaluru is doing very well and it will continue to do well. There are a lot of things which are happening in the city. The aero show is an example of lots of new investments coming into the city that will continue. Goa we feel will also continue to do well because at least whatever said and done it is a very fun destination and we are operating four hotels there so I think that will continue to do well and of course places like Gurgaon we will do well and coming season we expect the summer season we expect the hill stations should do exceedingly well.
- Amit Jaiswal:** I would like to add here that Pune market is also doing phenomenally well. In first quarter they had done 100% occupancy and the YTD they have been able to maintain the occupancy levels at almost 90% plus and similarly Amritsar also has done very well in the third quarter they have done almost 100% occupancy.
- Krisha Kansara:** You mentioned Goa, Gurgaon, Pune, and Amritsar which was the first city that you mentioned?
- Amit Jaiswal:** Bengaluru also.
- Krisha Kansara:** That was the first city that you mentioned right okay and what about Mumbai?
- Chander Baljee:** Mumbai, we have a presence in Navi Mumbai that is doing very well whereas Mumbai otherwise we will continue to do well but we do not have a significant presence there right now.
- Krisha Kansara:** Thank you.
- Moderator:** Thank you. The next question is from the line of Sushil from Vinar Integration. Please go ahead.

- Sushil:** Good afternoon and thanks for a very happy set of numbers. I just had a suggestion about split of our stocks because most of our peers are either face value one or two and if we also have a similar face value and it becomes easier for the investors to compare the value of our company and also additionally it will also give a little bit of free float so if management considers that I think it will be good for the company.
- Chander Baljee:** It is a good suggestion we will look at it at the appropriate time because right now price is not very high so we will look at it at appropriate time it is a good suggestion. We will consult with our merchant bankers and bankers and definitely see the split at an appropriate time.
- Sushil:** Thank you so much.
- Moderator:** Thank you. The next question is from the line of Samir Thakkar an individual investor. Please go ahead.
- Samir Thakkar:** Good afternoon Mr. Baljee, Mr. Jaiswal and team. My first question would be there is a significant jump in the management operated rooms this year so if you could throw some light on how this is looking in terms of share of revenue and share of profit?
- Chander Baljee:** There is going to be still more improvement because we added 20 hotels in the last 10 months to our portfolio and as in the next 7-8 months we would be adding another 20 so there is going to be a significant rise in the management fee model and we will continue to do that.
- Samir Thakkar:** What do you think the trend would continue in Q4 as compared to Q2 and Q3 considering that this is not a major holiday period?
- Chander Baljee:** I think the overall economy will do well. See actually in last Q3 October did not do well but November and December did very well and the overall picture was very good. Even now I think in between there may be some blips but whatever it is there I think there are no uncertainty as far as the economy is concerned so I think the whole business should do very well.
- Samir Thakkar:** Can you throw some light on your room or key expansion plan for FY2023 and where we would end this year and your plans for FY2024 and 2025 and how much of this can we expect to come from lease properties and manage operations route?
- Chander Baljee:** Today we have about 4600 rooms or so and we are planning to add by September 1000 rooms or so with 20 hotels and so in this entire year or so at least 1500 rooms we should

be able to add so crossing about 6100 rooms and by September the aim is to grow up to about 100 hotels and maybe about 120 or so hotels within the next one year.

- Samir Thakkar:** Right and how much of this will be from lease?
- Amit Jaiswal:** We are targeting at least 15 to 20% coming through the lease model.
- Samir Thakkar:** That is it from my side. Thank you very much and congratulations on a good set of numbers.
- Moderator:** Thank you. The next question is from the line of Sanjay Gupta an individual investor. Please go ahead.
- Sanjay Gupta:** I would like to know what will be the revenue like by the end of this year?
- Amit Jaiswal:** Our target is 300 Crores we are in line.
- Sanjay Gupta:** In the first nine months our consolidated revenue is around 191 ?
- Amit Jaiswal:** See 191 is there in this what happens is there is one hotel in Jaipur which is being consolidated as an associate so that hotel revenue around 16 Crores is not reflecting in the consolidated financial if you look at it. We only take the profit out of this so if we include that then our total topline will be around 215 Crores already, the target is 300 but I think we should be able to do 290 Crores by the year.
- Sanjay Gupta:** So it may be on the expected lines?
- Amit Jaiswal:** Yes almost.
- Sanjay Gupta:** My second question is in the past I have seen that whenever your share prices start moving up there is a sale from the management side also the promoter side why is it so?
- Amit Jaiswal:** Not exactly always it has happened it has only happened twice and that also very small numbers. If you see the management holding is very, very high so on some personal requirement and also request from some investors that we had to get out and it is very, very small numbers, 2% is not a very big number still management holds 65% plus of the shares.
- Sanjay Gupta:** Thank you very much.

- Moderator:** The next followup question is from the line of Rahul from Lucky Investments. Please go ahead.
- Rahul:** Could you help us with the net debt number as of December and what was it let us say in September and March?
- Amit Jaiswal:** The net debt was 81 Crores as on December I am including our Jaipur hotel although we are not consolidating it there the outstanding is around 25 Crores, in the standalone it is 36 Crores and 20 Crores in one of the subsidiaries that is Icon so total is 81. On March 31, 2022 it was around 90 Crores and in September it was around 85.48 Crores.
- Rahul:** Ksheer Sagar hotel that is the one that manages Jaipur and we have how much holding there Sir?
- Amit Jaiswal:** We hold 50% stake there.
- Rahul:** Thank you so much.
- Moderator:** Thank you. The next question is from the line of Rajesh Agarwal from Proprietary Advisors. Please go ahead.
- Rajesh Agarwal:** Congratulations on good set of numbers. My question is on the consolidated other services for the nine months is 22.51 Crores what it represents, 9 month period room nights 103, food and beverages 65 and other services 22.51?
- Amit Jaiswal:** Whatever we earn in our 100% subsidiaries Royal Orchid associated hotel which is our major management business so 30% of that revenue we pay to the standalone entity because all the branding and all everything is there and the services given by the main entity so that is booked that is around 16.5 Crores and apart from that there is around 6 Crores of other income which is the interest on FDs and other certain facilities.
- Rajesh Agarwal:** Mr. Jaiswal where are we booking our management fees then?
- Amit Jaiswal:** All the complete management fees is booked in the subsidiary the Royal Orchid associated hotel and from there the 30% of the revenue we transfer it to the standalone entity.
- Rajesh Agarwal:** 70% where it is booked in the consolidated number where can I find it?
- Amit Jaiswal:** In the consolidated number it is there.

- Rajesh Agarwal:** Could you dwell upon the development plans for Goa hotel we have 73 rooms what plans we have to expand it, I understand some land also whether we have taken any additional land there because that is a good place where occupancy is very high?
- Chander Baljee:** Due to the shifting of the CRZ line we have got an additional area where we can build room and I think about 48 rooms can come up in that particular area and then we have taken some adjoining land on the rear side where we can come up with a bigger banquet hall as well as about 20 rooms and a spa so that is being planned, in fact I was in Goa on Saturday with the architects to discuss that and we should be finalizing this land in the next month or so then giving it for sanctions and once that is done we will start the construction.
- Rajesh Agarwal:** Can we expect that by FY2024 this project will be complete let us say in a year or let us say 14 months or so?
- Chander Baljee:** 100% in fact target is to at least partly complete the project by September-October.
- Moderator:** The next question is from the line of Rishith Shah from Nuvama Wealth. Please go ahead.
- Rishith Shah:** Hi Sir good evening so first thing just a couple of bookkeeping questions for the quarter and for the nine months can you give a breakup or the revenue from management contracts as well as revenue share contracts and leases?
- Amit Jaiswal:** In our management business we have done for the quarter around total revenue of around 9.7 Crores this has come primarily from the management business and out of the total revenue of 76 Crores we have done the total revenue for the quarter what has been published so that around 9.7 is from the management business and from the leased business we have done around 9 Crores from the leased business.
- Rishith Shah:** Balance would be from the owned properties?
- Amit Jaiswal:** Owned properties and revenue share.
- Rishith Shah:** The same for the nine months?
- Amit Jaiswal:** Pro rata yes for the nine months if you really look at it around 26 Crores has come out of the management business and leased businesses is around 47 Crores and balance from our own revenue shareholders.

Rishith Shah: Okay got it and secondly basically about the pipeline that we have mentioned so we have mentioned that we will be adding 1134 rooms that will be over 2023 so most of this would be getting added by September itself and if I come to kind of understand how is the ramp up of the new hotels what kind of time does it take for these new hotels to reach the average occupancy say 70 to 75%?

Chander Baljee Normally any hotels we are entering into the markets by the second year we get to 70 to 75%, of course in a regional destination you may be 60 to 65%, in a city destination or business location you will be 70 to 75% in year two.

Rishith Shah: Thirdly if you can throw some light on the advance bookings that you have received for Q4 maybe Jan to March or the period beyond that how is that shaping up?

Chander Baljee The advance booking cycle has reduced a lot. In fact if you check the statistics of MakeMyTrip and all those people normally a larger booking come in one to three days in advance then there will be some booking coming in 5-6 days and there will be very few booking coming a month or two months in advance except some conferences or some weddings. The weddings you have to book in advance and also some foreign groups which will of course now come only in the next season because this season is getting over they will probably come next year.

Rishith Shah: Let us say is it kind of an indicator of maybe say increasing competition or maybe last minute travel bookings what to read into that?

Chander Baljee By and large the market has changed. You see people were earlier used to plan annual holidays, apply for leave, the children's holidays and all that. Nowadays they have long weekends example there are so many long weekends so people take maybe one day casual leave on a Monday Tuesday is a holiday, Friday, Saturday, Sunday, Monday so lots of that is happening and people are going out to maybe three or four small holidays and one long holiday that has become the trend and now to book also it has become easier. If you really look at you just get into an OTA website and within a few minutes your booking is there, you go home you pack your bag and you leave, so lot of drive in holidays have come up in the past and I think the trend has changed and people are really looking Facebook and Instagram people putting their post on that so lot of people want to see that and keeping up with the Joneses as I said they also want to go on holidays.

Rishith Shah: Got it Sir. Thanks a lot. That was very informative.

Moderator: The question next question is from the line of Raunak Rathi individual investor. Please go ahead.

- Raunak Rathi:** Thank you for the opportunity. I joined the call a bit late just want to understand on where do we stand on the debenture raising plans as of now?
- Chander Baljee** The Board has authorized us so far to evaluate the option of raising 200 Crores so at the moment we are evaluating because we have enough funds available within the company so at an appropriate time we will go for the raising of the funds as and when it is required.
- Raunak Rathi:** Alright Sir as we are in middle of the upcycle in the hotel industry so do you come across a situation wherein let us say we have taken a hotel on management basis but then probably the owner of the property might get a feeling that he might be able to manage the property on its own and try to do it by himself instead of being associated with Royal Orchid so how do we kind of align the owner interest as well as our interest in the upcycle as well?
- Chander Baljee** We try to give our best to the owners. Of course this is a thing which happens across the country and across the world also and the hotels are doing well. If the owners feels I do not need the management company so these things happen. There will be some hotels will drop out if one drops out 10 comes in so it is okay it is a part of the businesses.
- Amit Jaiswal:** I would like to add here what Mr. Baljee has just said that. See the amount of services what we as a management company give to the individual owner the value of those services is much more than the fees what the owner has to give it to us like hypothetical example I will give you one that the OTA business which can come directly to the owner also but he will have to shell out a large commission the percentage of commission of an individual owner is much more than what we get for the chain so that itself is a one point let the owner be with us.
- Raunak Rathi:** Typical what is the cycle like once the MoU is signed between the company and the property owner so generally post that what are the activities that are taken because we have seen that let us say you are saying that there are already 10 or 20 hotels that have been signed but it takes a bit of time for us to go live with that particular hotel so is there any kind of refurbishment that happens with each and every search hotels with whom we enter into some sort of management contract so why there is this time lag from date of entering into the agreement versus actually going live?
- Chander Baljee** Hotel come to us at various stages some are greenfield the hotel might take three or four years and some are brownfield the structure is ready and yet to do the interior, some hotels are already operating hotels they have to be refurbished, so there cannot be any hard and fast rule that so much time it will take, also depends on what is the financial

capacity of the owner to bring in the family funds or does he engage some relative of his to look after the project or a professional project management company sometimes you just engage somebody to look after who are not professionally qualified so this is a very variable kind of a technique we cannot say that hotel will come under X period of time some hotels come up very fast and some take long time and some do not come up at all also.

Raunak Rathi: In this cycle also are we getting enough enquiry for the management of such hotels or the trend is shifting more towards owners who would like to manage by themselves or there is no change as such there is ample opportunity for Royal Orchid?

Chander Baljee Lots of enquiries today in fact we are sometimes flooded with enquiries everybody says come and see the hotel and we are not able to cope up with that so that is why we are beefing up our development team also and we are adding more people in the development team so that we can evaluate hotels, inspect hotels faster.

Raunak Rathi: Let us say the Jaipur hotel was a laggard for us in our financial performance so with the improvement in infrastructure let us say Delhi-Mumbai express way got open and there are multiple initiatives also taking up plus the hotel has also now come to a mature stage, do we see turnaround happening for that specific hotel, are you seeing any kind of early signs of it, I know the expressway has got live recently but otherwise you can give a broad sense I want to get an understanding from you?

Chander Baljee This hotel has turned around. In fact Amit will give you the figures also. The hotel has turned around and I think it has turned profitable for the first time in so many years and now the debt is very manageable, business is very robust so I do not think there will be a drag on the company any longer.

Amit Jaiswal: This hotel has been posting cash profit but book loss over the years so this will be the first financial year when this hotel is going to post a profit and if you really look at the numbers all the three quarters it has posted a net profit so that laggard which the hotel was pulling us down has gone and now almost 1 Crores 17 lakhs of associated profit you can see in our published number that is from this hotel only.

Raunak Rathi: Also the management fee that you mentioned for Q3 is around 9.7 Crores so that is a revenue figure but if I have to get a ballpark understanding like how much it might contribute to like EBITDA level or so I understand there might be lot of overlapping of expenses to lease revenue or the other operating revenue but however if I have to just get a ballpark understanding?

- Amit Jaiswal:** Almost 48 to 50% of this goes to our EBITDA level.
- Raunak Rathi:** Just a small request if we can kind of capture all these figures in investor presentation also going forward because if you would look at your comparable peer group companies they are kind of disclosing it in their investor presentation and that also help us in kind of extrapolating or envisaging how the performance will be because there are lot of moving change to our company like there is lease revenue, there is a management fee, there is a room revenue from the owned properties so it could give us a bit of sense of how we can expect the numbers going forward if I wanted to extrapolate the projections.
- Amit Jaiswal:** Point well noted we will cover in our investors' presentation going forward these details also.
- Raunak Rathi:** One last question from my end if we have to get an understanding like I saw a recent credit rating report which says we have got four to five owned properties so if we want to get an understanding so how much is the revenue contributed from the owned property how much would be that and how much Bengaluru contributes out of it just to get an understanding on the geographical concentration?
- Amit Jaiswal:** If you really look at the contribution of Bengaluru the major contribution comes from Bengaluru only out of the total revenue if I take the 9 month revenue almost 70 odd Crores has come from Bengaluru itself.
- Raunak Rathi:** In that also because I believe we have got 3 to 4 properties over there is it one specific property that is contributing significantly over there?
- Amit Jaiswal:** Our flagship hotels in 9 months out of total 191 47 Crores has come from the flagship hotel.
- Raunak Rathi:** Got it that is really helpful Sir. Thanks a lot and congratulations on very good set of numbers. All the best to the entire team.
- Moderator:** Thank you. The next question is from the line of Amit Agarwal from Nuvama Wealth. Please go ahead.
- Amit Agarwal:** Thank you Sir. My first question is what is the current cost of debt which you have on the books?
- Amit Jaiswal:** There are three debts as I told earlier the standalone debt is at 9% and the debt in Jaipur hotel it is 9.5% and the debt in the Icon is at 11%.

- Amit Agarwal:** As you suggested to go for NCDs what could be your potential interest level which you are looking at?
- Amit Jaiswal:** We are looking somewhere around 9% but we understand that our rating also has to improve and after this third quarter result we are going for the re-rating of our company once that comes then we will look at but definitely we are looking at somewhere around 9 to 9.5% not beyond that anywhere less than 10%.
- Amit Agarwal:** Another question on overall strategy going ahead the next couple of years in terms of expansion what I wanted to understand from you is when you are looking to get into new hotel or new property if you take what would you be looking for is it more of geographical expansion or is it basically tourism but maybe you have business tourism in Bihar and couple of other things so is there any specific which you look at for expansion purposes where the gaps and you want to fill in if you can throw light on the strategy for expansion?
- Chander Baljee:** If you really look at a map we are very much north, west and south but in south Tamil Nadu and Andhra and Telangana as we covered central India we need to cover, eastern we have covered, north eastern side we have to cover so we have a lot of things to cover but we are working very aggressively on that and I think by next quarter you will see many, many more cities where we have planted our flag and that will continue so I think we are well on our way and we are also looking at some expansion overseas also.
- Amit Agarwal:** I was just coming to the overseas expansion part. Any particular places where you could throw light on where would you looking for expansion and would it be management contracts or revenue sharing how would you be going about it?
- Chander Baljee:** Mostly management contracts. We are looking at Sri Lanka, we are looking at Maldives, we are looking at maybe south east Asia but at the moment I cannot give you specific because we just started talking to people.
- Amit Agarwal:** Sure and the expansion would be primarily as you said asset light model so it will not affect your balance sheet going forward can I take that?
- Chander Baljee:** Expansion as I mentioned to you will be only in the Goa hotel and the Bengaluru resort there will be some capital investment but otherwise no.
- Amit Agarwal:** Sure Sir. Thank you Sir and that is all from my side.

Moderator: Thank you. The next question is from the line of Rajesh Agarwal from Proprietary Advisors. Please go ahead.

Rajesh Agarwal: Now FY2022-2023 is coming to a fag end will be very oportune for us to know what is the management mind for the next year's targets both on the topline and EBITDA level?

Amit Jaiswal: See Mr. Agarwal this year's target was 300 Crores of topline and 80 Crores of EBITDA and as far as the EBITDA is concerned I think we are almost there and we will be over shooting the EBITDA target this year so EBITDA we should be closing somewhere around 95 Crores of EBITDA and topline most probably anywhere between 280 to 290 Crores we should be able to do depends on the next one-and-a-half month of business so next year we have set a target of somewhere around 375 Crores anywhere between 375 to 400 Crores depending on another revenue share or how many hotels we can add. Already we have added two in this current financial year so another two or three we want to add and if that happens then we will definitely be able to touch 400 Crores because organic growth cannot be more than 10 to 12% so that is the way we are looking anywhere between 375 to 400 Crores of topline and EBITDA of around 125 Crores.

Rajesh Agarwal: All the best.

Moderator: Thank you. Ladies and gentlemen that was the last question for today. I now hand the conference over to the management for closing comments.

Chander Baljee: Gentlemen thank you very much for joining us on this call and I appreciate all the questions that you had asked and request for further information in the next quarter that we will take care of and I can assure you that we are on the right path of growth and things should be doing well. We are very optimistic about the country's future, industry's future and particularly our own company's future. We have taken the right steps and we should yield results in the coming quarters. Thank you.

Moderator: Thank you very much. On behalf of Royal Orchid Hotels Limited that concludes this conference. Thank you for joining us. You may now disconnect your lines.