KAMAT HOTELS (INDIA) LIMITED

"Asia's Pioneering Hospitality Chain of Environmentally Sensitive 5 Star Hotels & Resorts"

May 03, 2025

To,
Listing Department
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001.

Code: 526668
ISIN: INE967C01018

To,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra –Kurla Complex,
Bandra (E), Mumbai – 400051

Symbol: KAMATHOTEL

Sub.: Submission of Transcript of Q4 & FY25 Earnings Conference Call held on April 28, 2025

Dear Sir / Madam,

In accordance with the provisions of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), please find enclosed herewith a transcript of Q4 & FY25 Earnings Conference call of Kamat Hotels (India) Limited with various Investors and Analysts held on Monday, April 28, 2025, at 04:00 P.M. (IST).

We request you to take the above on record and treat the same as compliance under the applicable provisions of SEBI Listing Regulations.

Kindly take the above on your record.

Thanking you,

Yours faithfully,
For Kamat Hotels (India) Limited

NIKHIL SINGH Digitally signed by NIKHIL SINGH Date: 2025.05.03 18:08:25 +05'30'

Nikhil Singh
Company Secretary & Compliance Officer

Encl a/a.

Kamat Hotels (India) Limited
Q4 & FY'25 Earnings Conference Call
April 28, 2025

Moderator: Ladies and gentlemen, good day and welcome to the Q4 & FY'25 Earnings Conference Call of Kamat Hotels (India) Limited.

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 the conference call, please signal an operator by pressing the '*' then '0' on your touchtone phone.

I now hand the conference over to Ms. Nupur Jainkunia from Valorem Advisors. Thank you and over to you, ma'am.

Nupur Jainkunia: Thank you. Good evening, everyone and a very warm welcome to you all. My name is Nupur Jainkunia from Valorem Advisors.

We represent the Investor Relations of Kamat Hotels (India) Limited. On behalf of the Company and Valorem Advisors, I would like to thank you all for participating in the Company's earnings conference call for the 4th Quarter and for the financial year 2025.

Before we begin, let me mention a short cautionary statement. Some of the statements made in today's Earnings Call may be forward-looking in nature. Such forward-looking statements are subject to risk and uncertainties which could cause actual results to differ from those anticipated. Such statements are based on management's belief as well as assumptions made by and the information currently available to management. Audiences are cautioned not to place any undue reliance on these forward-looking statements in making any investment decisions. The purpose of today's earnings call is purely to educate and bring awareness about the Company's fundamental business and financial quarter under review.

Let me now introduce you to the management participating with us in today's Earnings Call and hand it over to them for opening remarks. We firstly have with us Mr. Vishal Vithal Kamat, Executive Director and Ms. Smita Nanda – Chief Financial Officer of the company.

Without any further delay, I request Mr. Vishal Vithal Kamat to start with his opening remarks. Thank you and over to you, sir.

Vishal Vithal Kamat: Thank you very much, Nupur. Namaskar, everyone. I am thankful to all who are present here today and to discuss the Q4 FY'25 and the financial year-end results of the year 2025. The results, along with a comprehensive presentation, has already been made available for all to view on the stock exchange. The results, along with the presentation, has also been shared with, for you all to look at, based on the assumption that many of you all are here. So thank you again for being here.

Despite a relatively subdued first half, I am pleased to share that we had a much better second half, resulting in an overall good performance for the year. Looking ahead, the year looks very promising for us. We have some interesting things happening, which we will share going forward along with the Q&A session. In terms of operations, we recorded a 9% growth on our ARR reaching approximately 6,500. Our goal to increase the ARR to 7,500 by FY'26 also is in place based on the new hotel openings and other aspects.

I am also pleased to report that we have been able to achieve an occupancy percentage on the group level of 65% for the quarter. Hotel to hotel it varies, so this has been the thing. As part of our strategic expansion, we have opened the Chandigarh Orchid Hotel, which I am very pleased to inform all that we did a soft opening in the month of April, mid-April and we will be having the formal opening already will happen in the first week of May. It is a 122-room luxurious property. It is the first property when you leave Chandigarh Airport coming towards Zirakpur. So strategic location with a very beautiful banqueting space. We have multiple banquets.

We have South of vindhiyas restaurant, which is our signature restaurant from Mumbai. We have the Boulevard coffee shop, which is a massive all-day dining. And considering how Chandigarh is, we expect that it will do really well. We have a pool deck and a pool restaurant, small restaurant deck, and seeing that the pool, which is on the ninth floor, and that we also have a fantastic beautiful lobby lounge. So it is a F&B-centric hotel, and we are very proud that it has shaped up very well.

Apart from this also, we have signed two new properties in Rishikesh, which is a 54 room, which is scheduled to open on 1st of July. And we also have signed a 153-room hotel in Kutch, Mandvi, which is set to open by December 27. It might be a little before that also, so I'm hoping for that. This year has been particularly significant especially considering our various other, Hyderabad will open shortly. Bhavnagar was delayed due to the fire that happened in Rajkot and that stopped a lot of the hotel work and even other works including malls and other aspects which I think whole Gujarat unfortunately suffered at the hands of the tragedy. But Bhavnagar is also on track now with the things government giving the clearances and that will open this year along with Dehradun which got delayed is also there and Gwalior. So our expansion which is going on in this year, we're very happy to see that Chandigarh has been there, Hyderabad will be there, Rishikesh will be there, Bhavnagar will be there, Dehradun and Gwalior. So all these will be added to our Kamat family, Orchid hotels and IRA hotels.

Further, we also have some improvements happening which will further enhance the EBITDA and sales at our things, which is an ongoing process as already explained in our prior which is

Orchid Pune. You know, the work is going on over there, which will upscale the hotel and take it to the next level.

Operation efficiency remains the key focus. We have been implementing various tools and technologies, energy consumption devices, streamlining labor, looking at AI and bots to help us with our various processes. And we want to take our EBITDA, and we want to take our debt down which we've been consistently doing. We were at 150-140 which has come down to around 100 and 105 for this year right now. And as we already told in the past, we are in the same direction, rapidly reducing it further. In fact, by this year, anyway, that's for the later. So that's also there. So also use of technology has been paramount. We've been using a lot of tools to further bring the efficiency in terms of our finance, accounts operations, and our compliances. So that's also something which will give us very rich dividends in the time to come.

So I am once again sincerely grateful to all you investors and people who have been our stakeholders, well-wishers, for having that continued trust in us and being part of this call. Thank you very much and I look forward to the Q&A session after Smitaji finishes her address. Thank you. Namaskar.

Smita Nanda: Thank you, sir. Namaskar and good evening, everyone. Let me briefly touch upon the key performance highlights for the quarter ending 31st March 2025. The consolidated revenue for Q4 FY'25 stood at INR 93 crore representing the growth of approximately 9.5% on year-on-year basis. EBITDA for the quarter was Rs. 25 crore a growth of around 6.4% year on year basis. With the EBITDA margin 26.81, the profit after tax for Q4 FY'25 stood at INR 11 crore, showing the significant increase of 423% compared to INR 2 crore in Q4 FY24. That is last year. For the full financial year FY'25, the consolidated revenue stood at INR 363 crores, registering the growth of 19.1% on year-on-year basis. Total EBITDA for the year was INR 105 crores, up by 15.2% year-on-year basis, with the EBITDA margin of 28.9%. The profit after tax for the year stood at INR 47 crores which is reflecting 4% growth year-on-year basis with the PAT margin for the period ending at 12.86%.

With this, I conclude my remark and request the moderator to open the floor for the question-and-answer. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press '*' and '1' on their touchtone telephone. If you wish to withdraw yourself from the question queue, you may press '*' and '2'. Participants are requested to use handset while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

The first question is from the line of Guru Darshan from Kitara capital. Please go ahead.

Guru Darshan: Yes, thank you for the opportunity. Sir, can you please share an update on the Mahodadhi Palace JDA? How much CAPEX is there? What kind of revenue can we expect? And what could the ROCE look like from this property? And second, since we entering the new year with a IRR mix of various hotels, what kind of EBITDA margin in terms of percentage can we expect this year? Thank you.

Vishal Vithal Kamat: Thank you very much. So basically we had entered into a JV. That JV has not progressed ahead. So we basically are looking at someone else in terms of strategic partner from that perspective for the venture. Okay, that said, certain things are already moving ahead because we already have a beautiful plan in place and there have been various people who have shown interest in terms of partnering with us for the overall project. So once the financial parts of those are shared with, once they are finalized, then we will be in a better position to tell you what would be the certain aspects because it will be based on whatever final outcome of the JV. That said, it's a property which is almost 200 rooms. It will be 180, plus minus rather, so (+/-180) around maybe 180, 185. 180 room property at Puri and Puri is a very, the kind of product that this is, is a very premium destination what we can see and the kind of market that is there that have become in a few luxury players like example Taj is there and there have been some other standalone also who have enhanced themselves and the ARR in that market has driven upwards. So we are also very buoyant to see that this would be a very lucrative ARR on the higher side kind of situation and considering that Puri especially is already a popular MICE destination, so we looking at this being quite fruitful in the near time to come. So this said this is basically the outlook of Puri and what was the other thing?

Guru Darshan: The second question is with a higher mix of leased hotels, what kind of EBITDA margin you are expecting? It would be still 35% or less than 35%. We just wanted to understand from you.

Vishal Vithal Kamat: Yes. So it's a very nice question. Basically, it will definitely come down, but it will come down slowly because what's happening is that on one hand, we have our own properties which are going to go up. Like example, the Orchid Pune. Once it is renovation and its up-gradation completes, we find that that will give us a huge jump in our sales as we expect. And apart from that, apart from this movement in terms of our own, we're also going in for leasing and revenue share model properties. Now the thing is that on an average, these revenue share properties, they give you a net return anywhere between 10% to 15% based on whatever is the overall terms. So for example, if I go by industry thumb rule, let's just for hypothetic say that you have a thumb rule of say 35%, okay, so that means on 35% if my leasing is coming to around 20% then I will be left with 15%. If my leasing or revenue sharing comes to around say 25% then I will be left with 10%. So it depends on what is the… so now if the GOP is at 40% and even if my revenue or leasing percentage is coming to 25%, still I'm left with a 15% margin. So, the thing is that it will come down, but come down slowly in a tapered manner. The reason being that the assets which we own, like the Orchid Mumbai, like Pune Orchid and others which are there, are basically contributing heavier than the newer properties coming in. Rishikesh, while it is a property we expect to do around, say 20,000, 18,000, it will do is because that is the kind of market it is, still it is only a 58 room hotel. So the kind of revenue impact and the EBITDA impact that will have is smaller in its footprint. So while there will be a tapering down, it will be on a slower dip, but it will come down. And as we are opening up more and more, and in some cases, there would not be an impact like example in the case of Mandvi, it's a beautiful 153 room location. Now this 153 is a management contract. So because it's a management contract it will add to our fees. So that is where the plus point is for our management side also that some of our hotels which we are signing up are in the management space also so we are not, but we are very choosy with the kind of management space we taking. First and foremostly, more important than a beautiful property are very good owners because in a management hotel we want like-minded owners and once the owner is like-minded of course the property is going to do well we want people who are you know having hospitality in their thought not that just they want to sweat an asset only, you know it has to be that they want to recreate or something and then support that. So maintenance, upkeep, marketing because many a times owners they tie up with the brand and then they say, hey I spent so much now that I don't want to spend now on marketing for something as small as 50,000 your asset is worth Rs. 50 crores but then for 50,000 per month seems to be the pinch. So that's why we look at and see the owner whether they are really driven in that sense that what is the aspiration? Money and name. So that's how basically this will also as these properties start coming in will help our free income go up.

Guru Darshan: Understood. Thank you so much.

Vishal Vithal Kamat: Thank you, sir. Thank you.

Moderator: Thank you. The next question is from the line of Aman Soni from Nvest Analytics Advisory. Please go ahead.

Aman Soni: Congrats for meeting the guidance, sir. My question is on next year outlook. While in your opening remarks, you mentioned about the positive tailwinds that are there in the industry and we are also going for new hotel openings as well. So my question is why are we looking for such a conservative outlook? Like we did around Rs. 360 Cr. in FY'25 and in PPT you have mentioned Rs. 400 Cr for next year. So why this slower growth we are targeting for FY'26? That is one. And secondly, on the margin guidance, you mentioned to the earlier participant about fall in the margins and in this quarter as well, there is a dip in the margins. While in last quarter you talked about 35% to be sustained benchmark number for the upcoming quarter. So why there is a change in stance for the EBITDA margin, sir? So these are my two questions, sir. Thank you very much.

Vishal Vithal Kamat: Thank you very much. That's a very good question you have asked. See, I'd rather be sincere and cautious and practical than to just be exuberant and just say something and then not meet that. So the reason that we have a conservative approach is because hotels, when they start, from day one the cash register doesn't ring. Now, let's take the case of Chandigarh. Chandigarh has opened on the 12th of April on a soft manner. But the occupancy on certain days has been 90%, on certain days has been 5% because it takes time for the market to get stable, for you to get listed everywhere. So a simple thing like a listing on even though we have strong tie-up partnerships with a booking.com and a Make My Trip, even then for the algorithm to take shape for when people Google then they see that the orchid hotel is open and then they will click then that becomes popular. It takes time for your everything to come up. So if today I look at the various segments one of the segments it takes time is basically OTA like I explained to you online and other would be our own sales team. Some of them are able to get business on books in advance some of them cannot. So what happens is it all takes us step by step. We have tie up with airlines, airlines people also, by the time just because we opened they will suddenly not shift. They also have a process. So various of these MNCs who are going to stay with us, they have their audit process going on where they check for their own internal compliances wherever whatever they need. So this all takes time and that's basically how there's a buildup on the books. So because of this buildup on the books, we will not capture necessarily the full revenue of the year considering we are in the month of now almost May. Okay, as good as we are in May. So we have basically kept a guidance based on a certain thing that this is what is the worst I could do, not the best I can do. And that's basically why our guidance you can say is conservative. And again now considering also that the current scenario of this tariffs, the current scenario of global outlook, even this tragedy which has happened in Kashmir, all these things we have to factor in so that we don't put ourselves ahead. So that is basically why we've been conservative. God willing, everything will be fine. We have a strong, able leadership at the center. We have a very good now direction at least happening in our various states in terms of each state wanting to, regardless of which political party they are, most of the CMs are very pro-business. So, you know, that's another good thing. There's an internal competition within India. Every state is also competing among each other to target tourists. So they are giving various benefits recently. Recently Rajasthan government gave fantastic incentives to hotels. Incentive meaning they basically allowed fire license to be renewed for three years which is a big cost and a big headache and small thing like that will help ease of doing business for all the hoteliers in Rajasthan. Now that same kind of thing we are taking with us as a representation of the industry to other states also. So with all these things happening we have to basically be practical and conservative and definitely beat our expectations which is being shown to you. So that is basically why I would say that, you know, this is the thing. But yes we are definitely not here to achieve what we've shown you. To break that is our target.

Aman Soni: Secondly on the margins part, sir?

Vishal Vithal Kamat: Margin I think I just now mentioned to also the previous speaker that margins basically will come down based on our more leased properties opening up. Was that your question, sir?

Aman Soni: No, I was asking like in last quarter you mentioned 35% plus margin is kind of sustainable here on, but here we are speaking about coming down of the margins going ahead. So, these things are not matching. So that's why I'm asking like what is, why there is a change in stance for as far as margins are concerned?

Vishal Vithal Kamat: Because what has happened is that a lot of the new properties which are coming in are on a more lease. We expect that this margin percentage will change if our overall self-owned properties increase. But looking at the kind of opportunity we have, the pipeline that we have in our hotel pipeline of the hotels we're talking to as we speak, most of them are happening to be either revenue share or leasing and few management. If we were to get some more management or if our own properties open up, then we will definitely find that the margins will be more or less similar or high or maybe go up also based on the kind of properties we are adding. So that is basically the reason. There are also certain cost impacts also which you could see in the things. So some of the cost impacts which are there, those cost impacts are also being mitigated by use of technology, making certain things more streamlined, reducing certain bureaucratic things like our process is enhancing through, using of software, AI. So that also is happening. I must appreciate that our central team has been doing a lot of interesting things in terms of GST matching because a lot of leakages would happen with the GST at times where if the vendor has not paid that falls into our responsibility, so we lose out sometime money there. Then making sure that our various payments go on time so that you comply with the rules, so these are all the things which also affect your margin which they have been working on, so we feel that in the coming time many of these things will be definitely not a problem.

Aman Soni: Understood, sir. Thank you very much, sir. All the best for the future.

Vishal Vithal Kamat: Thank you. Namaskar.

Moderator: Thank you. The next question is from the line of Ankur Kumar from Alpha Capital. Please go ahead.

Ankur Kumar: Thank you, sir. Thank you for taking my question. My first question is QoQ drop in revenue. Our utilization hasn't dropped QoQ, as in versus the December quarter, but revenue has dropped. Why has that happened?

Vishal Vithal Kamat: So revenue has dropped, Smita. Would you like to add here?

Smita Nanda: Because 3rd Quarter is always strong. And 4th Quarter is...

Vishal Vithal Kamat: Okay, that revenue. Sir, see what happens now. Always it is if you see historically, the normal cycle is basically that you have a low first quarter. Or let's say if I was to say a benchmark of 100, you will have, say, the first quarter would be 100, the second quarter tends to be 90, the 3rd Quarter becomes 130, 120 and then the next quarter becomes 110. Broadly like this is a wave because of monsoon, firstly because of summer and holidays based on the kind of mix we have. So in this season our Shimla Manali right now is doing exceedingly well. It is full, kids are going, families are going but same thing you will find some corporate hotels of ours where there might be a dip because obviously kids have been on leave. So you find that the different mix, the different products are active. This is why the 4th Quarter does not perform to the same level as the 3rd Quarter. This is historically the case. And unless and until some triggers are there, like some new hotel openings, which then have sales which add. But then next year again you will find once it naturalizes that this would be the bell curve. This is a natural industry bell curve.

Ankur Kumar: Actually sir, page #13 has mentioned that occupancy rate is 65% both in Q3 and Q4. And ASP has also improved in Q4. So that is why i was wondering that occupancy has improved, ASP has also improved, average room rent has also improved. that is why i was wondering.

Vishal Vithal Kamat: That's a very good question. The rooms that you are talking about, there is F&B also, there are other incomes also, car hirings, SPA is there, restaurant business, banqueting is different, so this is only based on room. But we have other incomes also which are there, sir. Decoration income also is there. When a wedding takes place, the decorator who decorates, sometimes there is a tie-up so they pay a deposit for all that or they pay some money. So all is overall revenue, sir. So it's a very good question. Only on room basis, you're right. But we are also adding and talking about the other incomes that way, sir.

Ankur Kumar: Got it. And sir, as in last year we guided Rs. 100 crores to Rs. 110 crores type EBITDA, which we achieved, great on that side. But this year would you like to give some quantitative number on EBITDA?

Vishal Vithal Kamat: I wouldn't want to give any particular guidance sir, because it would not be like I said, you we've been conservative in our topline also. It's very easy to deduct broadly what it would be. But our target this year would be to further because as we speak, the company is spending a lot on technology, some of the software and tools which we looking at to enhance and reduce, one is turnaround time to enhance. We are working on a lot of TAT based initiatives to reduce wastage and to reduce the cost. So I think there should be some additional actual related efficiencies also coming in. So that would probably help us with our EBITDA and overall expenses, bringing down certain manpower in terms of automation. By 1st of May, we had targeted that the entire Kamat Group, all the hotels will be entire digital. Your check-in, your check-out, your bills in the restaurant, all on your only email and WhatsApp. So that also has happened successfully in few of our hotels. The delay from 1st May has gone to I think by far I would say 3rd week of May. But entire Kamat Group will be entirely synced. Now what happens is not only our ethos of saving paper being an eco-friendly chain. That is one part. But also very important is that today by doing these kind of initiatives the tight integration happens for the accounting and finance. So your leakages chances go down, your mistakes from your employees, the chances go down. Guest is more happy because you know the records are there and many by the way considering we have so many lakhs of Orchid reward members they get the points, they get the benefits because of which repeat business happens. I mentioned last time also 32% of Kamat Group is repeat business. So if 32 % of our customers are coming again and again, they're coming because apart from loving our food and service, they also are getting additional perks, late checkout, early check-in if they are a reward member points. So by doing this, our overall efficiency improves, our cost comes down, our compliance headache comes down. So these are all the kind of initiatives we're doing, which I think this coming year will show us some dividends.

Ankur Kumar: But sir, your earlier comment to other party when you said EBITDA margin will go down this year because of these new hotels and all?

Vishal Vithal Kamat: Sir, that is marginally basically based on again it will go up also because when Orchid Pune finishes its renovation by this year it will finish a bulk of its renovation there will be a good upswing in the banquets because two big banquet halls are coming in Pune Orchid. One is a 6000 square foot banquet hall, one is a 3000 square foot banquet halls. So two banquet halls are also being added apart from additional some rooms which we had also mentioned in the past. So all these also facilities will come. Now these are our self-owned properties. So considering that self-owned, the EBITDA will definitely help, either mitigate the new properties coming in its marginal drop or it may help little increase temporarily. But as we keep growing and as more and more properties we take on lease or revenue share you will find that there…

Moderator: Sorry to interrupt, we have lost the connection to the management line. Please stay connected. Ladies and gentlemen, the lines for the management has been connected. Yes, sir. Please go ahead.

Ankur Kumar: Yes, sir. Namaskar.

Moderator: Yes, sir. Please go ahead.

Vishal Vithal Kamat: Yes, my apologies. The call dropped on **0:30:02__**. So that's basically it. That it is basically that that's how it will fall, but it will not fall rapidly. It will fall as we have more lease and revenue share. And we reason we are more keen for lease and revenue share is because it allows us to operate the hotel that how we want the topline, the bottomline, both are in our control as compared to in management where at times it is not, it becomes a challenge with the owners. So that's basically what our comfort factor lies. So that's basically it.

Moderator: Sorry to interrupt sir, the current participant has been disconnected. We will move on to the next question. It's from the line of Raman KV from Sequent Investments. Please go ahead.

Raman K: Sir, I have two questions. One is with respect to the debt part. So in the presentation you mentioned that you will reduce the debt significantly. So my question is, the debt has come down from around 200 to 105. How much debt reduction are we expecting this year? And what will be the, with respect to the, on the quarterly basis, how much this will be carried forward to the PAT?

Vishal Vithal Kamat: Firstly, let me share with you that even though our debt is around Rs. 105 Cr, we today are sitting with cash in hand also, which is approximately Rs. 25 Cr. That is the cash in hand reserves we have and we are in hurry to give this to the bank because we are sitting at a 10.5 interest rate which will come down in the near future. For that, already Smitaji and team are working because a company like us with the kind of performance we are doing, we are eligible for much much much much lower rates of interest and they are doing the needful on that. But let's assume for a second even that it is at 10.5 right now, even by me giving this Rs. 25 Cr. to the bank, all I am going to save for the year is a very limited amount of interest, which is only Rs. 2.5 Cr. for the whole year. Instead, we would rather keep this money in hand because there are some interesting things which we can always keep seeing. If tomorrow something else happens in the world, we should have money to be able to carry us. Now Rs. 25 Cr. can comfortably carry us for a good amount of time throughout the year. So we would rather keep this cash and grow rather than….. So effectively today we are already sitting at around you can say around Rs. 80 crores of only debt against EBITDA today of around 102. Anyway, so basically you can see that we are very comfortable in our position right now. So we are in no hurry to look at reducing the debt aggressively in terms of what we are looking at is that in this coming year, this 105 on its own based on our payouts and other things will come down to around 75.

Raman K: I was asking the timeline?

Vishal Vithal Kamat: Timeline is a routine payment as per the year. So it will go as per the daily payoffs that we do. Whatever that every month we have to pay, so as per that it is there. I think you can say sir that this Rs. 75 Cr. figure will be by the end of this year. It will come down every quarter by around Rs. 8 Cr. odd every quarter. Rs. 7 Cr. – Rs. 8 Cr. every quarter.

Moderator: Sorry to interrupt. Mr. Raman, I would request you to please come back in the queue for further questions. Also, participants are requested to limit your questions to two per participant. The next question is from the line of Neeraj from White Pine Investment Management. Please go ahead.

Neeraj: I wanted to check, because this, I am not able to understand the math. See, our revenues are in the quarter, if you do the total revenues of the company in the quarterly numbers, our revenues are Rs. 92 crores versus Rs. 110 crores on a sequential basis. December quarter is 111 crores odd, and 92.5 is around, this is the fall of Rs. 19 crores. But if you look at the table that you have given in slide #14 and #22**,** your occupancy is same. Your rates are higher. If you take the overall consolidated type, occupancy is 65% each. If you look at the consolidated and comparing with December quarter, the rates are higher. 6,500 is Q4'25 and 6,377 is Q3'25. It's actually a higher number. Occupancy is 65% and 65% is a flat. And the revenues have fallen by almost in percentage terms, almost 17%. So can you explain this number because if the room revenues are same and generally your F&B revenues are 60% or so of the revenues, a 17% fall is a quite meaningful fall. So either the data that you have shown is not real or there's significant fall in the F&B price. So just wanted to rack your brains on that.

Vishal Vithal Kamat: Yes, so you're right, Neeraj ji that occupancy of the rooms has been better this quarter. Okay, there is no 65% of the F&B. F&B normally is around 35%-40%, goes up in Quarter 3. It then drops because the wedding dates, those may be lesser in the 4th Quarter. So while the rooms have done well, there has been a dip in the F&B. And that is where the other incomes basically plays the holistic. So you are correct in your assessment, occupancy of rooms and other things has been good, okay, but there has been a dip in other revenues, which is basically the thing. And in New Years eve, see, even in 3rd Quarter, you have Christmas, New Year, this year Diwali was also there, various other our Hindu festivals and other festivals being there, we have done better in our F&B also. So that is definitely there, which is the case over here and F&B by far depending on hotel-hotel it changes anywhere between 25% to 40% not 65% sir so it's a good question I will answer this actually same point to the gentleman beforehand also.

Neeraj: No, I know you have answered but the number is quite starking. That is the reason I asked. Okay, the second question is, the number of rooms that is increasing that is quite meaningful in percentage terms, right, for next year. The number of rooms that you are projecting to be increased from this quarter into next year is quite meaningful. But the revenue potential that you're talking about is not as meaningful. So is it because they are back-ended or is it because they have a lower ARR? Can you see some thoughts on that? Why are you forecasting only revenue of Rs. 400 crores rather than a much higher potential now?

Vishal Vithal Kamat: Very good question. I have opened the sheet also.

Neeraj: Just to reiterate the numbers 1800 going to 2400 rooms which is a jump of almost 40%. You're expecting a room rate to also go up. This is a jump of almost 15% but revenue is 10% only. So is it because you are expecting this to be an exit run rate or is it that you are building too much of conservatism or you are building lower F&B, just some thoughts wanted from your side?

Vishal Vithal Kamat: So for example, Hyderabad we expect to open by July. Okay, if it opens a little before then also that's fine. But it's a very room centric property. It is in fact, this 50 rooms may increase as we speak, it may go up a little. But again, what is going up is only room revenue. Over there, there's only one restaurant, there's no banqueting, but it's an excellent location in the heart of hitech city. So we expect only room income to come here. Here in fact, F&B may be not even 15% of the revenue. When we talk about Rishikesh, Rishikesh now also Hyderabad opening in July, it will start doing well from the month of July itself because Hyderabad is that kind of market. But it has lost the first three months. So even if I expected to do a full year revenue of say 100, but it is actually only going to do Rs. 75 considering that the first quarter is gone. Similarly in Rishikesh, Rishikesh the reason we targeting July to open is because the Dham starts, the Dham yatra and other things which are there. But it's a 54 room property. It's resort kind of destination. So again opening from the month of July. So I may not get the full year benefit, I'm only going to get three quarters benefit. Bhavnagar is only 61 rooms but opening in October. So we are only going to get by far 5 months benefit or 6 months benefit or maximum 5 because first one month goes in setup. Same way Dehradun. Dehradun we expect it to be opening by suppose December which is our target. Then we will only get 2-3 months of the year ending. Gwalior also is expected to open by December. We will only get 2-3 month of the ending but Gwalior is a reverse case. Gwalior though it's a 50 room hotel, it has huge banqueting and very good potential for banqueting. So there, the F&B to room ratio may end up being 50-50 if not 60-40. So these are the hotels which as of now we are opening this year and as you can see we are unable to take the full advantage of all the hotels being open in this year. So that is basically why we have kept our outlook conservative. I do agree it is conservative but I'd rather be conservative and beat my expectation than to unnecessarily just say something because unfortunately these hotels are not opening full. See Chandigarh is open at the right time of April. So this 11 months, next 10 to 11 months which I have in my hand will give me some meaningful and reasonable outcome in terms of the overall sales. So that will definitely also help adding in terms of our target.

Moderator: Thank you. I would request Neeraj to please come back in the queue for further questions. The next question is from the line of Naitik from NV Alpha Fund. Please go ahead.

Naitik: Hi, sir. Thanks for the opportunity. So my question is, in terms of CAPEX, what will be the requirement for this year? I believe we are doing some renovation in the Pune Hotel. So what will be the CAPEX you will require to do the same? And will some keys remain shut while we are renovating the Pune hotel?

Vishal Vithal Kamat: Yes, so basically just like we have Pune work going on, it is from the internal accruals only. We are not using any outside money. We are using from internal accruals and whatever is generated by the company that in even last year the work which is being going on, the work has been going on and yet the company has a corpus of Rs. 25 Cr. in hand. So we will be using our cash very efficiently in terms of doing both, increasing our property value in terms of aspiration and terms of sale while also having prudent cash flow management and creating these reserves also and reducing the debt altogether. I think Smitaji and team are doing a very good job in that regard. So it is all from internal accruals and it will be completed, again it is in a phased manner. So it will continue over the next almost I would say 18 months because Pune Orchid is a very large hotel. It is a 410 room hotel which eventually will become approximately 460 rooms. So we intend that all the rooms will be renovated based on blocks. So the hotel will always have not less than 350 rooms for sale. So that is how we intend to do the renovation. So that I think will be the reason why the sales also will continue to support our overall and there is no dip in our revenue or maybe there will be increase also because the banquet halls will come. Two banquet halls, like I mentioned before, will also come into the picture.

Naitik: Right. But any number you would want to give in terms of how much you are going to be spending this year in the next 18 months, say, for the same, for whatever renovation that is left?

Vishal Vithal Kamat: Around Rs. 40 crore is what we expect the thing to be.

Naitik: Right. Got it sir. So my next question is, over the last year, both Orchid brand and IRA brand have seen occupancy rate drop year over year. So, sir, what is the reason for that?

Vishal Vithal Kamat: So, what happens now when we talk about Orchid, unfortunately it also includes some of the hotels which are like example Jamnagar. So in Jamnagar being an Orchid brand and this being a brand orchid, it does not reflect the true occupancy or the true ARR of the orchid like say Mumbai or Pune where there has been an increase in the ARR and the occupancy. So last year basically we did 6,069, this year we did 6,900 for the orchid. IRA we did last time 5,600. This year it has done 5900. So it is not dropped, it has gone up but it still does not reflect the real ARR of IRA Mumbai. Real ARR of IRA Mumbai is much north of this. 6500 plus and Orchid Mumbai is 7,200 plus. So it's not a true reflection of the performance of individual hotels but as a brand. Now what happens, IRA again Sambhaji Nagar where they are selling at around Rs. 3,500 to Rs. 4,000 this is the overall IRA brand's ADR down, so that is basically what the thing is. So ARR has gone up from last year, last quarter, in the quarter-to-quarter, but this is not. What do you call? But you are right. That it does not reflect the true operational improvements in the unit level, like Orchid Mumbai.

Moderator: Thank you. The next question is from the line of Ritesh from Mindreva Global Capital. Please go ahead.

Ritesh: Sir, I have two questions. Given the merger of Treeo Resort, that is in Palghar, and the acquisition of the Chandi Hospitality, would the board quantify the revenue contribution from the Palghar luxury resort?

Vishal Vithal Kamat: So you are talking about the Chandi hospitality, I am sorry I got confused. You said Chandi Hospitality and what? Can you please repeat your question?

Ritesh: Sir, given the merger of the Treeo Resort, is in Palghar, the acquisition of Chandi Hospitality, would you quantify the revenue contribution that the property makes?

Vishal Vithal Kamat: So, Chandi Hospitality has the Chandigarh Orchid Hotel. We expect that in its matured phase it should do anywhere between around Rs. 30 Cr topline it should do. Which is the thing. But it is open just now. So this year we are being conservative to say that it would do about maybe anywhere between 20 Cr. and 22 Cr. for this year is what we are expecting. But that's our conservative take on, our practical take on Chandigarh Orchid And Palghar basically is very interesting that we basically had this property which we were looking at acquiring and doing and unfortunately at that time we were very poor in communicating the benefits and the things of this entire but today it has turned out to be a boon-boon because it is right near the Vadhavan Port, there is an airport coming near our property. Whatever valuation and value we had at that particular time it has way surpassed that entire piece of, it's a 16 acre property at Palghar and now its property value has shot up and its demand also has shot up. So the company has decided not to do anything right now to it. One is that it's pending a merger. So pending the merger because we are awaiting SEBI approval. Correct, Smita ji?

Smita Nanda: Yes.

Vishal Vithal Kamat: So we are awaiting the SEBI approval. Once the SEBI approval comes, okay, and then I think then after that, NCLT approval, that would be the process and then the members approval. So based on this fulfilling, the company will have at those valuations a massive chunk of land which it intends to exploit in not just in a resort manner, but even from the real estate perspective because we have been approached by various people to look at developing because that Palghar and that entire Manor-Palghar with Vadhavan area, is right now extremely hot. So we just waiting for certain things to happen. Once this all happens, then accordingly a right kind of good named partner, there are various who are interested, would be associated and we would look at a mix of 16 acres being a break up between a fantastic resort, Orchid Hotel, along with commercial residential development also, and it's a very scenic spot right on the main highway. So we are quite keen that once this statuary challenges, not challenges, but the statutory processes, once this gets complete, because it has been quite long. SEBI has been taking its due time on many things. So once they are complete, then we will be able to monetize this and we are very happy to see that its value has literally doubled, tripled because of the airport and other things and all coming over there. So I'm very happy for us all as Kamat Hotel's shareholders. But at that time, I think we had not fully explained properly the overall benefits that are there. So thank you for asking that question.

Ritesh: That's great news, sir. Sir, I had one more question. Could you also provide some clarity on the resolution, some sort of timeline concerning the enforcement directorate investigation that is currently going on? And when we can expect the 500 lakh to be relieved, considering that we have already made an exceptional income of 160 lakhs just from the accrued interest, what can we expect going forward from you?

Vishal Vithal Kamat: So that's a very nice question. Let me share with you and I will tell you in very brief for all my listeners and for them to understand what is this ED matter. In 2013, when the company was in financial challenges, we had a loan to be paid to Punjab National Bank. So the company at that time decided that let us sell our Bhubaneswar Asset. It is worth 30 Cr. Loan of Punjab National Bank was around 21 Cr. The balance amount which was around whatever 8 odd Cr. we would use that to settle other banks in Kamat Hotels and come out of the things as conventional logic. So when they did this, that time they had floated various interests, obviously through brokers and others and all. That time there was a company called as Micro

Finance and Leasing who came to us. They did a genuine transaction. We did a genuine transaction where there was a genuine sale to be done. And just as in any genuine sale, you will take a token. So the company had taken a token of Rs. 3 crore based on which in 2014 an agreement was entered. An agreement was entered with various timelines and hurdles to be done. One of the hurdles being getting approval from the government of Orissa. That also the company fulfilled its obligations. But in 2014, 2015 during that time, we were not aware that who these people as most of India has dealt with various kinds of, these kinds of chit fund kind of people who have done legitimate and illegitimate transactions. Ours is a clean, clear, legitimate transaction. That is why we were able to get this order. The order is very simple. That earlier, because of certain actions of the ED, a lot of our money had to be deposited in the court. Finally, the court has said no. You do one thing, you keep only five because their demand is only Rs. 3 crore but Rs. 15 crore approximately of our money had got stuck because of the ED matter. Now out of this Rs. 15 crore the court said yes if they are asking for three they are entitled for three crore. So you give them Rs. 3 crore along with this keep this Rs. 2 crore extra interest with them, okay, so that they are also not objected, they are also accepted and the balance money will come back to Kamat Hotels (India) Limited. This said and done, the court also has identified as have we also and we have our rights to further claim this Rs. 5 crore back based on the guidance, advice and the actions of our advocates and other legal team. So the company while it has currently deposited this or not deposited, it will deposit once we get the money from the court. It is right now all deposited in court. Within the next week, 10 days, we should get this entire Rs. 16.5 crore broadly Rs. 16.5 crore back from the court. Out of that Rs. 16.5 crore, Rs. 5 crore will be deposited with the ED, with considering the full rights to demand this also back, which the company will continue to do. And the balance Rs. 11 odd crore will be with the company to be utilized as is deemed fit. So that is broadly this ED matter. Okay, we are very happy to tell you that we have gone through our trial by fire and we have come out clean that yes this has been a business legitimate transaction but as in any ED matter it takes time to, what you call, resolve okay so and we will we are intending on that. So I hope this explains you the whole picture.

Moderator: Thank you. The next question is from the line of Krisha Kansara from Molecule Ventures. Please go ahead.

Krisha Kansara: Sir, my first question was already asked by a participant, but I just wanted to confirm the CapEx amount. So you mentioned that you will spend Rs. 40 crores for renovating two properties, right? One is the Goa property and one is OHPPL.

Vishal Vithal Kamat: No, no, this is only OHPPL. This is only OHPPL. Goa has been already done and completed and it is operational also, it has started operations off late.

Krisha Kansara: Right, so what amount did we spend in the Goa properties renovation?

Vishal Vithal Kamat: Rs. 14 Cr.

Krisha Kansara: Okay, Rs. 14 Cr. Okay. And, sir you mentioned that our merger is currently, you know, we are awaiting SEBI approval and then of course we will go to NCLT approval and etc. So could you put the timeline to it by when will we be able to conclude the merger? And then once the merger is concluded, what are our expansion plans on the land that we have in Savarwadi?

Vishal Vithal Kamat: I have already answered this just now before madam. So I do not want to take all the participants time again. I cannot give any timeline because it is only based on SEBI approval. SEBI has been sitting on it. Once they give an approval, we will be in a position to expedite all the other things.

Krisha Kansara: Okay, sure. Thank you.

Moderator: Thank you. The next question is from the line of Randeep Kapoor from Investire Investments. go ahead.

Randeep Kapoor: Hi, thanks for the opportunity. Sir, my question is specifically for the four new hotels which the company holds. One is Ayodhya, Noida, Jamnagar and Aurangabad. How did they perform in FY'25 in terms of ARR and occupants?

Vishal Vithal Kamat: That's a really good question. It did very well. I will start with Ayodhya. Ayodhya did exceedingly well, especially because of the Kumbh Mela. Kumbh Mela time, it did exceptional ARR, fluctuating anywhere between Rs. 10,000-Rs. 14,000 with an occupancy of 90% odd during the Kumbh Mela. So that has done exceedingly well and even the people appreciated the food in our hotel. So it is one of our top performing hotels in the market. It is arguably between number one and two, between us and another foreign brand. So that's how well IRA has been able to do for itself in Ayodhya. Which other hotels did you ask for?

Randeep Kapoor: Sir, Noida, Jamnagar and Aurangabad.

Vishal Vithal Kamat: Noida has been basically started off slow, it then picked up, did exceedingly well because especially in the 4th Quarter, there were various events in Noida which happened like the auto expo and other expos. And because of our strategic location opposite Google and opposite Cognizant and other such corporate, we are basically getting a lot of good movement which has started now. So it has also been doing exceedingly well. The ARR over there fluctuates anywhere between 4-4.5 to up to 7-7.5 also. And maybe and sometimes it anomaly, it does even more. And this has been our first frequent. So we did not know many things which we have learnt now and next year we expect it to do much-much better. In fact right now it is only operating with 34 rooms, but the additional 26 rooms will come. Once that comes as a 60-room hotel, it will do even better. So we are awaiting the second phase work which is already going on as we speak. So yes, that is about Noida. Then Sambhaji Nagar has done really well in terms of the rooms. While it was a strategic move, it was a strategic call, we were very keen that we are already having our strength in Mumbai, Pune. A lot of the factories, Skoda and various other companies, MNCs, they have a set up in Pune and Sambhaji Nagar. Or they have a set up in Sambhaji Nagar and Mumbai. And we wanted to basically, because of our network, we wanted to be in Sambhaji Nagar. So we took it even though 33 rooms is a very small property for us. But I am very happy to tell you it is doing very well especially during the season. Here also the ARR fluctuates between, anywhere between 3.5 to 6.5 depending on the season because Aurangabad, especially during summers, the rates fall because people go less, it is extremely hot. But in the winters and during wedding times again it has a very good pick up and a very good boom. So that is also doing well. And which one else sir you wanted to know?

Randeep Kapoor: Jamnagar was the last one?

Vishal Vithal Kamat: Jamnagar started off slowly but then thanks to certain MICE events which happened over there, one of the biggest weddings in the country or maybe the world that has happened that helped us a lot over there to do well. But now we find that there's a good stable consistent market which has developed because it is by far the best product in Jamnagar and it is doing in terms of you know the client profile we're getting is very different from what other hotels have been getting. So it is doing well. But yes, it's a tough ARR market. In fact, it is the kind of ARR which has brought down our overall Orchid brand ARR. You know, that fluctuates anywhere between 3.5 and 5.5, 4.5-5.5. It is a tough market. But we think that once we are soon looking at certain opportunities in Dwarka and Rajkot. And once this Dwarka-Rajkot happens, this will be a natural tool circuit which is currently already there in place. So that will further help our overall business in Jamnagar also.

Randeep Kapoor: Okay sir. Thank you so much, sir.

Moderator: Thank you. The next question is in the line of Siddhant from RV Investments. Please go ahead.

Siddhant: Sir, given the occupancy ratio current one, do you anticipate this level of performance to be sustainable over the next year?

Vishal Vithal Kamat: What is sustainable, sir? Sorry your voice was cracking.

Siddhant: Sir, given the current occupancy ratio, do you anticipate this level of performance to be sustainable over the next year?

Vishal Vithal Kamat: Yes sir, we definitely hope that we don't just sustain this but we increase this.

Siddhant: Okay sir, that was my question. Thank you very much.

Moderator: Thank you. Next question is from the line of Kunjan Ganatra from Tycho Ventures. Please go ahead.

Kunjan Ganatra: I have an accounting related question. In December '24 Quarter, revenue which was around Rs. 110 crores, did it have any exceptional item because it was mentioned that some Rs. 8 crores-Rs. 9 crores was due to some reversal of property tax dispute with BMC, which was recognized as operating income. So was it like our actual revenue was 102 odd?

Vishal Vithal Kamat: Yes, so basically as already in the entire city of Mumbai, there are certain challenges happening which matter is well known and in the Supreme Court also, whereby there was a way of calculating tax between what I believe to be called as capital gain system and the old method. I just called it an old and new method for easy parlance. So there was a challenge between the old and the new and there was a gap. So finally, I think when our board decided that we doing all these kind of cleanups, making everything, we don't want to unnecessarily pay penalties and other things. And based on that, we basically finished off whatever pending challenges were there in the property tax and other things also. So we are very happy to tell you that ever since that cleanup and know NOC we have been getting from the BMC and all, we have no dues left with the BMC, which is a very good thing for us, in both, reputation wise, property safety wise, in all wise. So the company has used a lot of its energy and effort in the last 1.5 years to clean up all these kinds of miscellaneous things also. So we don't want to keep any, that's why this year when the balance sheet comes out, it will be much thinner than before because so many of these kind of earlier matters which were mentioned are now not there. This is basically what used to be mentioned in the earlier balance sheets also that as per capital gains, this, that whatever that, it's called a capital system or whatever they call it. So basically, this was the challenge. So this is there in the whole city of Mumbai, but we decided to resolve it with the BMC as each one can as a citizen. So thank you.

Moderator: Thank you. The next question is from the line of Guru Darshan from Kitara capital. Please go ahead.

Guru Darshan: Yes, sir. Thank you. So just wanted to understand for the properties that are on the lease, are any of these expiring or coming up for renewal this year? Are we planning to renew them or are we looking to give up any of these existing properties?

Vishal Vithal Kamat: No, there is no properties for renewal or anything like that per se. All are long lease or long term tie ups, so they have a long time to end. So, thank you, sir.

Moderator: Thank you. The next question is from the line of Neeraj from White Pine Investments. Please go ahead.

Neeraj: Thank you for the follow-up. I had one question. You said about the conservatism in forecasting, appreciate that. But since your lot of revenue is coming from the room side, rather than F&B and room has operating leverage both sides, so do you see the EBITDA margin for the company improving or slightly should have fallen? Just some guidance from you would be useful.

Vishal Vithal Kamat: So definitely the EBITDA in terms of volume like today we are at 102, so definitely this 102 figure will go north because Chandigarh hotel will contribute a good portion to this. Then Rishikesh, even if it will not be doing its full potential, it will add something more to the EBITDA bottomline. Similarly, other hotels like Hyderabad, this will also participate in this. So I think that definitely we can see this EBITDA line of ours improving considerably in the coming year. And yes, it will do. It will definitely add.

Moderator: Thank you. The next question is from the line of Rakesh Banerjee from RAP Capital. Please go ahead.

Rakesh Banerjee: Thanks for the opportunity. My question is, let us we assume that none of our new properties are coming online this year. Now, given that you have given a guidance that our ARR will be improving from 6,500 to 7,500, which is almost around 15%. And at the same time, the occupancy ratio is for the existing property on a year-on-year basis has been only 55%. Now, even if there is no new property occupancy we consider, even then also from the existing property, as we know that as and when the hotel matures, the occupancy rate improves. So let's say if we can improve from 55% to 60%, just 5% over here, and the ARR guidance that you have given is around 15% over the last year, so even then also there should be 20% growth in the revenue. So I just wanted to understand what made you like even if we do not consider the new properties that is coming online, even then also there should be 20% kind of growth as per our understanding. I wanted to know your thoughts on this.

Vishal Vithal Kamat: Yes sir, so I can explain you. Let us understand sir that the average room rate as shared in slide number #10 and which you are referring to, this is an increase in room rate. It does not necessarily reflect for the entire group. The reason being that today with the Rishikesh coming and if it is going to do an Rs. 18,000 ARR, even though it is a small base of 58 rooms the ARR will go up, right sir? So what we are looking at with Chandigarh where the Chandigarh also ARR market we are expecting a very healthy ARR, we have premium properties coming in this year. So when it comes**,** it will be a premium ARR in the sense that it will be a $100 bracket which will be between $90 to $120 which is by far 80,00-10,000. So when we looking at an ARR increase, it is not consuming necessarily to the entire thing. I think we should make this very clear because we are on one hand talking about different brands we should make this clear What we are saying is, this group level ARR is not 6.5%. So I think we have not correctly put it, I think it's a very good question you asked sir and made me realize this what we need to present better, the average room rate will go up, definitely go up sir for the brand but it is not across all the 2,000 plus keys that is there. Those will go up based on each like example some may go up 5%, some may go up 8%, some may go up 10% but the percentage is not directly mentioned by you on their denominating factor. So it is a very good question, and I think sir we will correct this part and make it more specific next quarter we should do this.

Rakesh Banerjee: That's one. And second part, sir, like now we have reduced the debt substantially. And with our kind of clean balance sheet, we are in a position to negotiate with the bank for a cheaper credit cost also. My question is, why we are trying to be completely debt free rather than why not, if we are sustainably making 20 % ROCE or return on equity and if you are getting loan at 10%, for example, we are making 10% alpha in the business. So instead of using that debt judiciously, why we are targeting to be completely debt free?

Vishal Vithal Kamat: So, sir, we are not targeting to be debt free, honestly speaking. We are looking at that, we will eventually come down to broadly Rs. 80 crore debt. Have two good banks with us to support us today. We are grateful to Axis Bank that they have implicit faith in us. We are grateful to all our past lenders who we have dealt with and though we have a problem with ARC and others with them including SBI bank, all these people today they have a strong faith in us because we paid them also, we came back out of this also and they respect us as a genuine business gone down and bounced back. So I agree with you sir, our intention is not to be fully debt free but we as you rightly also said that we must bring our interest which is today 10.5 that to target around 9ish or maybe sub-9 if possible and have two good strong bankers to be able to support us as per our expansion. Ultimately sir with so much cash being generated and conserved there is obviously a plan in the future for us to look at but those are for the future things. Today the company wants to just keep itself neat, clean, nimble, so that it can take advantage of any opportunities which may come in the future.

Rakesh Banerjee: Fine. Sir, another last question is that on a year-on-year basis, if we see our occupancy ratio has remained almost same, it might have happened that we have added a couple of key rooms. I mean, that is why the occupancy, even if on percentage term is remaining same, but on absolute term it has increased. But going forward, let us say all our existing property, I'm not talking about the new properties, but for our existing property, what sort of occupancy increment we are looking for and what are the steps that we are taking for that?

Vishal Vithal Kamat: So sir, hotel-to-hotel, like example, Mumbai hotels are in the high 70s, you know, on a YTD basis. But then there are certain which are at a little lower. Like you rightly correctly said, many a times what happens, sir, is that the new properties which come in, they bring down the overall ARR of the overall hotel. So, you know, it is basically just about being consistently add it and as these new hotels will become mature, the overall scenario will improve. Thank you, sir.

Rakesh Banerjee: Okay, thank you so much.

Moderator: Thank you. The next question is from Raman from Sequent Investments. Please go ahead.

Raman: I just have one question with respect to the Rishikesh property as well as the Hyderabad property which will be opened in first half of this year. So how much incremental revenue will they be adding to the company's consolidated revenue this year and what is the, in the optimum use case, what is the incremental revenue from those two properties?

Vishal Vithal Kamat: So sir, we think that it should do around Rs. 12 Cr. for us if all things go well.

Raman: Okay.

Vishal Vithal Kamat: So that basically would be the broad this thing.

Raman: Rs. 12 Cr. in this year?

Vishal Vithal Kamat: Broadly, yes, around, you can say plus minus, 11 to 13.

Raman: Both the properties inclusive, right?

Vishal Vithal Kamat: Both, Hyderabad you asked right, Rishikesh you asked, no?

Raman: Rishikesh and Hyderabad. Both together will do 12 Cr. right?

Vishal Vithal Kamat: Correct. Both will what sir?

Raman: Both together will do Rs. 12 Cr., right? Or individually Rishikesh will do Rs. 12 Cr and Hyderabad will do Rs. 12 Cr?

Vishal Vithal Kamat: No, Hyderabad will do different. This I have told you is only Rishikesh. Hyderabad should do somewhere around Rs. 7 Cr. to Rs. 8 Cr. Rs. 7 Cr. you can take.

Raman: Okay. And sir 16 acres property in Palghar, what is the current land value of those, that property?

Vishal Vithal Kamat: Right now, the land value is substantially high. Let certain things develop sir, we will see it**.** Because neither the company means it is right now in the midst of a merger, so it is not fair for me to speculate on this. Definitely, it is not correct to speak about its value. But let us just say that whatever it is, it has been considerably high and going up further. Now with the other also, port…

Moderator: Thank you, sir. Thank you. The last question is from the line of Gunit**,** an individual investor. Please go ahead.

Participant: My question is regarding dividend payout. So I mean, when do we plan to enter the dividend paying list of companies given that the stocks are re-rated, I mean, once we start paying dividend. And my name is Gunit from Counter Cyclical PMS.

Vishal Vithal Kamat: Okay, Namaskar, Gunit. Thank you for being the last caller of the day. Regarding dividend, I think that's something which we will definitely put this point to the board because that's something more the board will decide. I cannot speculate on that. But, yes, so definitely dividend in one thing and that will definitely help us if you are saying rerating in the pricing. What other part of the question?

Gunit: Sir, my second question would be that we have about 16 hotels operational currently. So I mean, this question has like 2-3 sub questions. So how long does it take for a hotel to stabilize? And what kind of optimal occupancy do we expect per hotel for the rooms, number one? And number two, the currently operational hotels, if we consider them to be stabilized, what kind of revenue potential at that optimal utilization do we expect from optimal occupancy do we expect from the current operational hotels? That and we also have about seven to eight hotels coming up. So I mean, I would like to understand the revenue potential from those as well?

Vishal Vithal Kamat: Yes. So, sir, a lot of this, what you asked for is already given in the presentation which we've shared. A lot of these details are there in that, which is already been given. So that will help answer at least 70% of your query. One of the things which you asked about stability, I will just tell you that generally, sir, it takes a few months, anywhere between 2 to 4 months for the hotel to stabilize, bring up certain things, come into play. That it just takes some time. It depends, again, on location to location. Hyderabad will happen in not more than a month. Whereas Rishikesh may take 4 months. We do not know, basically, based on various factors. But that is, I am giving you, industry general thumb rule. And second is, 65% is generally what the industry looks at in terms of reasonable occupancy for a year to date depending on again property to property city-to-city, a city like Mumbai should be in the 70s with a very good ARR or with a considerably compromised ARR but in the 80s in occupancy same way for Delhi. So it's a very subjective and a very hotel thing. The rest of the things are like I mentioned is there in our presentation. So with that I'd like to thank you all for participating. I'm really grateful to the numerous people who asked the questions, some of them patiently came back also in line. I really thank you once again and Namaskar everyone.

Moderator: Thank you. On behalf of Kamat Hotels (India) Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.