

December 09, 2017

To,
Corporate Services Department,
**National Stock Exchange
of India Ltd.**
5th Floor, Exchange Plaza
Plot no. C/1, G Block,
Bandra - Kurla Complex
Bandra (E), Mumbai - 400 051

To,
Corporate Services Department,
The BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001.

To,
Corporate Services Department,
**Metropolitan Stock Exchange
of India Limited**
4th Floor, Vibgyor Towers,
Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 098

Ref: Scrip Code/Name: BYKE (NSE), 531373 (BSE), THEBYKE (MCX-SX)

Subject: Investors/Analysts Presentation

Respected Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing obligation and Disclosure Requirements) Regulation 2015, a copy of the Investors/Analysts Presentation is enclosed and the same has also been uploaded on Company's website at www.thebyke.com

We request you to kindly take the same on record.

Thanking You,

Yours faithfully,

For The Byke Hospitality Limited


(Pramod Patodia)

Director

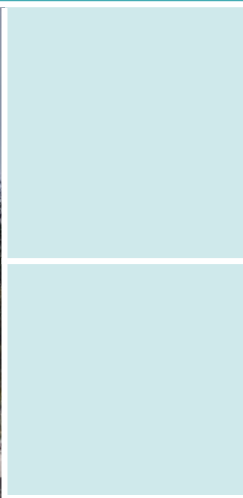
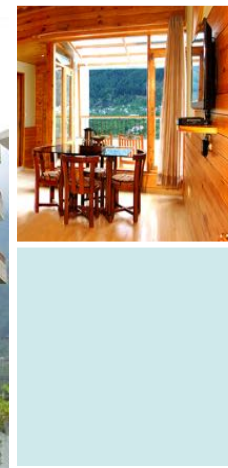
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Investor Presentation

Q2FY18



The “BYKE” Brand

Core brand promise:
Quality + Affordability

Mid-market presence

Amongst few organized brand in the segment

Focus on domestic leisure

Large and fast growing segment

Full service hotel

One stop for leisure, social & corporate events

Serving vegetarian food

A key differentiator

Location is the key

Tourist locations, heart of cities

Agenda

01

Financial Highlights & Updates Q2FY18

02

Company Overview

03

Lease Business

04

Chartering Business

05

“The Byke” Hotel Portfolio

A photograph of a modern building with a fountain in the foreground and a tree on the left. The building has a mix of white and reddish-brown siding. A fountain with multiple jets of water is in the center. A dark car is parked in a covered area under the building. A wooden railing is in the foreground. A large tree is on the left side of the image.

Updates & Financial Highlights Q2FY18

Added over 140 rooms across 3 properties....

The Byke Nature Villas, Shimla

- Property taken on long term lease of 15 years
- Has 36 rooms, 1 banquet hall, 1 restaurant
- Once the summer capital of British India, Shimla is one of the most visited tourist destinations in India



The Byke Pooja Samudra, Kovalam, Kerela



- Property taken on long term lease of 15 years
- Has 42 rooms, 1 banquet hall, 2 restaurant & bar, 1 lawn
- Kovalam, a quaint coastal town, has one of the best beaches of Kerela

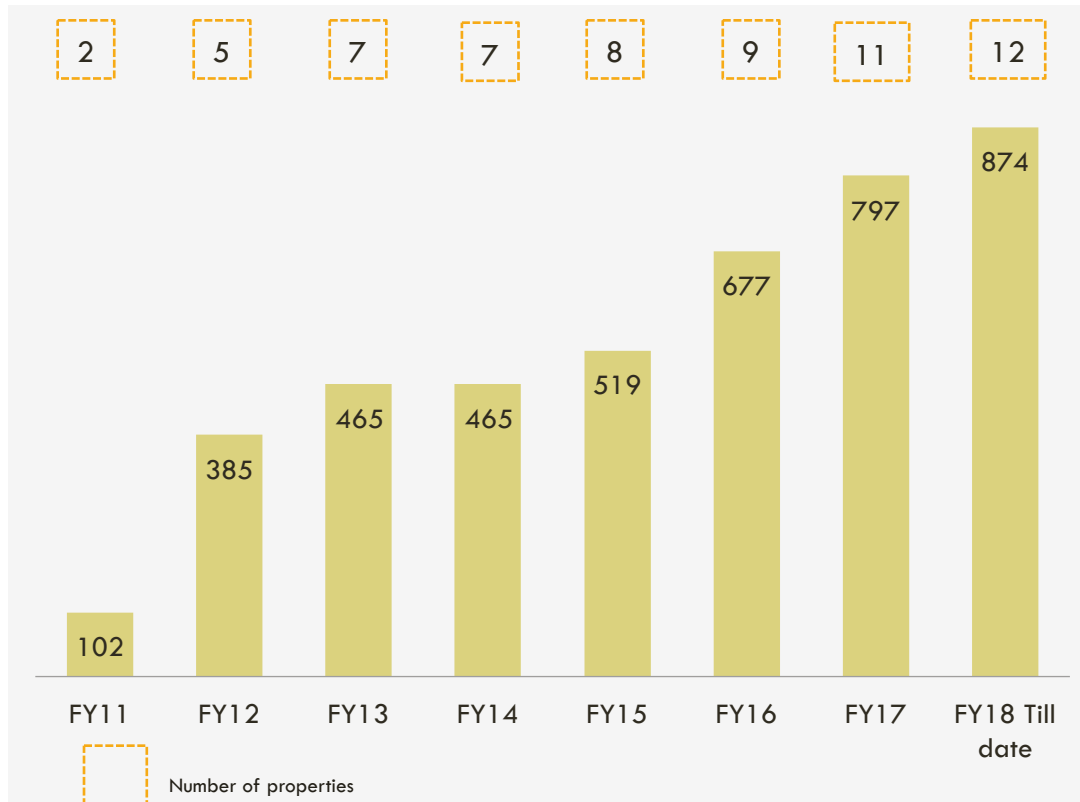
The Byke Brightland, Matheran

- Property acquired at an investment of Rs 82mn
- Has 63 rooms and a lawn
- Hill station, a very popular gateway from Mumbai



... Taking Portfolio to 874 Rooms Across 12 Properties

Number of Rooms and Properties



*Exited Byke Vijoya (54 rooms), Byke Hidden Paradise (40 rooms), leased out Byke Sunflower (owned property of 22 rooms) in FY18

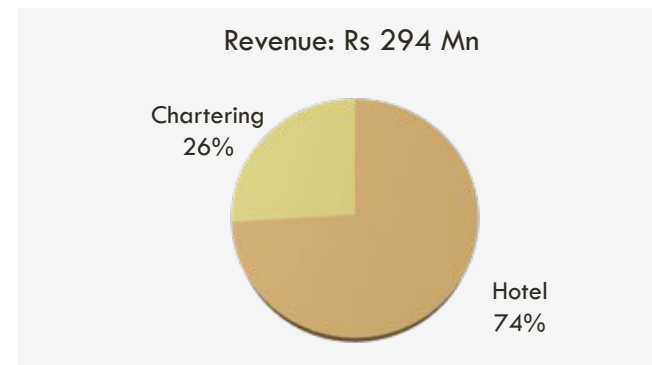
No.	Hotel	Location	No. of rooms	Type
1	Byke Old Anchor	Goa	240	Leased
2	Byke Suraj Plaza	Mumbai	122	Leased
3	Byke Heritage	Matheran	80	Owned
4	Byke Grassfield	Jaipur	54	Leased
5	Byke Neelkanth	Manali	40	Leased
6	Byke Redwood	Matheran	25	Leased
7	Byke Grassfield Riviera	Jaipur	80	Leased
8	Byke Riddhi Inn	Udaipur	52	Leased
9	Byke Delotel	Mumbai	40	Leased
10	Byke Brightland	Matheran	63	Owned
11	Byke Pooja Samudra	Kovalam	42	Leased
12	Byke Nature Villas	Shimla	36	Leased
Total			874	

Yet to be operational

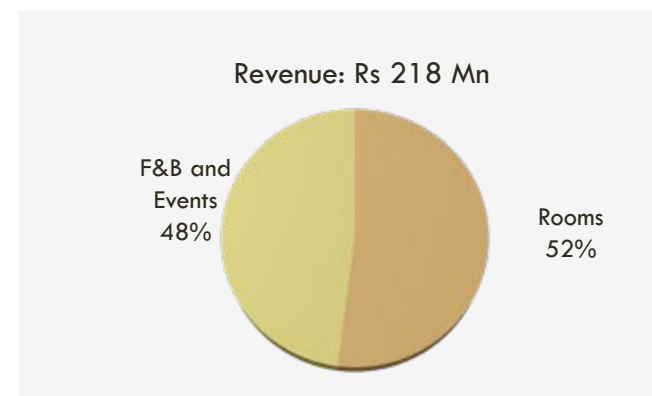
Income Statement – Q2 FY18 & H1FY18

Rs. Mn	Q2 FY18	Q2 FY17	YoY	H1 FY18	H1 FY17	YoY
Hotel Revenue	218.3	226.5	-4%	510.6	512.0	0%
Chartering Revenue	75.8	82.6	-8%	154.2	165.7	-7%
Revenue	294.1	309.1	-5%	664.8	677.7	-2%
Cost of Raw Material	41.0	42.2	-3%	106.7	99.7	7%
Employee Expense	25.5	21.9	17%	49.9	43.6	14%
Other expense	115.0	125.2	-9%	263.2	276.0	-6%
Total Cost	181.5	189.3	-4%	419.8	421.3	-1%
EBITDA	112.6	119.8	-6%	245.0	252.4	-3%
EBITDA margin	38%	39%		37%	37%	
Depreciation	32.9	30.1	9%	64.7	58.3	11%
Net Interest Cost	2.0	3.1	-37%	3.6	6.3	-42%
Other Income	1.9	1.6	16%	3.7	3.0	23%
PBT	79.7	88.2	-10%	180.4	190.8	-5%
Tax	27.6	30.5	-10%	62.4	66.0	-5%
PAT	52.1	57.7	-10%	118.0	124.8	-5%
PAT margin	18%	19%		18%	18%	
Other Comprehensive Income	(0.04)	-		-	-	
Total Comprehensive Income	52.1	57.7	-10%	118.0	124.8	-5%

Segmental Revenue Breakup: Q2FY18



Hotel (O&L) Revenue Breakup: Q2FY18



* The Company has changed its accounting method of revenue from gross basis to net basis for room chartering segment from April 1, 2017. Numbers for Q2FY17 and H1FY17 have been adjusted for the same for a like-on-like comparison

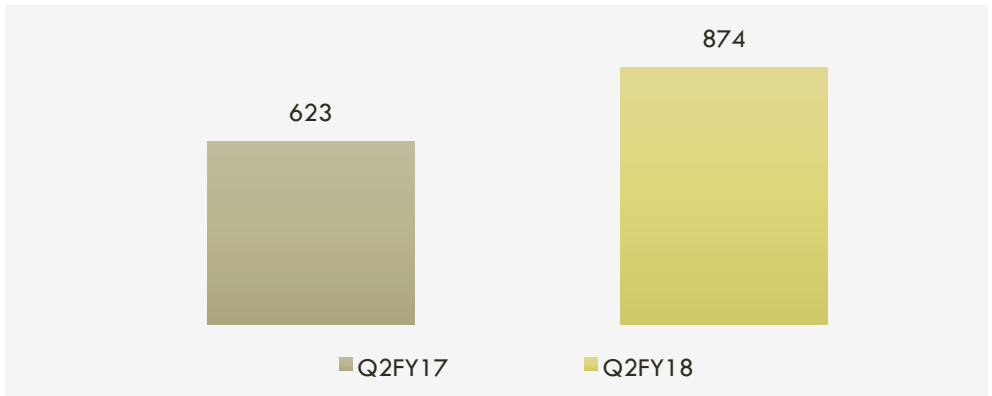
Balance Sheet

Rs. Mn	Sept'17
Share Capital	401.0
Reserve and Surplus	1,194.4
Net Worth	1,595.4
Long Term Borrowings	3.5
Deferred Tax Net	67.1
Other non-current liabilities	4.4
Total Non-current liabilities	75.0
Short term borrowings	61.7
Other current liabilities	220.9
Total Current liabilities	282.6
TOTAL LIABILITIES	1,953.1

Rs. Mn	Sept'17
Net Block + CWIP	1,006.4
Other Non-Current Assets	45.3
Other Financial Assets	81.5
Total Non current assets	1,133.2
Inventories	81.3
Debtors	237.7
Cash and bank	27.4
Other Current Assets	1.5
Other Financial Assets	472.0
Total Current Assets	819.9
TOTAL ASSETS	1,953.1

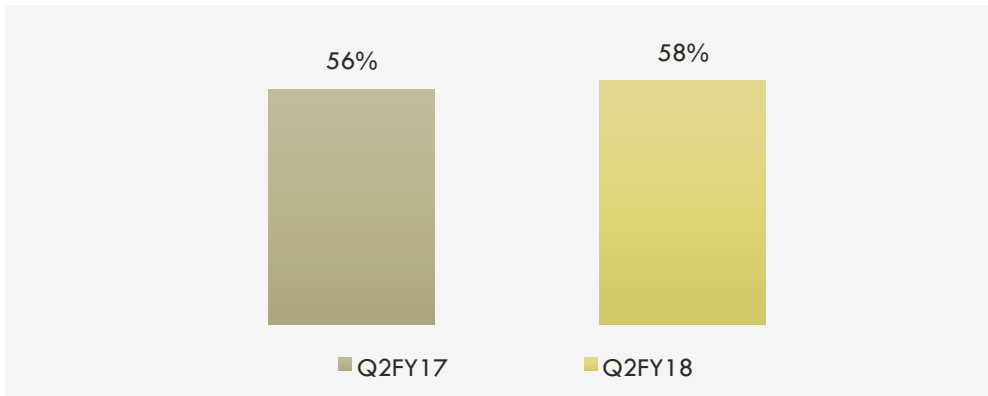
Lease Business – Q2 FY18

Number of rooms

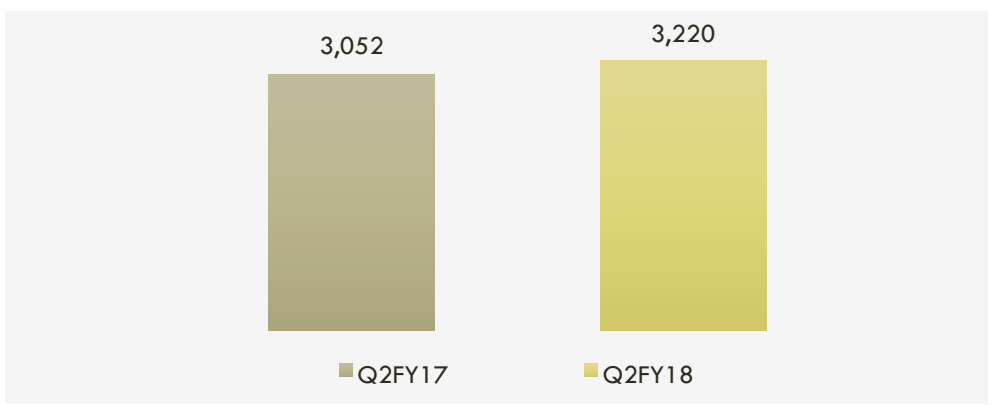


*Note: 181 rooms out of 874 Rooms are yet to be operational.

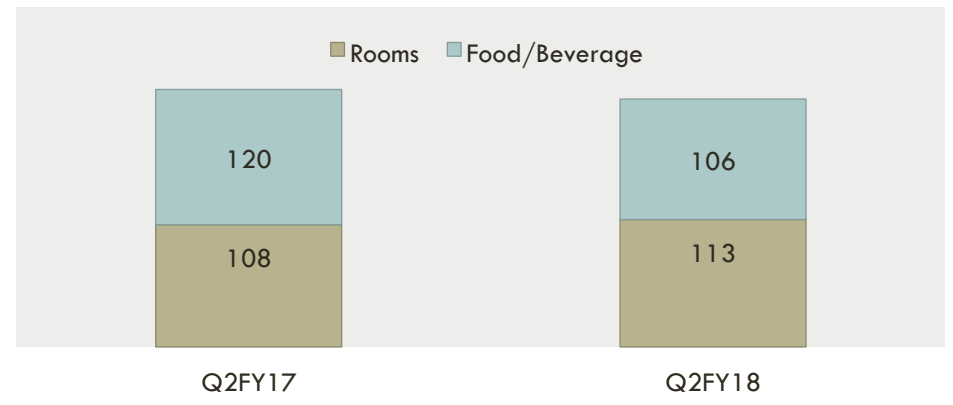
Occupancy (%)



ARR (Rs)

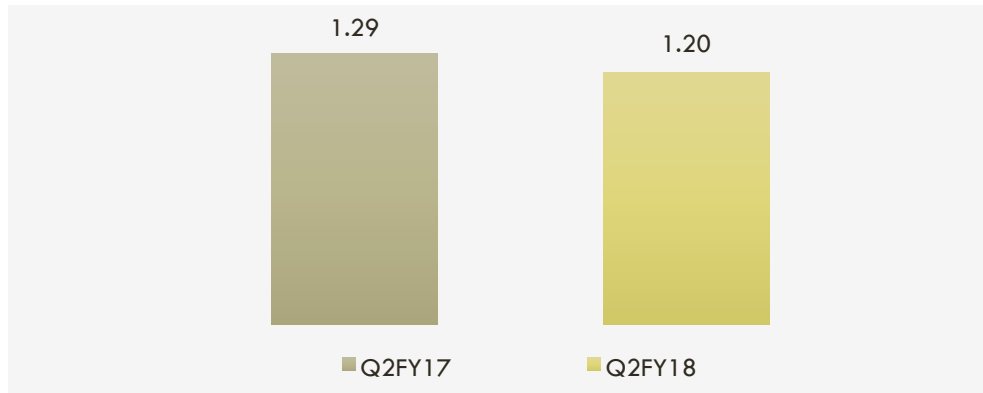


Revenue (Rs Mn)

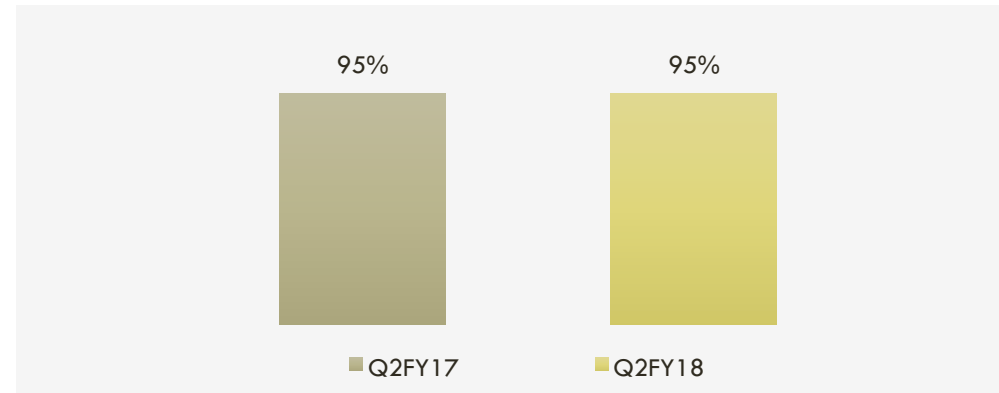


Chartering Business – Q2 FY18

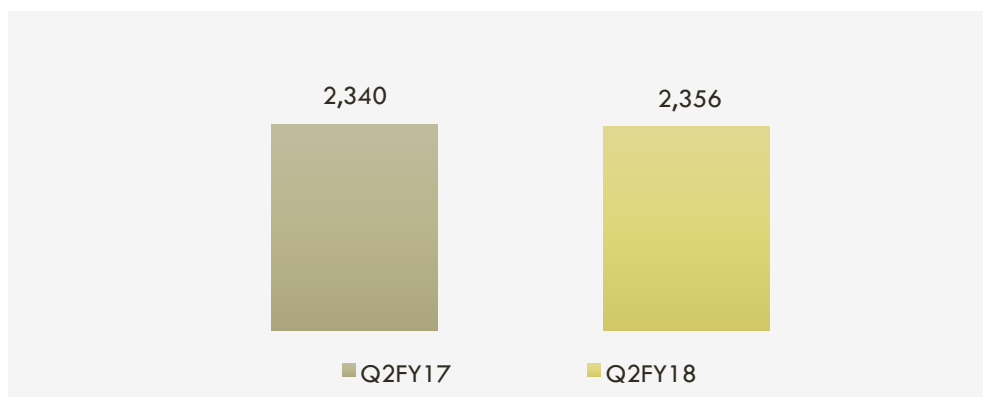
Number of rooms nights sold (In Lacs)



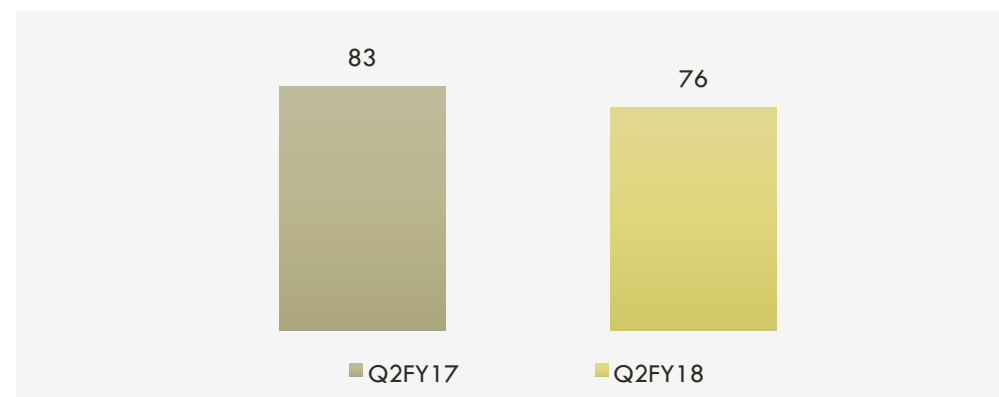
Occupancy (%)



ARR (Rs)



Revenue (Rs Mn)

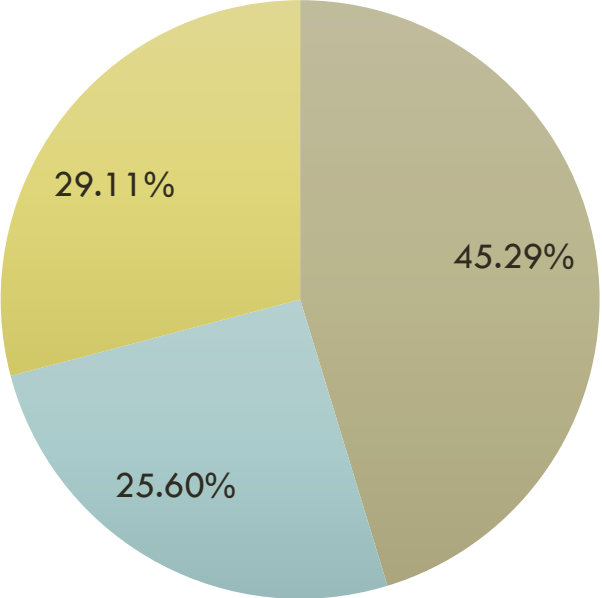


Identified Locations for the Next Phase of Growth



Lonavala	Coveted location for a quick weekend getaway for the Mumbai
Mahabaleshwar	Blend of old-world charm, natural beauty and modernity
Chandigarh	Best-planned city in India, epitome of modernization and natural beauty
Dalhousie	Situated in the western Himachal Pradesh, prominent hill station
Jodhpur	Traditional city with beautiful palaces and forts
Darjeeling	Hill station in East India surrounded by tall Himalayan mountains
Gangtok	Ambience of tradition and modernity; stupas and monasteries

Shareholding Pattern (As on 30th September 2017)



■ Promoters ■ Institutional ■ Others

Institutional Investors	% Holding
Grandeur Peak Advisors	10.18%
Jupiter India Fund	7.13%
Wasatch Funds	7.24%
GIC India	1.84%

Byke Background and Overview



Background and History

History (Prior to 2010)

- Formerly known as “Suave Hotels”
- Started operations in the year 2002
- Promoted by Mr. Satyanarayan Sharma and family

No. of Hotels – 2
No. of Rooms – 102
Room Chartering - Nil

Acquisition (2010)

- Current promoters acquired 44.5% stake in the Company in December 2010
- 2 properties – Byke Heritage Matheran and Byke Suflower Goa (total 102 rooms)
- In August 2011 the Company name was changed to “The Byke Hospitality”

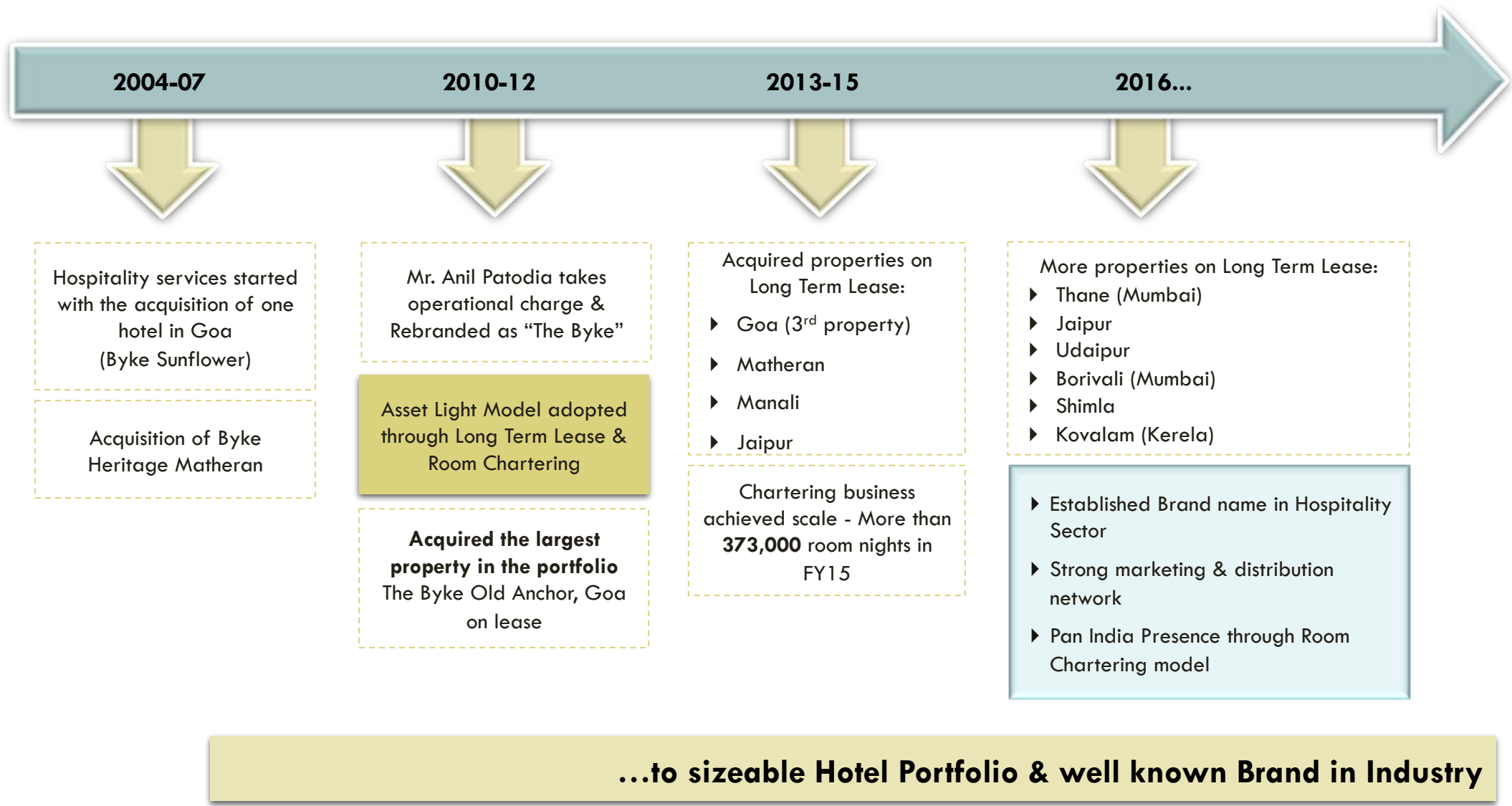
The Byke (Present)

- Mr. Anil Patodia (Managing Director and Promoter) had significant experience in the hospitality industry – business of supplying recon pillows to hotels
- Strong vision to be a leader and preferred choice in the Hospitality Industry

No. of Hotels – 12
No. of Rooms – 874
Room Chartering – ~6 lacs room nights



Evolved from Standalone Hotel Property ...



Experienced Management Team

Mr. Anil Patodia
Chairman and Managing Director



- Provided strong and dynamic leadership to “The Byke” since 2011
- A career Hotelier with an extensive experience in the Hospitality industry
- His experience in operations and marketing is playing a key role in the global expansion and development of future hotels

Mr. Suraj K Soni

- 20 years of experience as a Hotel Executive
- General Manager with proven brands such as Hilton, Wyndham Hotels, Sayaji Hotel and others
- Specialization in the management of large convention hotels, 4 & 5 Star Resorts & Hotels
- Proven track record of success in opening / re-opening, major renovations and brand re-positioning

Mr. Mihir Sarkar

- 19 years of hands-on experience in the hospitality industry
- Past management roles at Taj, Holiday Inn and ITDC
- Specialties:
 - ✓ Pre-opening Hotel Management
 - ✓ Vendor & Supplier Management
 - ✓ MICE & Convention Management

Mr. Ronald Masse

- Versatile hospitality professional and dynamic manager with more than 20 yrs of experience
- Worked with Group like Tunga & Panaromic group of Hotels
- Specialties:
 - ✓ Hospitality Operations
 - ✓ Client Management & Relationship Building
 - ✓ Business Development

Supported by Independent Board of Directors

Mr. Sandeep Singh

- **A renowned media professional, author and management strategist**
- Post-Graduation in Rural Development from Xaviers Institute of Social Science (XISS)
- Specialised in Media Planning from Mudra Institute of Communications & General Management from IIM, Bangalore
- Author of various books. Some of his books are 'Business of Freedom', 'Indian Ocean Strategy & 'Simhavolokan'
- On the Advisory Board of The National Institute of Mass Communication & Journalism

Mr. Dinesh Kumar Goyal

- He belonged to 1981 batch of the Indian Administrative Services. prior to IAS, he was a scientist for six years in the Department of Atomic Energy, govt. of India.
- Has administrative experience of 32 years as a District Magistrate and Collector and heads of various departments like Agriculture commodities procurement, Computers, Election, Energy, Employment, Labors, etc.
- He retired as Additional Chief Secretary , Horticulture Department, government of Rajasthan and Chairman of International Horticulture Innovation and Training Center, Jaipur.

CA Ram Ratan Bajaj

- Fellow member of the Institute of Chartered Accountants of India
- Over 35 years of post- qualification experience
- Expertise in handling finance, taxation, corporate law, accounts, project implementation

Mr. Bharat Thakkar

- Post graduate in Commerce and has cleared ICWA Intermediate
- He is an acknowledged expert in financial planning as well as insurance sector
- Was earlier with New India Assurance and United India Insurance

Mr. Ramesh Vohra

- Successful businessman providing engineering solutions to the oil, gas, exploration, marine and construction companies
- Some of the major clients include ONGC and the Indian Railways
- Member of the Lions Club for over a decade

Awards and Accolades

Featured in Forbes Asia's "Best Under a Billion" for 2 consecutive years

Achieved the distinction of being among the 11 companies from India that have made it to the top 200 Asia Pacific corporations in Forbes Asia's 'Best Under a Billion' list in 2015

Featured again in 'Best Under a Billion' list in 2016; among the 7 companies from India that have made it to the list



Award to promote vegetarian hotels in India

Received an award for "BEST PURE VEGETARIAN HOTEL CHAIN IN INDIA" at 11th Hospitality India & Explore the World Annual International Travel Awards, 2015, New Delhi



CMD featured in Forbes June 2016 issue

Forbes Asia June 2016 issue featured Chairman & Managing Director, Mr. Anil Patodia's thoughts and future plans for the Company



Business Overview

Hotel (Owned + Leased)

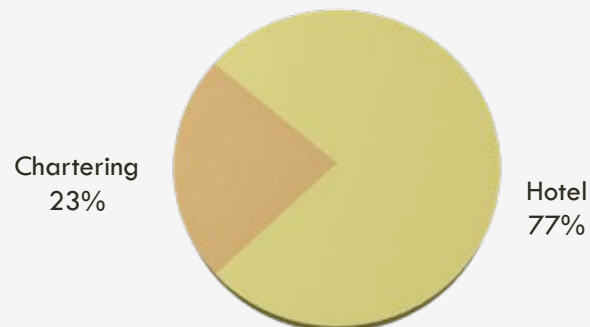
- Hotels under Brand name “The Byke”
- Focus on domestic middle class leisure tourism
- Niche in Vegetarian segment
- Diversified revenue mix – Rooms, F&B, events, etc.
- 12 properties at tourist destinations in India:
 - 2 ownership; 10 on long term lease
 - 874 rooms

Room Chartering

- Third party hotel rooms chartered at strategically identified locations across India
- Capitalise on the diverse peak seasons across India
 - Maximise occupancy (90%+)
- Presence across 60 plus cities
- Relationships with 500+ hotel owners
- Network of 300+ agents

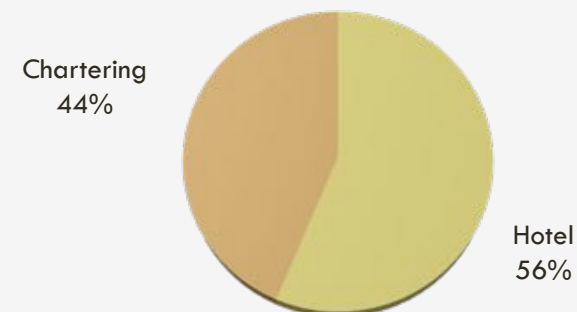
Revenue Break-up

H1FY18 Total: Rs 664 mn



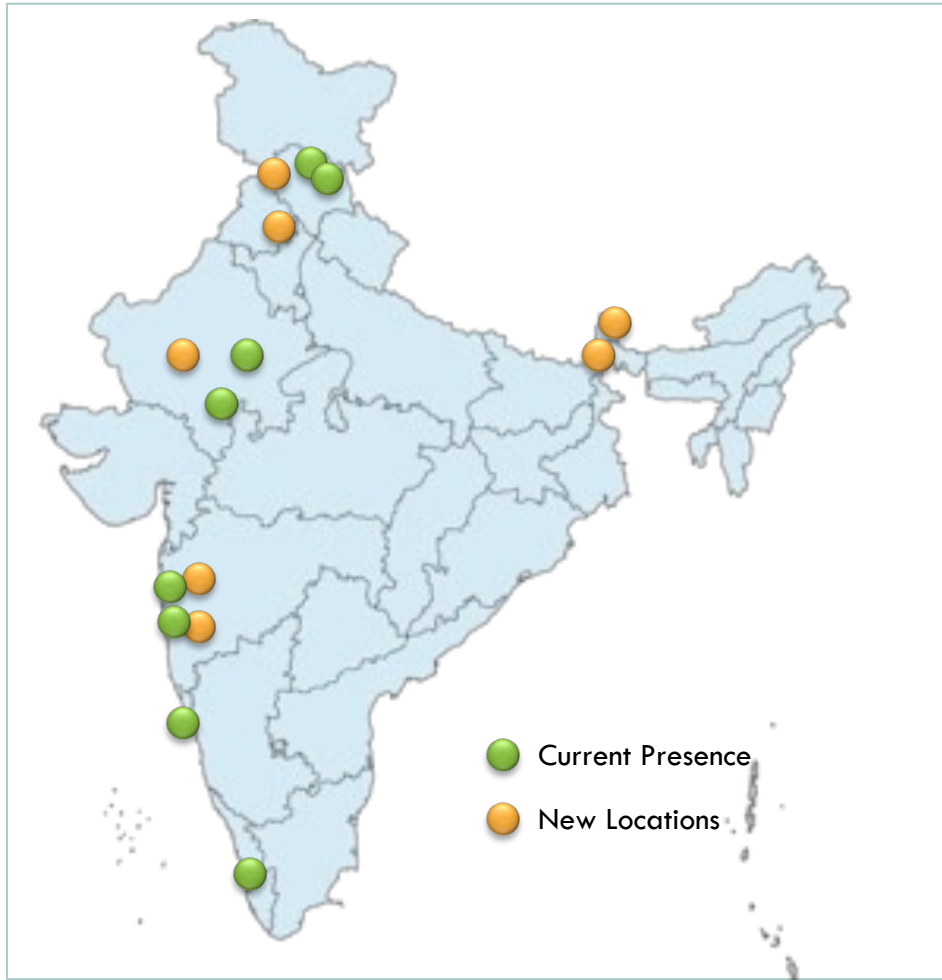
EBITDA Break-up

H1FY18 Total: Rs 245 mn

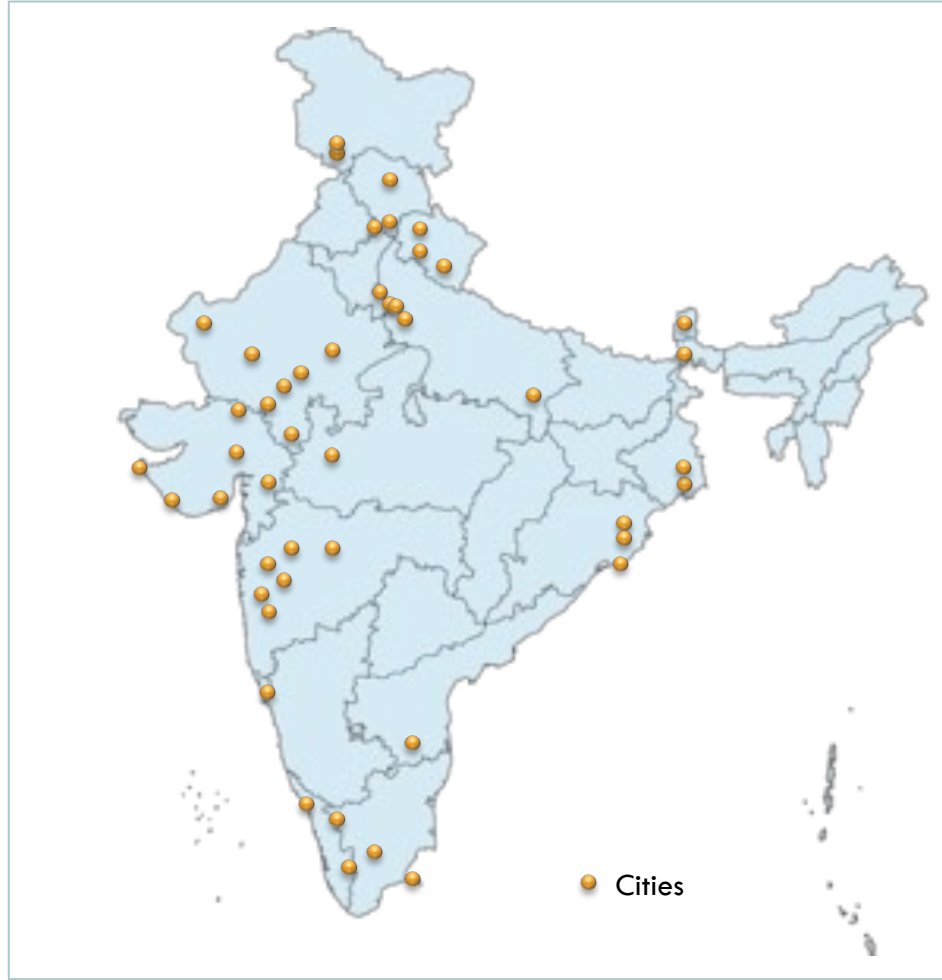


Pan-India Presence in Both Segments

Hotel (Owned + Leased) Presence



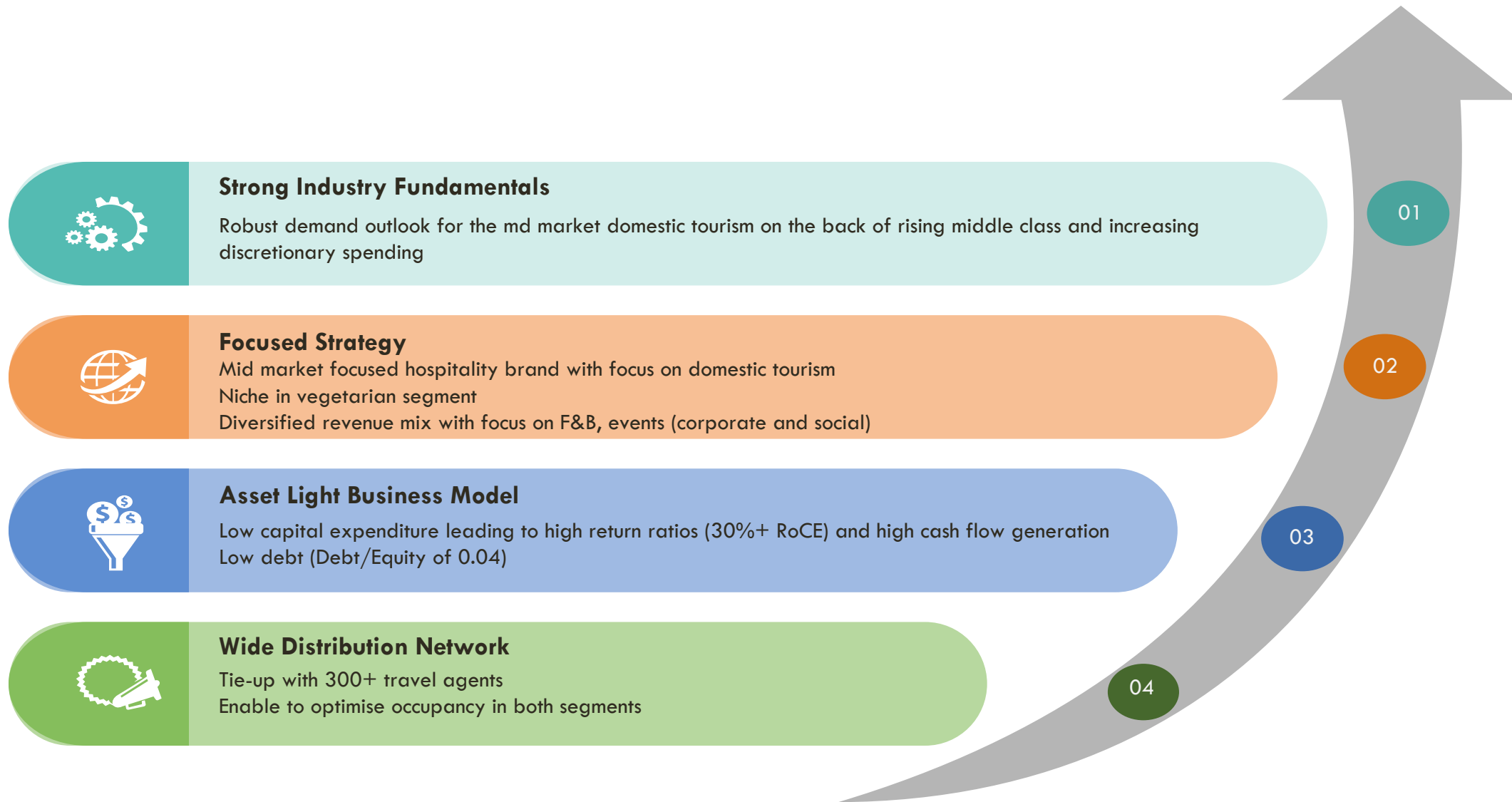

Room Chartering Presence – 60+ cities




Key Growth Drivers




Key Growth Drivers


Strong Industry Fundamentals
Robust demand outlook for the md market domestic tourism on the back of rising middle class and increasing discretionary spending



Focused Strategy
Mid market focused hospitality brand with focus on domestic tourism
Niche in vegetarian segment
Diversified revenue mix with focus on F&B, events (corporate and social)



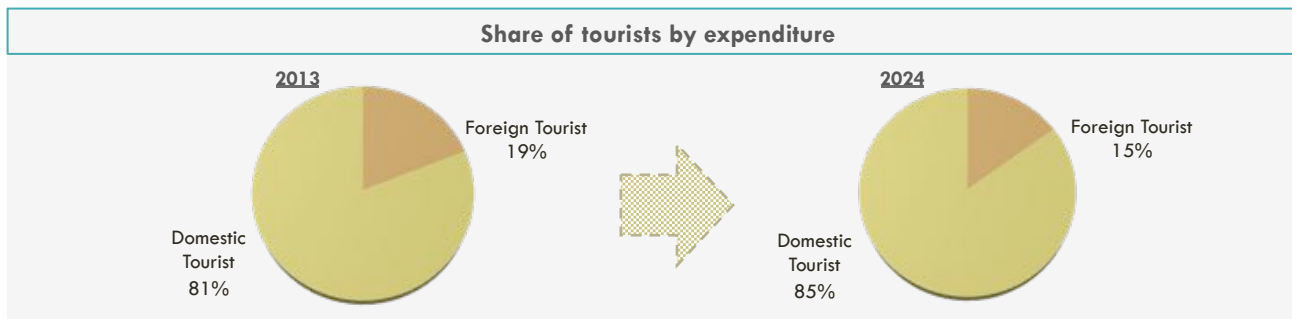
Asset Light Business Model
Low capital expenditure leading to high return ratios (30%+ RoCE) and high cash flow generation
Low debt (Debt/Equity of 0.04)



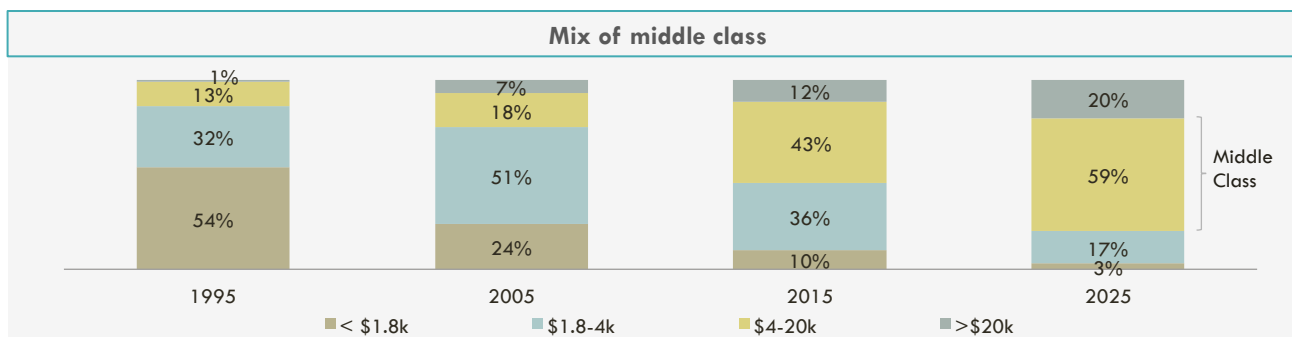
Wide Distribution Network
Tie-up with 300+ travel agents
Enable to optimise occupancy in both segments

1 Strong Industry Fundamentals

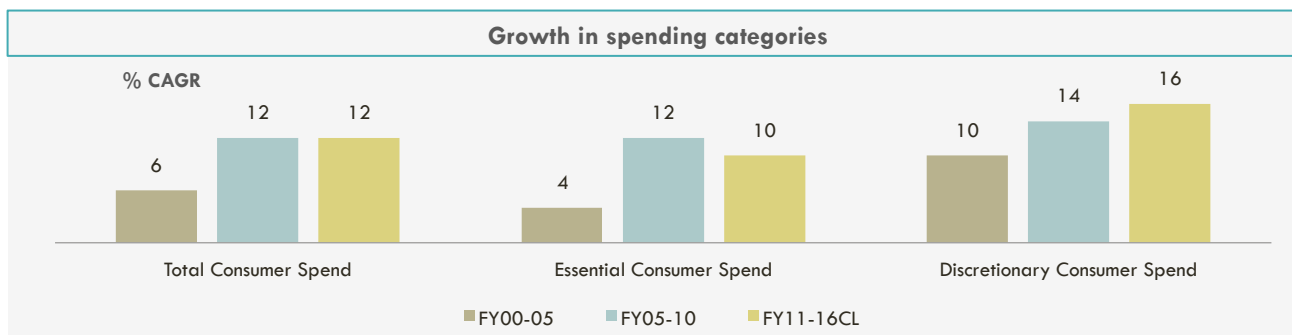
Huge Potential of Domestic Tourism



Expanding Middle Class



Increasing Discretionary Spend



Mid market focused hospitality brand with focus on domestic tourism

- Domestic travellers have been the bedrock of demand for the Indian hotel industry – Domestic tourism continues to be over 80% of the total tourist expenditure in India
- A growing middle class has created demand for branded budget hotels for the domestic travellers
- Byke has created a distinct brand in the budget hotels category

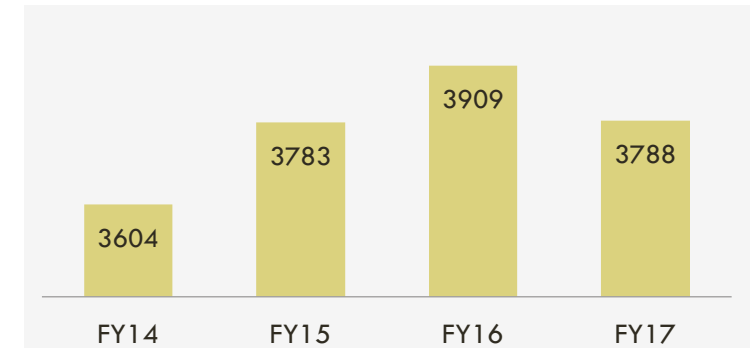
Niche in vegetarian segment

- Restaurants/ Banquets in all hotels serve pure vegetarian food
- Awarded for contribution to promote vegetarian hotels in India at 11th Hospitality India & Explore the World Annual International Travel Awards

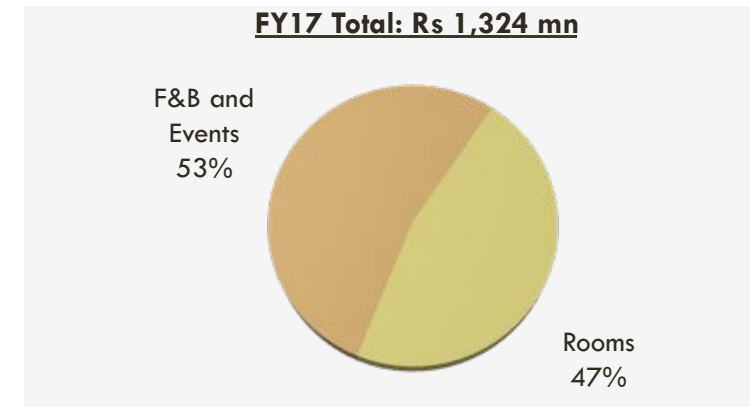
Diversified revenue mix with focus on F&B and events

- Increasing focus on diversified revenue streams including corporate events (meetings, offsites) and social events (weddings, parties) to optimize occupancy and margins
- Restaurants/ conference rooms/ banquet halls & lawns across properties for social and corporate events

Average Room Rent in Rs (Hotels segment)



Hotel Segment Revenue Break-up



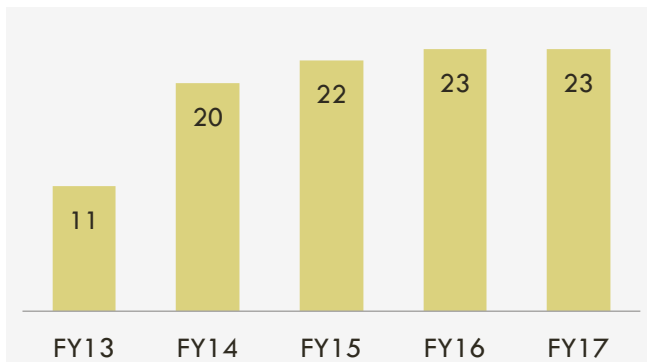
3 Asset Light Business Model

Low capital requirement as properties are taken on a long term lease

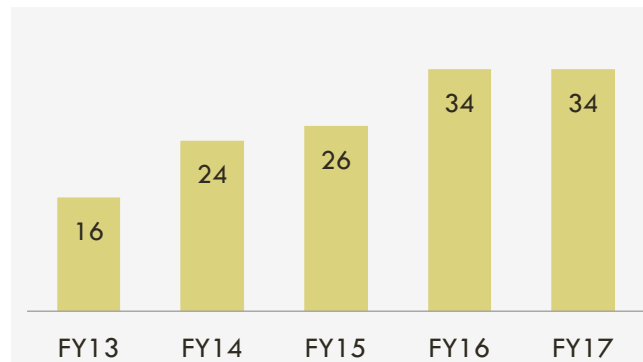
- Incremental room addition requires minimal capital employment; only capex required for refurbishment and rebranding
- Enables the company to leverage high profitability from a low capital base
- Attractive cash flow generation and deleveraging profile

Impeccable return ratios with minimal level of debt

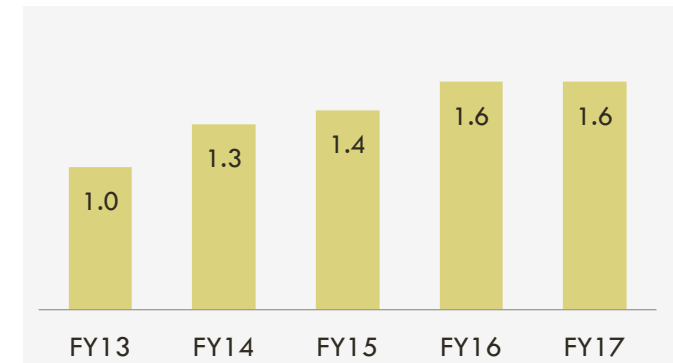
Return on Equity (%)



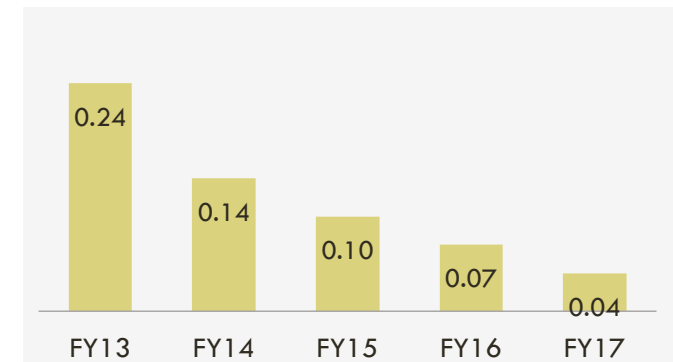
Return on Capital Employed (%)



Asset Turnover



Debt/Equity



ROE = PAT / Average Net Worth; ROCE = EBIT / Average Capital Employed; Asset Turnover Ratio = Revenue/Average Total Assets

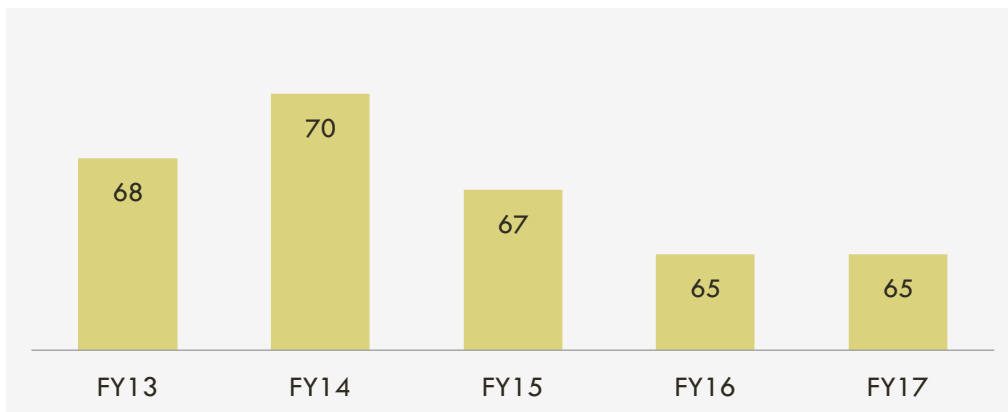
4 Wide Distribution Network

➤➤ Pan-India presence through strong agent network

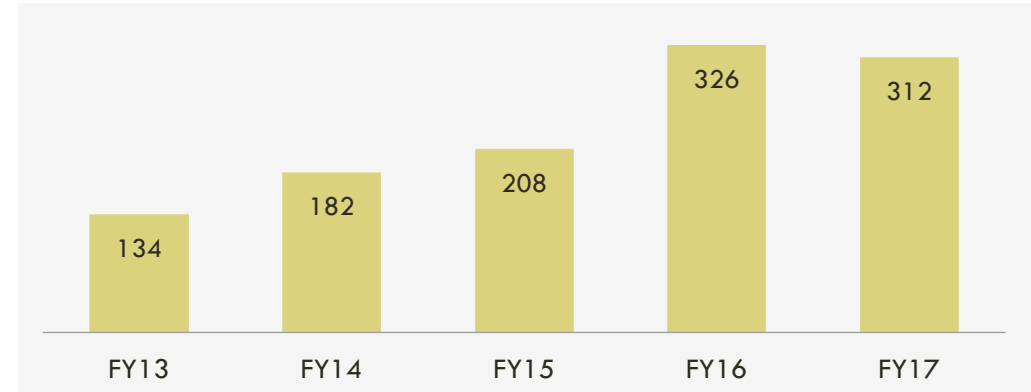
- In hospitality, selling is the major constraint, which is mitigated through tie-up with over 300 agents to sell owned + leased hotel rooms as well as chartered rooms
- Pan-India network of agents

➤➤ Enables to optimize occupancy levels

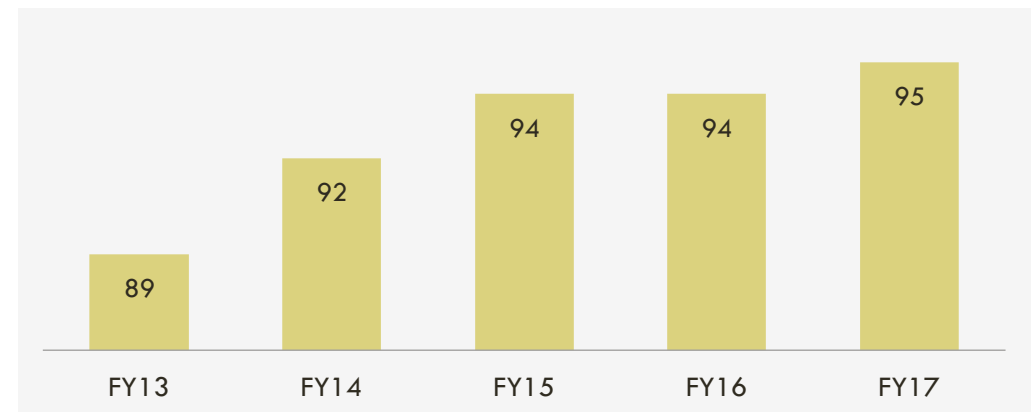
Hotels Segment Occupancy (%)



Number of Agents



Charter Segment Occupancy (%)



Hotel Segment (Owned + Leased)



Leasing = Asset Light = Low Capex & Faster Rollout

Renovation and re-branding of hotel properties...



... leading to improvement in ARR and Occupancy

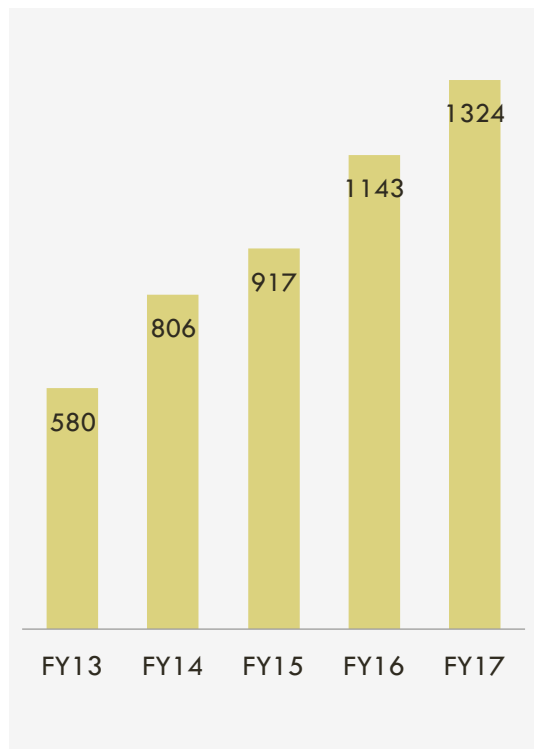
The Byke Old Anchor, Goa



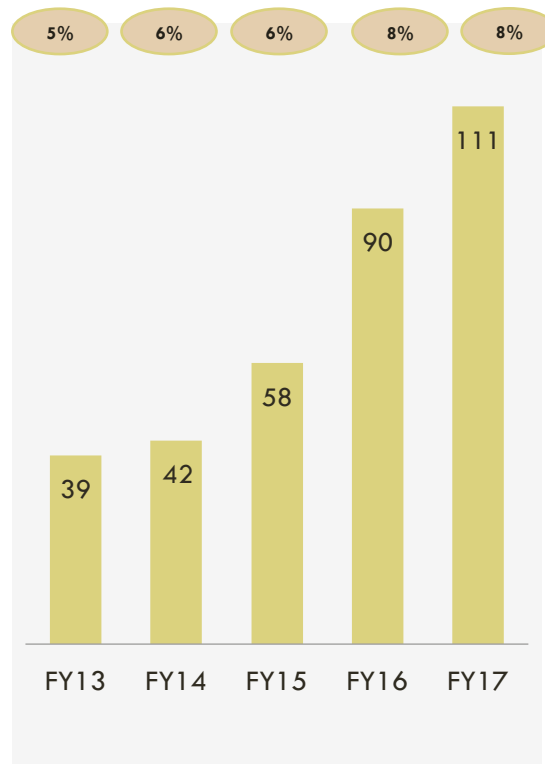
Robust Growth – 23% CAGR

Rs Million

Hotel Revenue

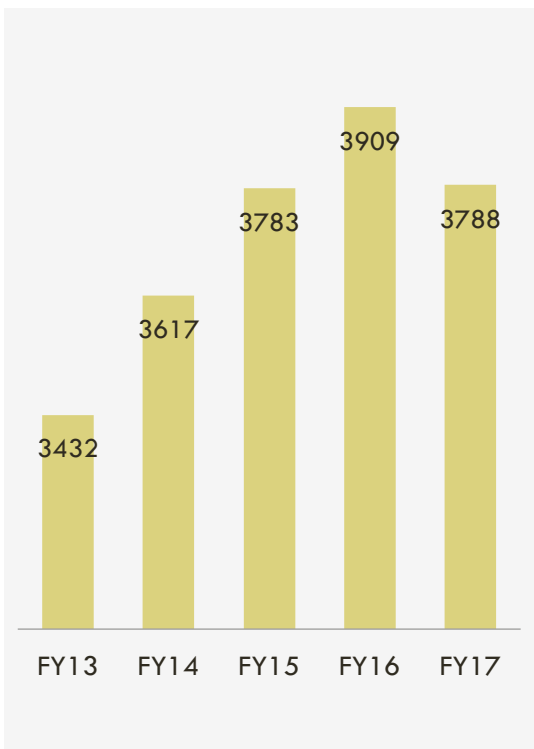


Lease Cost



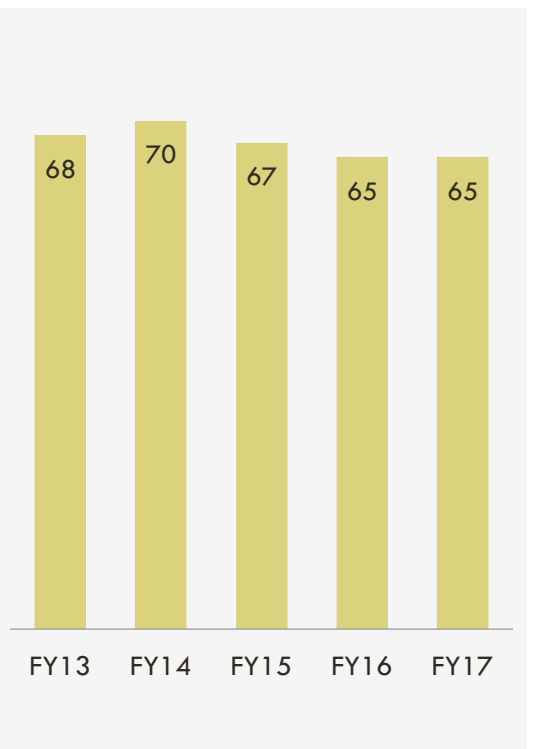
As % of Hotel Revenue

ARR (Rs.)



Improving ARR

Occupancy (%)



Decline in Average occupancy in FY15 and FY16 due to addition of new properties

Optimizing Occupancy

23% 4 year CAGR

Low lease cost as % of Rev

Room Chartering Segment



Unique Value Proposition

What is Room Chartering

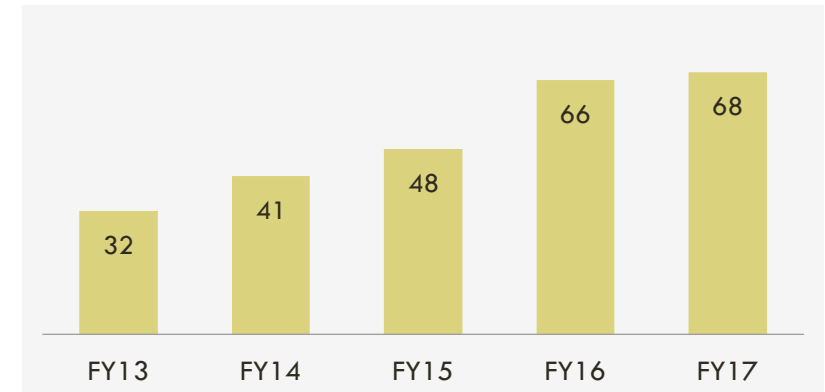
Involves **aggregation of hotel rooms through prior booking** of inventory with partial / full **advance payments**

This is **done 3-4 months before the tourist season for the entire duration of the tourist season** in a particular location

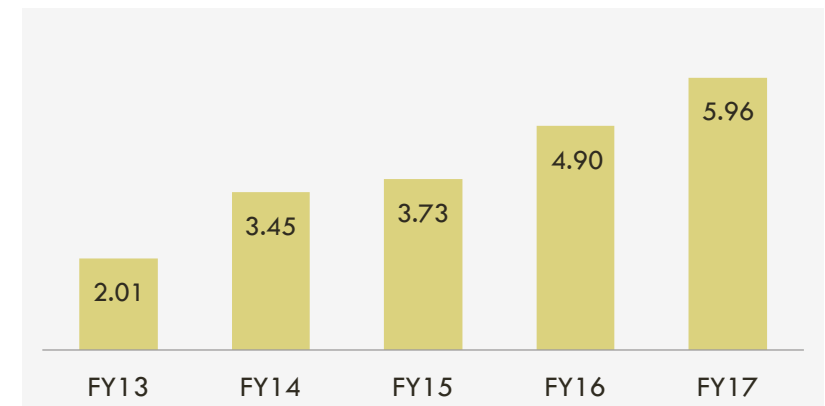
Why Room Chartering

- 1 **Scalable:** Flexibility to quickly expand depending on tourist trends
- 2 **Risk mitigation:** Pan India chartering depending on peak season; Strict quality checks while purchasing inventory
- 3 **Network effect:** Sold onward to wide network of travel agents who sell to customers
- 4 **Synergistic:** Gives insight on where to expand in hotel segment; agent network helps maximizing occupancy for hotel segment
- 5 **High returns:** Discount leads to low break-even point; low capital employed yielding high returns

Number of Cities = Expanding Presence



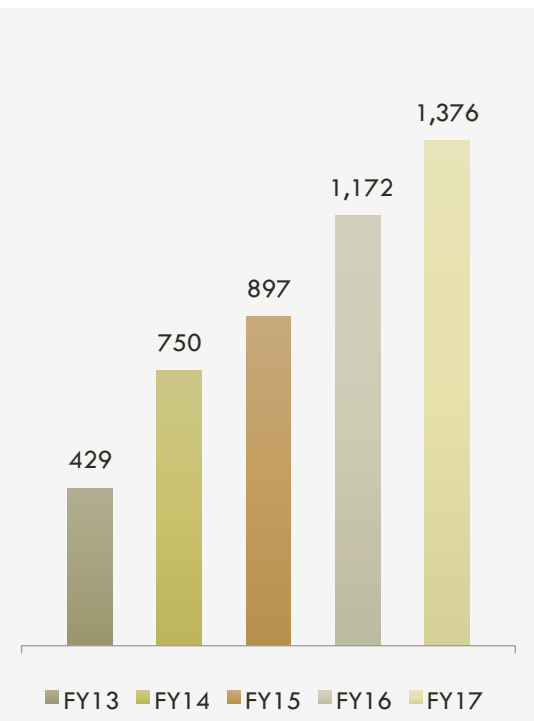
Room Nights Sold (lacs)



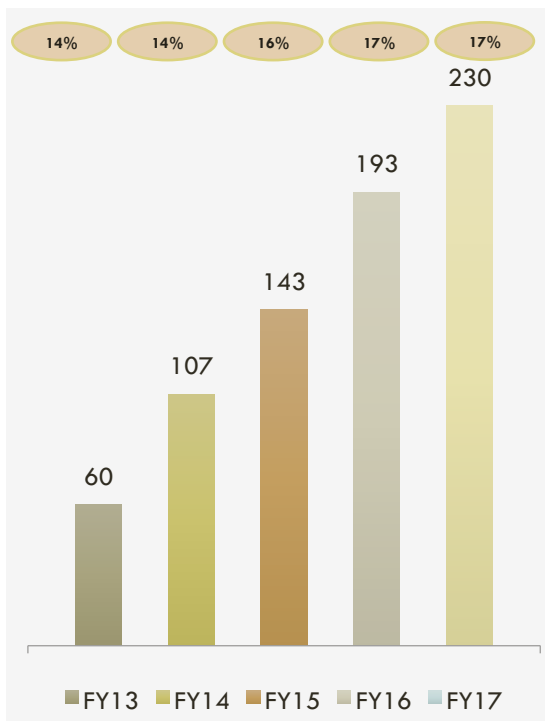
Robust Growth – 34% CAGR

Rs Million

Room Chartering Gross Revenue

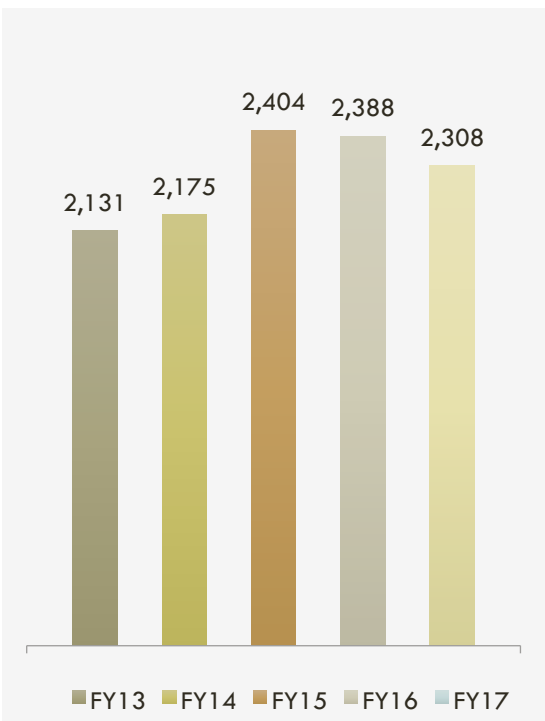


Gross Profit and Margin

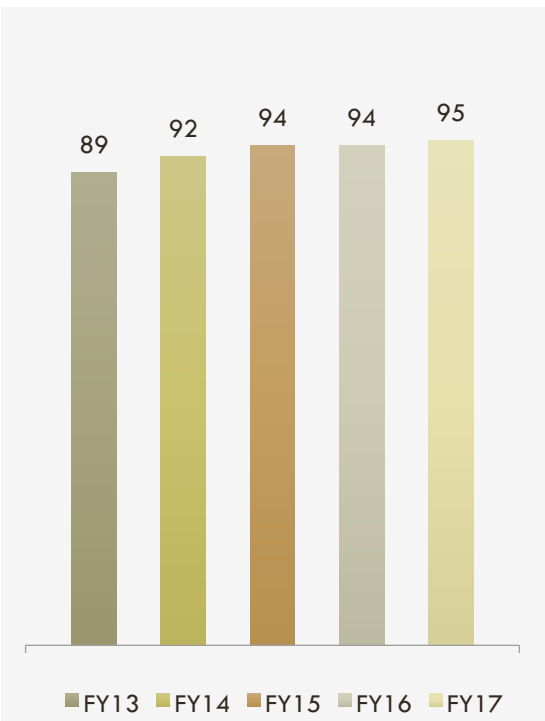


Gross Profit: Revenue – (Chartering Cost + Occupancy Loss + Agent Commission)

ARR (Rs.)



Occupancy (%)



34% 4 year CAGR

Improving Margins

Optimizing ARR

Maximizing Occupancy

“The BYKE” Hotel Portfolio

The Byke Old Anchor, Goa



No. of Rooms	240
Type	Leased

The Byke Suraj Plaza, Thane



No. of Rooms	122
Type	Leased

The Byke Heritage, Matheran



No. of Rooms	80
Type	Owned

The Byke Brightland, Matheran



No. of Rooms	63
Type	Owned

The Byke Grassfield Riviera, Jaipur



No. of Rooms	80
Type	Owned

The Byke Grassfield, Jaipur



No. of Rooms	54
Type	Leased

The Byke Delotel, Mumbai



No. of Rooms	54
Type	Leased

The Byke Pooja Samudra, Kovalam



No. of Rooms	42
Type	Leased

The Byke Riddhi Inn, Udaipur



No. of Rooms	40
Type	Leased

The Byke Neelkanth, Manali



No. of Rooms	40
Type	Leased

The Byke Redwood, Matheran



No. of Rooms	25
Type	Leased

The Byke Nature Vilas, Shimla



No. of Rooms	36
Type	Leased

Safe Harbor

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