



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

November 12, 2025

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

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

Code: 526668
ISIN: INE967C01018

Symbol: KAMATHOTEL

Sub.: Submission of Transcript of Q2/H1-FY26 Earnings Conference Call held on November 10, 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 Q2/H1-FY26 Earnings Conference call of Kamat Hotels (India) Limited with various Investors and Analysts held on Monday, November 10, 2025, at 12:30 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
DN: cn=Nikhil Singh, o=Kamat Hotels (India) Limited, email=nikhil.singh@kamat.com, c=IN
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Date: 2025.11.12 12:25:00 +05'30'

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Company Secretary & Compliance Officer

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Kamat Hotels India Limited
Q2 and H1 FY'26 Earnings Conference Call
November 10, 2025

Moderator: Ladies and gentlemen, good day, and welcome to Q2 and H1 FY '26 Conference Call of Kamat Hotels India.

As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing '*' then '0' on your touchtone phone.

Please note that this conference is being recorded. I now hand the conference over to Ms. Purvangi Jain from Valorem Advisors. Thank you, and over to you, ma'am.

Purvangi Jain: Good afternoon, everyone, and a warm welcome to you all. My name is Purvangi Jain 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 2nd Quarter and first half of the Financial Year 2026. 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 risks 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 information currently available to the 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. Now let me introduce you to the management participating with us in today's earnings call and hand it over to them for their opening remarks.

We have with us Mr. Vishal Vithal Kamat – Executive Director; Ms. Smita Nanda – Chief Financial Officer; and Mr. Nikhil Singh – Company Secretary and Compliance Officer.

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

Vishal Kamat: Thank you, Purvangi. Namaskar, everyone. Welcome to our earnings call to discuss the results of the 2nd Quarter and the first half of the financial year. I am sure many of you have already gone through it as it has already been made available on the Stock Exchange also.

So, this month, while Q2 has been generally a leaner period, this time, our results have not been very supportive or encouraging because of various factors, which we will get into further in terms of monsoon and other aspects. That said, we also have opened 5 hotels in this Q2, out of which the Panchgani, Dwarka, Rishikesh and Porvorim in Goa and also Hyderabad. So, this has added approximately 280 rooms more. And now we are standing at today 24 operational properties, along with 2,100 rooms across the country, not including the additional hotels to come and additional rooms in pipeline. These are just active. So, that has been what we've done. Bhavnagar, which was to open in October has been rescheduled for April due to some of the things have to be done by the owners. So, as per them, it's got delayed. So, overall, while our ARR has been better than last time's quarter, the occupancy levels have mainly fallen because of which we see the dip in the revenue and overall performance. With this, I'd like to hand over the call to Smitaji so that we can elaborate more on all the questions that each one of you will have.

Smitaji, please take everyone through the financial performance and then accordingly, we can discuss. Thank you.

Smita Nanda:

Namaskar, Sir. Thank you, everyone, and good afternoon.

Let me touch upon the key performance highlights for the quarter and first half of the Financial Year 2026:

On a consolidated basis, the revenue for 2nd Quarter stood INR 75 crores, representing a decline of approximately 12% year-on-year basis. EBITDA for the quarter was INR 8 crores, lower by around 63% year-on-year basis and EBITDA margin of 10.43%. At the profit after tax level, the company reported a loss of INR 30 lakhs compared to profit of INR 8 crores in the corresponding quarter of the previous year. For the first half of the Financial Year 2026, consolidated revenue stood INR 158 crores, which was broadly flat year-on-year basis. EBITDA for the first half INR 26 crores, reflecting a decline of 28% year-on-year basis with an EBITDA margin 16.41%, PAT for the period stood INR 2 crores, translating to a net margin of 1.39%.

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

Moderator:

We will now begin the question-and-answer session. The first question is from the line of Sudhir Bheda from Bheda Family Office. Please go ahead.

Sudhir Bheda:

I will congratulate on the good investor presentation which you have been presenting quarter after quarter. But sir, my question is while you have given a lot of information, but the information which shareholder wants is why the quarter was so bad. So, that is none of the slides it is given, the reasons and all factors which have led to this kind of performance. So, I

was very disappointed. So, I decided to attend the call. So, what are the factors that led to this kind of revenue decline?

Vishal Kamat:

So, Sudhirji, firstly, thank you very much for taking the trouble to come on the call. I will share with you all the reasons that basically we've had that this quarter has not been very good. Basically, on a consol level, particularly our subsidiary companies, one is Envotel, which has the Shimla and Manali Hotel, that basically due to the road washing away and the delayed time because the devastation was very high. So, the delayed time that it took for the roads to be made, our full quarter was washed out in the case of our Envotel hotel, where it affected both revenue and expenses because expenses we could not reduce, though we have got afterwards subsequently a 2-month waiver from our Manali owner in which rent was waived for 2 months. So, that's basically but still, it is still having a cost which we had, and that is one of the reasons. The second other reason is that even Chandigarh, our subsidiary, which is there, since it's a new hotel and the expenses which are there, it is in loss which basically will get turned in the coming year. It's starting as a general practice, which we have mentioned before also, all new hotels which we open, we book the expenses. We don't capitalize the expenses because the comparative to our operation, the expenses are not so high. So, we might as well book the expenses and have it in our MIS so that it puts more pressure on our team to perform, which I've shared in the past also. And this is true with the hotels which have opened up new also, and this is the case of Chandigarh and these 5 new hotels which we have opened. But considering that in Q3 and Q4, Chandigarh has already started doing well. We will have a turn in our new hotels also, which will be there. They will also offset their opening expenses and losses and the Chandigarh also in the same manner. So, one of our subsidiaries was a challenge. Secondly, the new hotel openings that also has a burden of cost on us, staff and marketing and other expenses which are there, which has been Q2. And third also, sir, is basically we've had, in general, a weak Q2 in terms of revenue. So, today, even if my expenses would have been managed, had I been able to have a better revenue. Unfortunately, this year, the drop in monsoon has affected us primarily in Mumbai as a lot of large part of our business coming from Mumbai. It has particularly affected us in Mumbai and Maharashtra, Pune and Mumbai both that there has been a drop in revenue. And because of the drop in revenue, in proportion, obviously, the expenses are not elastic because our staff and other things that is going to still remain. So, the cost is kind of in line with what we should have done in terms of revenue. So, that is also another reason that we've had that overall, the revenue has fallen in this last quarter. But in Q3, again, like I mentioned, it looks excellent in terms of its performance. And I think we'll be having a good Q3. One more other reason basically is that we have had a drop is also in Orchid Pune, particularly, which is a subsidiary of ours, OHPPL. As we speak, renovation work has been going on in that quarter, and that is ending now. On 15th of November, the first phase will get over. And the one part of that first phase will get over on first week of December. So, that is one small hall, it is not small, sorry, it's a 7,000 square feet hall. That will come by first week of December. But the rest, all the spaces will be complete by 15th of November. And because of that, we've not taken our major MICE, groups, events, which we have as compared

to before have taken. We have not taken all that because our main hall things were -- our main hall things were renovating. Now we are obviously stopping the renovation means not stopping. The right word would be pausing our renovation once this is done. And we will again take up the renovation in April, again, in part so that the hotel operations do not get affected and revenue and cash flow keeps coming. The good news of this is that while there has been a dip in the revenue, the good news is that all this renovation and upgradation which we are doing has been through internal accruals and the effect of this renovation and it's already being seen in terms of improved ARR in the coming quarter. Our ARR for Pune Orchid is already based on the people come and they see the renovation what's going on, we have been able to close business at a better ADR for the future booking already. So, as we had planned that the renovation should pay off. That renovation will definitely pay off in terms of a much better superior product. It will definitely be one of the top hotels in Pune, not only in terms of its size and volume of business, but even in terms of its class standards. So, keeping this in mind, Pune Orchid also had dip, and that's how the thing has been. So, this quarter, unfortunately has been the perfect storm of a dip in revenue, subsidiaries not supporting each other. And again, this is primarily why Kamat Group wants to expand beyond Maharashtra and particularly Mumbai and Pune so that it can deleverage its risk just as a national hotel chain should. So, that is why we are growing our portfolio and we have all these other properties coming about.

Sudhir Bheda: Yes. Fair enough. I think that explains well. So, in essence, I think, as you mentioned, one Chandigarh and then 5 other hotels that expenses are incurred in the Q2, which was not operational, right?

Vishal Kamat: Yes, sir. So, in fact, one more thing I can mention to you why our Q3 will be better than last time, apart from the improved performance or that the wedding season and all that starts, the main one other thing is that last year, hotels which did not perform very well because they were new like Jamnagar, like Sambhaji Nagar, IRA by Orchid Sambhaji Nagar because of the expenses booked, as I mentioned before, on a performance basis, they did good. But on an MIS basis, they were negative. But this year, they have now started obviously paying themselves back in terms of their MIS performance coming in sync with what it should be because of the expense cover. So, that now will also add value and compound to ours.

Sudhir Bheda: That is completely fair enough. I think the only thing was it was not explained in the investor presentation. Yes, of course, that I would like to meet you in person.

Vishal Kamat: Yes, definitely.

Sudhir Bheda: And sir, sir, one more question. In future strategy that you have mentioned in the slide, KHIL 3.0, where you have projected revenue of, say, INR 400 crores. But looking at the H1, will you revise your guidance downward or the INR 400 crores remains intact?

Vishal Kamat: No, sir. Based on what we see, based on what we have in hand and based on what we see, we will stick to our guidance of INR 400 crores.

Sudhir Bheda: That is music to our ears. And would like to meet you in person also.

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

Krisha Kansara: Sir, I have a question similar to the earlier participant. So, you mentioned 2, 3 reasons for this quarter's poor performance, monsoons and then OHPPL renovation and then, of course, the expenses related to new properties. But if we look at the past quarters also, we already had these factors play out in those quarters as well. So, reporting a degrowth even when we had new properties, which were opened a few quarters back, it is slightly disappointing, both on the top line degrowth part as well as the impact on the margins part. So, in this quarter, the employee cost also has seen a sharp increase. So, could you please pinpoint on the primary reason for this degrowth? Of course, there are multiple factors. And one another question related to this is, as earlier participant asked about the guidance revision. So, we reported close to INR 160 crores of top line in H1. So, do you think that we will be able to meet our INR 400 crore guidance in the H2? That is my question.

Vishal Kamat: Sure. Krishaji, definitely, again if you look at it, our overall quarter-on-quarter, the employee cost has basically gone up by INR 1.5 crores. Okay? Primarily in this cost, which is there, this is one of the examples of the reason that I am saying that why the employee cost has gone up is because the preopening of a hotel is where the expenses do go up. It does go up. But you have to take now a general manager will join anywhere between 4 to 6 months before a hotel opens, sometimes even much before that because he then is your operational and administrative in charge to set the hotel up. Of course, along with him, he is not alone. He needs a team. There will be a housekeeper. There will be an F&B person, there will be a chef, there will be various others who will all join as HODs. Along with them, there will be a preopening team who will come in. There will be an extra number of people as a preopening because there is a training element involved, there is a setup cost involved. Then let's not forget that all these people need to travel, so another large cost is travel. Today, airfares are sky high. Each time we have to set up a hotel, like example, in Hyderabad, the number of visits that were required, it is not -- now the catch 22 situation, which you will appreciate is that neither are these employees who we are sending are so low in cost that they can afford to be sent by train. If someone's 1-day working is costlier than the airfare, then you will probably obviously calculate and say, go by airplane. If it's somebody whose cost of salary is lower than a train, or lower than airfare, you will send them by train. So, there is always a thing. So, today, a lot of people are more and more traveling by air because the cost of their 2-day, 3-day in a train is more than the fact that if he catches a flight and reaches in 1.5 hours and starts working from the same day or whatever. So, there are a lot of travel cost. There is a lot of employee cost, then there's a lot of marketing cost, there's a lot of digital expenses, all this which is required very much in advance

for a hotel in particular. And that is basically why we see this kind of expenses in a preopening of a hotel. Secondly, the subsidiaries, like I mentioned, Chandigarh or like I mentioned Envotel, these have had losses which normally would not have happened because also in a good time when the season kind of is there in Manali and other places, this road got washed away, and we basically had a double hit. So, revenue also disappeared and expenses are also high. So, that also impact we had. Then so that was one like I mentioned. And then overall performance has been a dip, which I agree with you that we have not performed as well as we should have, even considering the monsoon and other packs, there has been a challenge in terms of our overall performance in this Q2. But all that said, I am very confident and I am very sure of Q3 and Q4, achieving our target of INR 400 crores like we have already given. Otherwise, we would not put it because we know that you all will always hold us accountable to what statement you make. And that is why I reminded our listeners who have been many of them, including your firm following us over the last many, many years that our strategy or rather our practice, not strategy, our practice has been to always book the expenses of every preopening, not capitalize it so that we book all the expenses so we get a clear picture of performance and cash flow rather than anything else. And that is why basically we have a transparent strategy rather than capitalize it, which is not wrong. Both are correct. It's just that we have chosen to take this as our methodology of expansion. I hope this answers your query.

Krishna Kansara: Of course, that is helpful. But in previous H2 of FY '25, we reported around INR 200 crores of revenue. So, you're confident of clocking like INR 240 crores in this H2 to meet our guidance.

Vishal Kamat: Last time in consolidated, we had INR 163 crores in 2024, and we had this year, we had INR 161.5 crores. So, we are not very far enough in general from our last time's thing, what you call last time performance. And last time we closed at INR 365 crores, INR 364.79 crores, if we look, correct, Smitaji?

Smita Nanda: Yes, sir.

Vishal Kamat: So, if we look at our current INR 364 crores of YTD. And when we look at that, we are not far off in our H1, H2 compared to H1 compared to last time, then definitely, if you extrapolate, madam, you will find that with all these new hotels coming, I mean, Hyderabad, unlike other hotels, Hyderabad is such a vibrant market. But unlike other places where our hotels take time to stabilize and to come into a general operating breakeven, Hyderabad in the second month itself will do it. It is that buoyant a market. So, why will that not add to our top line and help our bottom line. So, this is basically where I am very confident of having INR 400 crores crossing in the YTD. Also, madam, just for your own calculation, you can take out the hotels which last time have opened mid year and contributed to INR 364 crores. So, when you will take them now for the full year, you will definitely see the value in the statement which I made of coming to INR 400 crores.

Moderator: Thank you. The next question is from the line of Adi Verma from Synergy Finance. Please go ahead.

Aditya Verma: My question is, first of all, in the last con call, there was a question regarding that the valuation of the company is less than the other peers. And you said that we are giving a very conservative outlook, and we will try to work on our goals and achieving further numbers. So, clearly, that has not happened this quarter. And I heard your explanation, which was quite satisfying. So, I just want to confirm that, sir, going further, do we see any surprises like this? And I will place my second question also. Sir, in compared to your peers, like I somehow feel the popularity is not as it should be. Like if you give an option to a tourist like which hotels they would like to go, Kamat Hotel's name does not appear very frequently. So, are we working somewhere to improve our brand presence, the advertising, the popularity. Thank you, sir.

Vishal Kamat: Sir, very good. The second one was an even better question. I will come to the first part. If there is any surprise, which we can see, then it won't be a surprise. So, the whole point of a surprise is we will not know. But we can anticipate multiple challenges, and we should work on that. For example, rain nobody expected that it will continue till November. Nobody ever would have thought that normally, it is said that with Ganapati rain goes till 20-25 September. And then October is considered a very hot month, very, very hot month. But this time, it was raining like cats and dogs in Mumbai, in Goa, in various places. So, we cannot foresee, but we can anticipate and keep planning. For that, what we can do, we can one is have cash reserves so that if tomorrow some tragedy comes or some challenge comes, we should be able to continue smooth functioning. We should be able to have transparent HR policies so that our people don't jump ship on a small whimsical thing. Today, that is one of our strengths, which is there. So, definitely, we are scanning always to see what can be always as a threat for us. Now when Donald Trump does certain nonsense, then automatically, we also have to see from our own perspective. Nobody expected Operation Sindoor to happen. But once it happened, what all did we do? How did we support our industry or how did we support our nation? So, these are like what we did in Kamat Group was we said that if any particularly Chandigarh and various locations where our hotels were there, we had already floated that if any time any problem is there and if you need a shelter, you please come to our hotel, which is nearby. And we had kept arrangement if anyone comes, the time there is a place for them to stay and all that. And we have some basic necessities as emergency would require, including first aid kit. So, these are all things which we can max to max do. So, surprise-wise, we are scanning, but if it's a surprise, I know then it's not a surprise. Coming to the second part of popularity, sir, this is a constant endeavor and a struggle of every organization. Even a big brand, global brand -- Indian global brand will struggle in a foreign country to establish itself. And we also, depending on our different brands, struggle in different places. Okay? Even if just because we are Kamat and we are famous for our food, it doesn't mean we should take anything for granted. So, we do constant marketing. We do constant this thing, what you call the marketing is there, then our Orchid Rewards program is there, which has more than 10 lakh members, members come

through that. Then we have a sales team of our own. We rely very limitedly on online travel agents. Very candidly, I must tell you that they are our partners, but you should never allow your partner to become dominant in your thing. Even a good husband wife has to be in balance. I cannot dominate my wife. My wife should not dominate me. We have to be friends and partners, means equal. And that's why in our case also, generally, we keep our OTA business at around anywhere between 30% to 35%. In some cases, in smaller hotels, it may go up to 40%. But the rest of the 60% has to be filled up by our sales team. We have a sales network across India of our own. We have a sales team of 45 people of our own, not just outsourced or in terms of OTA and they basically go to travel agents, they go to this thing. So, we have a strong network where we should be getting the sales from a network of hotels which is our own allied network. So, keeping this whole thing in mind, growth and visibility is a constant thing. That's why we also do various other marketing activities. We do, by the way, a lot of social activities. This also adds to our image. So, in newer markets, we definitely are known but not well known. So, for that in every market, nobody knew us, sir, 20 years back in Odisha. They just knew there is one Kamat which came from Mumbai, but today, we are an integral part of Odia Society, in Bhubaneswar, in various other parts of Odisha, Konark, Puri and even others, not just there. Today, we are known as a brand and we are known. So, every place we go, we will exactly have to struggle like you have suggested, Adityaji, and we have to make our mark.

Aditya Verma:

Thank you. We are long time with Kamat Hotel and wish you all the best. I hope you progress and we progress.

Vishal Kamat:

No, I really respect your patience, and I am sure your patience will be rewarded. I am working towards that.

Moderator:

Thank you. The next question is from the line of Amish Kanani from Knowise Investment Managers. Please go ahead.

Amish Kanani:

Sir, you explained the increase in expense and the hotels in Manali and Shimla being the reason for lower margins. If you can split between the 2, sir, I can see the expenses have increased by INR 5 crores and the top line has decreased by about INR 10 crores on a Y-o-Y basis. So, is this fair to assume that this entire INR 10 crore fall is largely coming from a decline in revenue from these Shimla and Manali and that explains the INR 15 crore change in EBITDA?

Vishal Kamat:

No, no, sir. They are just one of the reasons amongst many other reasons. They are one of the subsidiary. Envotel Hotel is one of the subsidiary of Kamat Hotels. As I mentioned, and I will just repeat for the sake of your this thing, is Envotel and OHPPL, all of them together and Kamat Hotels itself, all of them this quarter have not performed in terms of either top line or in terms of their EBITDA. That is basically the main thing. So, it is not fair to blame only one hotel. It has been a collective overall dip of ours of Q2.

Amish Kanani: Okay. Okay. So, say, Manali and Shimla put together, what was the revenue loss for this quarter, if at all is quantifiable? I am saying Manali and Shimla put together, what is the quantum of loss? Is it more than INR 5 crores or even less, maybe you can calculate the rooms and IRR and you can calculate it, but just in case we have a ready number so that we understand the sensitivity of these properties to the overall numbers, sir?

Smita Nanda: Yes, it is coming. Shimla, Manali contributes INR 3 crores.

Amish Kanani: INR 3 crores. Okay, sir. We got it. Balance is spread across maybe few properties. So, sir, in general, third quarter is very, very high for us. And there, actually, last year, I saw our margins were as high as 40%. So, one, is it that if we end up surpassing last year's number, the margins also would be similar or more?

Vishal Kamat: So, sir, basically. On a Y-o-Y basis it would be somewhat fair to take the same assumption of the thing. But considering that Q2 has had this INR 10 crore dip, we must factor that in also in all fairness, okay? So, by factoring that INR 10 crore fairness based on last year, you can calculate.

Amish Kanani: Sure, sir. Okay, sir. And sir, we have withdrawn the merger proposal that property that we were intending to merge. And you are mentioning in the past that, that was a good property. What was the reason for, sir, this withdrawal of this proposal? And I think there is some onetime income there. So, if you can explain the transaction and why could we not merge this property with this company?

Smita Nanda: So, basically, sir, this merger has been withdrawn on 3 reasons. One is there is an uncertainty about when the statutory authorities are going to give us the approval on that because SEBI has itself has taken more than 13 months for the approval. Apart from that, BSE, NSE and NCLT was there. So, it was prolonged and delayed procedure. That's why we have taken a call that we should in the interest of everyone, we should withdraw the thing.

Amish Kanani: Sir, in the past, we have seen companies not getting approval maybe 1.5, 2 years, but still they end up merging if that is in the interest of the company and the minority shareholder. So, it is a bit surprising that just within the 13-month period, it is expected. NCLT sometimes take quite a bit of long time. So, it is a bit surprising that we are withdrawing this so early relatively, I am just saying. But yes, that's an observation, sir. And sir, that was not kind of, the progress was not updated on time, but maybe Board has their own reasons to not do this. But yes, sir thanks a lot.

Moderator: Thank you. The next question is from the line of Sanchit Agarwal from Ratnabali Equity Private Limited. Please go ahead.

Sanchit Agarwal:

My question is that currently; we have 2,100 operational rooms. And given that the FY 2026 target is 2,500 rooms, your presentation shows that in the pipeline, there is just 1 hotel that is expected to come in this year, which is for 50 rooms. So, what is the road map to reaching the 2,500 rooms target?

Vishal Kamat:

Thank you, sir. So, basically, one of the things is that some of our properties have got delayed, which were in our pipeline of 2,500 rooms. We also have to work with our owners who are developing since we are the plus and the minus of an asset-light model is that in the downside is that you are dependent on the owners. Sometimes their cash flow, their operational challenges or sometimes it is just bad luck.

Like in the case of Bhavnagar, it is just bad luck that there was a fire in Rajkot, which was a tragedy. And that basically clamped down on many of you who may be aware, this must have -- you must have heard this before in other calls also, not only related to hospitality, but real estate, hospitality, many that for 10 or 11 months, the government of Gujarat did not pass a single approval because they were revising the entire DCR rules for development of buildings in Gujarat. So, 11 months, literally everything came to a standstill for many, many, many people. Now that is why I cannot hold it against my owner because for 11 months, he also being a noted builder and a real estate person of Gujarat, he could do nothing. So, 11 months, it got delayed. And when it started, that time, again, you have to start from scratch in terms of deploy, do everything, then many things have changed. Now some improvements came about, which we gave further modifications. So, what we were expecting to start, unfortunately, has got delayed.

Similarly, in the case of Dehradun, Dehradun should have opened 7 months or 6 months from the, it should have been opened by now, but it's got delayed, and it has gone into March, April broadly. Similarly, Nashik. Nashik, our owner is there, it is a management of Orchid Hotel Nashik. By the way, Dehradun is approximately 90-odd rooms. Nashik is 60 approximately rooms. That has also got delayed. We are trying to push past because of Kumbh Mela coming over there. That's a manual property. So, that got delayed. Bhavnagar is a 60-odd room hotel. That is also. So, if you can you can see the 200-odd rooms, I mentioned just now only 200-odd in 3 people. So, this 2,500 coming to, apart from obviously what is mentioned to you, we are also having discussions because new other hotels are coming in. We had never mentioned about Kamat Group opening IRA by Orchid in Porvorim, which is a beautiful nice business hotel at Porvorim Junction and it's the IRA by Orchid. And that suddenly came about and that added to our target of 2,500. So, like this, there are certain things in pipeline. It will be more appropriate for me to share once the timing has happened rather than to share any speculation. But there are in multiple places, more such things going on. Some will be operational, some will be to be operational, and that's how we are expanding our portfolio.

So, we are quite confident that this target of 2,500, we should basically, if not cross it, we should come close to it, considering we have 5 months more and various discussions in pipeline are happening.

Sanchit Agarwal: Okay. Sir, my next question is regarding the wedding demand that across Kamat Hotels that we have potentially received. So, in comparison to last year, what is the wedding demand that we have received? And also, if you could just also elaborate on the wedding demand on some of the newer hotels that you have also inaugurated because I think you mentioned in the last call that the timing might be such that you might not be able to capitalize on the entire wedding demand for the new hotels.

Vishal Kamat: You are absolutely right. And weddings are preplanned ideally. And because of that, there is a lag of at least anywhere between 6 months, 9 months, 5 months, whereby someone decides to, as a family join together and then they scout for places. Now we opened in the season, some of our hotels like Panchgani, the operated Panchgani, while it has got some wedding, it has not got a lot of wedding like our other hotels like Orchid Pune or like how our Orchid Mumbai have got a lot of weddings planned back-to-back. So, this is another reason why next year, particularly, many of these will have a bigger kicker in terms of their performance because those also BOBs as in business on books will build up.

So, wedding demand, while it has been buoyant for industry, hotel to hotel, it is deferring in its impact. So, Rishikesh also had a limited number of weddings frozen in Rishikesh because like I said, we have just opened now. And that is why basically weddings mainly are more coming on our books from the month of February, March that way. So, weddings as a demand in the industry is still buoyant. As in terms of our hotels, it is new hotels are having slower demand, older hotels are having higher demand.

Sanchit Agarwal: Sir, for the older hotels as compared to last year, would you say there is the wedding demand or say, inquiries are more as compared to last year?

Vishal Kamat: See, inquiries are not important.

Sanchit Agarwal: I am saying only for the already established hotels. For those hotels, is there a higher wedding demand compared to last year?

Vishal Kamat: So, frankly, the number of inquiries particularly are not important. What is important is qualitative inquiries. There are many people who call us and say we want to marry at your place but does he have the actual money, but does he have the mental ability to say, no, this ARR I am willing to spend. This is the kind of budget I have. So, it is not about how many queries we generate. It's very important in terms of how many we do as a closure. And not all queries can be entertained. Most people call for very funny rates. I mean and we cannot entertain them. I would rather be empty than to do cheap charging business because that's not my profile. So,

again, hotel to hotel. In some other hotel, we will compromise and we will give. So, it depends on whichever the hotel is, what type of hotel it is and the season also. Like there have been hotels like in off-season, which is not a wedding season, but somebody is getting married in the non-wedding and that we want at this rate. That time we also say, instead of keeping empty we must have that traction with us and then indirect income will also come. So, I think the number of queries is not an ideal way to look at. Number of closures and within that, I can say that our dates, which are the main dates, our dates for our older hotels are full.

Moderator: Thank you. The next question is from the line of Gurvinder Juneja from Fortuna PMS. Please go ahead.

Gurvinder Juneja: My question was on the merger scheme withdrawal as well, which has already been asked. Sir, my question was about the merger scheme withdrawal. Has it been at the expense of the 2 merged companies or at the instance of Kamat Hotels?

Vishal Kamat: It is mutually discussed and decided based on many other aspects which we had discussed. One of the things is basically, as Smitaji said, we didn't want that overhang because from 2 years. And that overhang also causes uncertainty because of which we did not want, a lot of people had questions when it's happening, when it happens, what the effect, what will be the shareholding, how it is happening, what is happening. So, it was basically a mutual thing based on not having visibility in terms of the time line. Correct, Smitaji?

Smita Nanda: Yes, Sir. Correct.

Vishal Kamat: So, just to answer your question, one part of question, which you not asked, but I thought I had mentioned is that now Smitaji, our shareholding and other things of Kamat Hotels as of now means because now it is withdrawn will remain what it is only, right?

Smita Nanda: Right, sir.

Vishal Kamat: So, that clarity, I would like to give you, Gurvinderji, that now there is no uncertainty or any doubt. What it stays it is right now.

Moderator: Thank you. The next question is from the line of Ronit Kapoor from Investar Investment. Please go ahead.

Ronit Kapoor: So, I had a question like the company has a few land parcels as in the annual report. We have some in Baddi, in Kottayam and there's I think adjacent parcel to a Pune hotel. And I think the promoter entity also has a structure in Nagpur, like Plaza Hotels. So, does the company plan to exploit these to make hotels? And what is the time line for this?

Vishal Kamat: Good question, sir. Let me start with the Nagpur property. The Nagpur property was sold long back as part of -- in 2022. Correct, Smitaji?

Smita Nanda: Correct, sir.

Vishal Kamat: '21, '22 when we did our entire restructuring that to raise funds and to have internal accrual to put up our side and to bring down the debt, we had already sold Nagpur. So, Nagpur is no more there, sir. And if it is in our current balance sheet, then Smitaji, please look at this point. Okay. It might be one of the...

Ronit Kapoor: I was saying about the promoter entity has, right? Plaza Hotels.

Vishal Kamat: No, no. It is all sold, sir. It is all sold because at that time we in '21, '22 to come out, the promoter has sold a lot of things to reduce the financial burden on the company. So, it has been sold, and it was part of the structure which happened, and that's why today, we are out of the problems of the past. So, the promoter had to sacrifice all those things, and he was willing to and happily doing it.

Coming to, sir, your Kottayam, which is owned by Kamat Hotels India Limited. So, it is a nice property, but the company currently does not have any plans to put CAPEX on Kottayam. We will see what to do with it. But as of now, it is not having any plans to develop that hotel. Right now, there is a lot of much, much better opportunity in hand in terms of what is already doing. Orchid Pune is there, various other properties are there, expanding some internal accruals with where we already have revenue rather than start a greenfield and look at it. So, we aren't developing that particular property. And regarding the Pune land, which you mentioned, yes, there is a Pune land, which is there. For that the company is already in discussions and are taking the ideas and the discussions from various people who have already shown interest. And soon, there will be some conclusion that we will share. Rather when there is a conclusion, then we will share accordingly. But yes, we would like to monetize whatever assets we have so that it helps us further.

Ronit Kapoor: And what about Baddi, one?

Vishal Kamat: Where is Baddi sir?

Ronit Kapoor: Himachal.

Vishal Kamat: Sorry, Baddi, one -- no, no, sir, not your thing. Baddi also, Smitaji is sold?

Smita Nanda: Yes, sir. It has been sold.

Vishal Kamat: Yes, that was with Kamat Hotels, and it has been also sold as part of the lease at that time.

Ronit Kapoor: Okay. And one more thing was like this Lotus Konark, the lease, I think, expired as per the disclosure. So, any update on that, like extension? And what would be the new lease like with the same price or?

Vishal Kamat: Sir, it's the government of Orissa property and the lease which has expired that due to various reasons, they have supported and extended because there was a cyclone and then that force majeure time, we could not use. Orissa keeps getting cyclones and also there are various things. At the appropriate time, once the proper thing is done, then we will update accordingly. As of now, it is as it is.

Ronit Kapoor: So, extension is expected or like what do we assume?

Vishal Kamat: Yes, yes. Extension is definitely expected. We definitely because we are very good we have performed exceedingly well for the government. We have performed not only in terms of reputation, but even in terms of revenue for them. So, also, we have more than stuck to our ethos. The whole idea behind giving this property was to a person who is from an environmental hospitality background because it's in an environmentally sensitive zone. And today, it is one of the Orissa government's most prime poster for showing the kind of sustainable tourism.

Every single guest, in fact, you will be very pleasantly surprised to know even Rashtrapati himself was very keen to come and stay here. And when he had come to Konark, and unfortunately, due to certain reasons, there's a bridge over there, that bridge is not allowed as per protocol for the Rashtrapati to travel. Because it's the eco-sensitive zone, there's a wooden bridge. While that wooden bridge is very safe and even a tempo can go on it, there's a government protocols for the first citizen. And that is why it could not be thing. But that's the kind of touchwood popularity that Orissa government is proud of, and we are very grateful to their support. And this will remain, like I said, a renewal process, which happens, they will do it.

Ronit Kapoor: Okay. And last question is like on this IRA Orchid Mumbai. So, now the company's financial condition has improved a lot of Kamat Hotels. So, I want to say like we had got the lease that is quite expensive, like INR 21 crores you're paying annually and as you divide INR 50 crore turnover. So, given that now this is also affecting our EBITDA margins, if I see on an overall basis. But doesn't it make sense to convert it on a management and pay INR 20 crores for a higher revenue hotel like INR 100 crores, INR 120 crores in some other city?

Vishal Kamat: It's a very pertinent point, sir. On these lines, we are already working. We are waiting for our thing to finish, which will finish now. And then based on that, discussions are on with our owners. Let us see how it fructifies. We are touchwood having very good relations with our owners. And that is why basically we are waiting for this thing. So, once the discussions happen, that then we will have, but your point is taken. Actually, it's not just taken. I am glad that it came from you because we also have some similar thoughts. Let us see, sir, how that pans out in the time to come.

Ronit Kapoor: Okay. And lastly, like on the future expansion, like I feel like Kamat Hotels like over the years has lot of 100-plus room hotels but your current trajectory is like 50, 60 rooms. So, that's not letting the company utilize the optimum EBITDA margins and even the brand image is not being enhanced because of that. So, the hotels get lost in oblivion because of that fact. So, I think in the future, the company takes larger 100, 120 rooms, it would help the brand as well as the EBITDA margin expansion, any take on that.

Vishal Kamat: I am totally with you. Right now, basically, the company has many times taken the opportunities that it got present in front of it. For an example, I would be more than happy to have 100, 150-room hotel in Sambhaji Nagar. But unfortunately, we have not got that opportunity. But what we got was basically 33-room IRA, which is doing exceedingly well and is extremely well known, one of the top in terms in its segment performers in Sambhaji Nagar. So, what you said is definitely something which I subscribe to your thought but whatever opportunities based on we get rather than reject or not do, if it makes sense in terms of a larger network thought, then we are doing. Otherwise, we are rejecting in all fairness to my team, many of times their performance is affected because I say no, exactly on the lines of what you said, I tell my team, because either it has to add value in my network or it has to add value in my bottom line. So, this way, we have been working and the team gets us many more opportunities than what actually we close. But I want either it to give me revenue, like you mentioned, or it has to enhance in terms of our value. So, those have not planned that we don't take. But Sambhaji Nagar, for example, was something which helped tremendously our sales in Maharashtra in general because a lot of people have factory in Sambhaji Nagar and their office is in Pune. For example, Skoda. Skoda head office is in Pune, not in Mumbai, but the factory is in Sambhaji Nagar. Because of that business of ours has gone up because now that we have this small property in Sambhaji Nagar, the connectivity with Skoda team and the other aspects has gone up. So, this is a small example I can give. There are many other companies who we have benefited from our small tie-up of this. But if I get, by God's grace, a hotel over there with more keys, I am ready for it.

Moderator: Thank you. The next question is from the line of Abhijeet Singh, an individual investor. Please go ahead.

Abhijeet Singh: So, sir, my first question is the numbers are way off the mark. If you look at the monsoon and other things, our peers have grown decently well, and we have approximately 250 room additional compared to H1 of the last year, like we have Chandigarh, we have Noida, we have Goa properties. So, the number doesn't look good on the year-on-year basis comparison because it's additional, we have approximately 20%, 30% more rooms, but in the revenue terms, we have declined 15%, 20%. So, first question is this. And the second question is that publicly, many times, you have reiterated that the land parcel that you want to merge have appreciated in the price significantly. But in the end time when you are saying that we are not merging that, so it doesn't look good. It raises a question on the corporate governance. So, that's the second question. So, if you can answer that.

Vishal Kamat:

I will take your second question, sir, because the first question I have answered multiple times. So, I think that you may have joined in late. But I will answer the second question, which is very much more important because I understand this is also one of the things that we didn't discuss that the optics, as you mentioned, it looks like that, but it is not the case. What you have asked about basically in terms of the value or the appreciation or the other things, the value and appreciation basically is all notional. Ultimately, whatever would be based on the actuality. We have not done any land to sell or to this thing where suddenly the great value would. It is basically that whatever the merger scheme was there for last 2 years, and this is not something new. Everyone was well aware from a long time that whatever is happening and whatever is coming. So, it's not that we did not know what one will come someday. Everybody knew. But unfortunately, the point is that length of the thing is so long that today, our share price is okay, based on our performance. Let's talk about performance part again, now come to the first part. Any of my previous colleagues or rather your previous colleagues have asked, will you do INR 400 crores. Now even if I do INR 400 crores, it is affecting our overall shares and other things in terms of that, okay, so after that merger will happen. If my investors don't have clarity in terms of what is forward, then that overhang of 2 years, I don't think it is fair to them also. How much can I also test anyone's patience what's next because many times people would ask what is going to happen after this after that so better we thought is that when we discussed it that this is taking too long. And it is not because of us. It is because of all the statutory bodies. Better is that we just do the needful in terms of -- at that time, whatever thing is there, we'll see. Overall, your point is very, very valid. This was also discussed that it might look bad in the optics, but I have to ultimately do whatever best can be for everyone. And that basically includes us having no overhang and all this kind of thing, which has been going on for 2 years. That's basically.

Abhijeet Singh:

Okay, sir. But with all due respect, sir, I want to make a point that if you say certain thing in the public forum and you don't do that then it doesn't look good because we don't have the kind of reputation from the past experiences that we had, we had gone to NCLT. Now we are doing this. So, it doesn't look good.

Vishal Kamat:

No, no, sir. Sir, let me clarify to you. We have never gone to NCLT, sir. Let me clarify to you. We have never gone to NCLT. So, our reputation in terms of NCLT, yes, we were defaulter, but we never went to NCLT. So, that misguidance whosoever has given you and secondly, sir, let me tell that our reputation in terms of today, the same banks who once upon a time have put us as defaulter are today waiting with one foot when we will do business again with them. It is that we are loyal and we have not moved from Axis Bank because they supported us and they have done it. Otherwise, today, many people are more than keen to tie up with Kamat Group because of there is a saying that when it is raining, one takes an umbrella; when it is not raining, one brings the umbrella. Now, who brings the umbrella is a different matter, which depends on their need. So, the point is that let me share with you our reputation in terms of how we have dealt, we have done exceedingly well with every single lender of ours. And today, we have

a stellar reputation and a stellar faith from them. And many of them would be more than keen to take us back. It is just that we basically from our entire settlement have now come down today INR 90-odd crores, INR 90-something crores. And by this year ending, we should be more or less at INR 88 crores and we are with Axis Bank because they have supported us, and we are grateful to them.

Moderator: Thank you. The next question is from the line of Virat Shah from Tata Digital Analytics. Please go ahead.

Virat Shah: Sir, my question is regarding the occupancy rate. So, if we see in this quarter, the occupancy for Orchid and IRA both has fallen drastically from the historically what we have seen in last 2 years. So, my question is, apart from the reasons that you mentioned for the Shimla hotel and for the Chandigarh and Pune hotel. So, are there any other structural reasons that you are seeing in your other hotels because of which the occupancy rate has fallen to 47% in Orchid specifically from 66% in last year's quarter. And anything that you can foresee in terms of if this will continue or if you can see any substantial improvement in November and October?

Vishal Kamat: Yes. So, sir, what you said about 46%. This is brand-wise as shared with you. And this highlights what my point was. Sir, today, Himachal Orchid or Shimla Orchid is 98 rooms. And our Manali Orchid is 48 rooms, 45 or 48, Roughly, let's assume 50 for 150 rooms, for example, just for rough, easy math. As good as 0 occupancy. In fact, more than Shimla, Manali was 0 occupancy for 3 months, 2.5, 3 months and Shimla was for 40-odd days. Now sir, when the occupancy is 0 mathematically, you calculate and you see that even though Orchid Mumbai is 372 rooms and against that and at 90% up or low, 70% up or low. You do any math ratio. The minute the opposite side 150 as a brand when we have given the thing has dropped the whole on one side, you find this drastic drop, which is exactly why our revenue also and our this thing also shows that drop. So, brand-wise, what you have seen is correct. And it is exactly that because of certain hotels having a drastic drop like Shimla Manali and a sizable 150 in considering that the total base of Orchid number of rooms, which is there would be, I think, around almost 1,000. So, when you have 1,000 say, 150 rooms, suddenly you will find this massive issue. So, definitely, that's why you see this 47%.

Virat Shah: Got it, sir. Understood. Very clear. And sir, also, so basically, we can keep in mind that the room occupancy rate for the other hotels apart from the 3 hotels, Shimla, Manali and Pune, as you said, we can assume that the occupancy was near or more or less in line with our previous quarters?

Vishal Kamat: That's why there was a dip in the quarter also in our hotels like Orchid Mumbai and IRA Mumbai. So, there was a dip in our overall occupancies also. That is why cumulatively, we have had this whole challenge in this thing. So, it's not only in terms of your like Shimla, Manali, that has been the major reason. The major reason has been that. But even if they would have been normal and if the hotels would have performed the way they have performed, let's assume

that whatever they have performed, they perform. But if today, Manali and Shimla would not have example, been so drastic, we would have still had a much better quarter. So, that is basically the point.

Virat Shah: Understood, sir. And sir, do you see any improvement in October and this 10 days of November in terms of occupancy.

Vishal Kamat: Definitely, sir. Definitely.

Moderator: Due to time constraint, that was the last question for today's conference. I now hand the conference over to management for closing comments. Over to you, sir.

Vishal Kamat: So, thank you, everyone. I really appreciate the questions, and I hope we have answered them satisfactorily. While still the quarter was not good, definitely, Q3, Q4 will be much, much, much better. And if you have any further questions, we are here. Many of you do reach out to us, and we do answer and we do meet. And also, if there are any other things where you would like to just have general questions or some, please do reach out to our IR partner, Valorem Advisors, and we will definitely do the needful on your queries. Thank you, everyone. Thank you for your patience and being on part. Thank you. Namaskar.

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