KAMAT HOTELS (INDIA) LIMITED

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

November 06, 2026

To,
Listing Department
BSE 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 Q2/H1-FY27 Earnings Conference Call held on November 04, 2026

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-FY27 Earnings Conference call of Kamat Hotels (India) Limited with various Investors and Analysts held on Wednesday, November 04, 2026, 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: 2026.11.06 15:27:09 +05'30'

Nikhil Singh
Company Secretary & Compliance Officer

Encl a/a.

THE ORCHID ECOTEL HOTELS & RESORTS FRIENDLY. ECO-FRIENDLY | Fort Jadhav GADH A Gadh Heritage Hotel Ladh, Jhagadh, Aage Badh... | MAHODADHI PALACE | LOTUS RESORTS By ORCHID Hotels | ira BY ORCHID HOTELS

Kamat Hotels India Limited
Q2 and H1 FY'27 Earnings Conference Call
November 04, 2026

Moderator: Ladies and gentlemen, good day and welcome to the Kamat Hotels India Limited Q2 H1 FY'2027 Earnings Conference Call hosted by Valorem Advisors.

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 "*" and 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.

Purvangi Jain: Thank you. Good evening, everyone and a very 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 the first half of the financial year 2027.

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.

I would now like to introduce you to the management team joining us on today's call. We have with us Mr. Vishal Vithal Kamat – Executive Director, Mr. Milind Wadekar – 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 Vithal Kamat: Namaskar all. Thank you, Purvangi, for the introduction. Thank you, Valorem Advisors. And thank you all for participating in this call.

First and foremost, I would like to, as you already mentioned, my colleagues, Mr. Milind Wadekar and Mr. Nikhil are with us. The results, we were very happy to share the kind of progress we have had. I believe that many of you have gone through them. And I thank you for taking this time to go through, having recorded a great quarter EBITDA with margins of the Q2 FY'27 up 1300 basis points, year-on-year to 26% and EBITDA more than doubling to 224 million. And the occupancy also going up by 800 basis points.

With all this coming up, the RevPAR also has improved by 20%. We also have a set of FY'30 vision of the hotels of the Kamat with the number of keys being increased by more than 50% to 3,000 keys. And the average room rate also, we are looking at increasing step by step more than 30% to 8,000 on a whole. So this would happen because of the various new properties coming in.

We have in the month of December, January, Gwalior, which will open up. Apart from that, we also have Dwarka and Nasik. Though they are under management, Gwalior is under lease. But Dwarka under management, we expect that these properties also will add a lot of boost adding more than 250, 266 keys to our portfolio apart from other additions which are there. Further even our Rishikesh and our Dehradun will eventually also come in. So we have a nice pipeline and side by side active discussion pipeline also going forward. Mr. Milind Wadekar will take you through the details in his remarks which he has prepared along with any questions and answers. We will be happy to answer.

Let me just give you a brief overview of the hospitality industry:

The key trends that have shaped the quarter. By and large, the Indian hospitality as a whole has delivered a resilient result. This has various reasons. It has shown a good performance. Despite having challenges of war, fuel shortage, monsoon seasonality, aviation erraticness and other various West-Asian geo-political tensions. Some going in our favor, some adding to the top line, some going against us, hitting us at the bottom line. Yet, overall the industry has and the Kamat group has managed these challenges very well due to certain foresighted decisions also which we will articulate ahead.

Typically, H1 Quarter 2. The Quarter 2 is a very poor general quarter because of monsoon and because of various other aspects happening in it. You know, you have pitrupaksh and others and all these aspects make the overall spending lower in sentiment and in practicality. But this Quarter 2 has been excellent in terms of the overall performance by various of our hotels. And hence, Quarter 1 has given a holistic improvement.

Typically, Quarter 2 accounts for 60%, 65% of the annual business. So, based on that, we feel the year ending also will be fairly robust. Hospitality, various leaders have also shared their figures, how their overall revenue has grown anywhere between 12% to 17%. And within that also in the hotel segment particularly. So, we are also optimistic about H2 and FY'27 end being quite robust and encouraging. Even our October numbers are fairly encouraging in terms of now having a good October. Otherwise, normally October end is when Diwali is there, first week November. This year November may not be as great as what it was last year because having Diwali bang in the middle of November. But the second half of November already looks very-very strong. So, that is a very good and then December is what it is, December is December. So, demand remains intact in various segments. Large format MICE which we are specializing in and various other events that is also happening.

Wedding season, this year's wedding season is not as strong as last year and yet it has been a very good support for the weekdays and weekends. There has been a sustained demand in leisure. Spiritual tourism is still going strong and by and large the industry is still seeing the benefits of premiumization trend. Which is still delivering a very good result for hospitality and other industries also. So, the gradual recovery of foreign tourists we expect though that is not going to have a very significant considering that today.

In all honesty, Indians are richer than many of the foreign country tourists. So, Indians are more sought after because they are spending better as compared to many of the foreign tourists who are coming on a shoestring budget or on a limited. But that said we are seeing very good growth in Goa where we do have in our Orchid Passaros particularly. We have a very high percentage of foreigners who stay with us. So, there we see that there has been a very robust demand and hence Q3 also we seem to be on a good track. In line with our industry peers we remain optimistic. We are focusing on driving our RevPAR, moving our unit level operational efficiencies further.

Lot of things like we mentioned we did which had a high CAPEx but have given us a long term benefit. Electrifying our hotels is one of the main where we have EV cars. We are the first in the industry to adopt EV cars for our hotel fleet. And today we are at 100% all EV cars within our organization. So, including my own personal car which is also EV. With that much we believe that we walk the talk.

Similarly, in terms of kitchens also many of our kitchens which are being upgraded. As they are being upgraded though the cost of an electric kitchen is higher. Various such decisions helped us weather the storm during the war. Because we had an electric kitchen in Pune Orchid where we are making at times even 3000 to 4000 meals a day. In fact more than that when we consider breakfast, lunch and dinner. And the entire kitchen over there is 100% electric. Hence, we were able to weather the shocks of even PNG and rather LPG problems. So, there is a lot of focus on this.

We are also strengthening further our digital sales and distribution. We are also looking at our expansion in terms of a disciplined asset line approach while maintaining our net cash being positive philosophy.

As Mr. Milind will further share the debts on our books which is actually from the last year or plus has been a non-issue. But still it shows that how the company is using its surplus cash generated to renovate, upgrade, expand and at the same time retire, repay existing debt faster than we need to so that we maintain a financial discipline and have a good healthy balance sheet and a future opportunity offer if there is anything.

With that I would like to hand over to our CFO – Mr. Milind to please take you all through the financial performance. Thank you everyone. Please Mr. Milind.

Milind Wadekar: Thank you. Thank you sir. Good evening, ladies and gentlemen. Let me now take you through what has been a breakout quarter for us.

This was not just a growth but this was a decisive turnaround in profitability. Our revenue for the quarter has gone up 12% to Rs. 86 crores in a seasonally soft monsoon quarter. EBITDA was at Rs. 22 crores up 131% more than doubling in a single quarter. EBITDA margin stood at 26%, a massive 13% point expansion. This is the operating leverage which is at the best. I mean each revenue is adding to our EBITDA margin. EBITDA and EBITDA margin. PAT was at Rs. 5 crores versus loss of Rs. 2 crores last year in Q2 FY'26. We have moved decisively from loss to profit with PAT margin at 6%.

Now when we look at half year numbers, revenue was Rs. 179 crores up 11% year-on-year basis. EBITDA, we crossed Rs. 50 crore mark for the half year up 67% with a margin at 28%. Nearly 1 in every Rs. 3 of revenue now flows into EBITDA. PAT at Rs. 15 crores with PAT margin at 8%, a clear demonstration that our business model is now structurally profitable and scalable.

Now what this tells you is simple. Our revenue engine is growing. Our costs are tightly controlled. And every incremental rupee in revenue is dropping to the bottom line at a much faster pace. We are not just growing, we are growing profitably. And this is the only beginning of H2 upcycle. Now let me take you to same store numbers. What we mean by same store is we have excluded IRA Mumbai and Orchid Shimla from Q2 FY'26 and IRA Bhavnagar from Q2 FY'27.

IRA Mumbai was operated by us on lease till 31st March 2026. And its revenue cost and EBITDA were included in Q2 FY'26 numbers. Orchid Shimla has now been converted into management contract from erstwhile revenue share lease model. And IRA Bhavnagar is new property added to our portfolio in the current financial year.

Now with these adjustments our revenue was up 31% same store basis to Rs. 85 crores. EBITDA up 98% to Rs. 23 crores almost doubled. And EBITDA margins were at 27% up 900 bps a 9% point jump. Now we are not just filling rooms we are filling them more profitability than ever before. Now let us look at the balance sheet and our net cash philosophy. As of 30th September 2026 our gross debt was Rs. 96 crores.

Cash and cash equivalent was Rs. 65 crores and net debt was Rs. 31 crores. Now if you look at net debt to EBITDA it was 0.

23x versus 0.52x as of last quarter, more than halved in just one quarter. And from 0.52 we are at 0.23 and we did not stop there. Subsequent to quarter end we have repaid Rs. 30 crores loan to Axis Finance Limited.

Now our debt are really manageable position we are at Rs. 31 crore net debt. Bottom line looks strong, we expect profitability to grow at much faster pace in H2. Looking ahead our growth is not incremental it is transformational anchored in our KHIL 3.0 vision for FY2030. We are building a larger, stronger and far more profitable company. Our footprint will expand from 10 states to 11 states. Our portfolio will expand from 24 to 31 properties. Inventory will increase from 1900 plus keys to 3000 plus keys.

ARR we are targeting at portfolio level, a 33% lift from existing 6000 to around 8000. And this is not just expansion this is scale with rising power. Our H1 performance proves the model works. Revenue is growing, margin is expanding by 800 bps,-900 bps. Debt collapsing to near zero at profitability compounding.

As we enter H2 the strongest half of the year, we are entering with momentum. With a strong balance sheet and with a clear aggressive growth map. A growth map with asset-light model. We remain razor focus on three things:

- Driving operating efficiencies in our hotels.
- Executing our expansion at pace.
- Creating sustainable long-term value for all our shareholders.

With that I conclude my remarks and request the moderator to open the floor for questions and answers.

Moderator: Thank you. We will now begin the question and answer session. We have the first question on the line of Anil an individual investor please go ahead.

Anil: So good evening. So, my question is EBITDA margin has expanded to 26% in Q2 FY'27. What will be the key contributors to this improvement and how much of the margin expansion can be sustained over the coming quarters. Can you please elaborate on it.

Milind Wadekar: Okay. Now Anil if you look at our ADR growth was flat around 3%. But our occupancy has grown from 50% to 58% at portfolio level. So higher the occupancy, higher revenue and excluding the variable cost everything flows into EBITDA. So that is how EBITDA margins have improved. Our Pune hotel has done well compared to last year. I mean they have shown revenue growth of 32%. That has helped us. Our Bhubaneshwar hotel has done well. So all this put together along with the efficiencies what we are bringing in our hotels on cost side has helped us to improve these margins. And these margins are sustainable. Now we are looking at each head of cost. We are controlling costs and maximizing revenue. So we will continue showing good margins quarter-on-quarter basis.

Anil: Okay sir. Got it. And my follow up question is given the improvement in occupancy and RevPAR, what is the outlook for revenue growth in H2 FY'27? Should we expect the growth to be driven primarily by higher occupancy, ARR improvement or contributions from new properties?

Milind Wadekar: So H2 is strongest period of the year for hospitality business. And we will see continuous increase in our rates as well as occupancy. And that will be reflected in heighten sort of top line and EBITDA growth.

Anil: Okay sir. Thank you.

Moderator: Thank you. We have the next question from the line of Runit Kapoor from Equity Tree Capital. Please go ahead.

Runit Kapoor: Hi. Thanks for the opportunity. Yes. Am I audible? Hello. Yes. Am I audible? Hello. Am I audible? Hello.

Moderator: We have the next question from the line of Rohit Dhawan an Individual Investor. Please go ahead.

Rohit Dhawan: Good evening. So I just have a couple of questions. So firstly, IRA by Orchid has seen relatively weaker ARR and RevPAR trends compared with the Orchid portfolio. What are the key factors affecting its performance and what steps are being taken to improve occupancy and room rates across this brand?

Vishal Vithal Kamat: That is a very good question. So first and foremostly, one of the reasons that the metrics do not show at times is when the new hotels come in on board. So some of the new hotels when they come in, they tend to bring the average down. That said, there are also some of the hotels which are now mature like our Sambhaji Nagar and Nashik where the ARR based on the market is more or less growing at a slower pace. Hence, we do not find the huge jump as we see in our Orchid hotels where the performance because of various reasons has been far, far more better. For example, Pune Orchid has shown a tremendous jump in terms of its revenue because of the extremely enhanced occupancy and hence the revenue has shot up. But the ADR has

remained more or less stagnant for the first two quarters. We are seeing now a very good jump in the ADRs in the Q3 and Q4 will also show the same way. So broadly, one of the things is that. Secondly, Mr. Milind, would you like to add something?

Milind Wadekar: Primarily, if you look at IRA by Orchid portfolio, last year we had IRA Mumbai in our portfolio. It was doing a very high occupancy, good rate compared to average. Now, when we are comparing last year with the current year, whether ADR, occupancy and RevPAR, IRA Mumbai is out of our portfolio. Hence, you will see this drop. Now, if you look at our investor presentation, excluding Ira by Orchid Mumbai, RevPAR for Q2 FY'26 stood at 2477 against 2337 of the current year, a small drop. And for half year, it was at 2472 against 2423 current year. And this little correction has come from Ayodhya as well. Ayodhya occupancy has taken a little hit. Hence, you see this drop. Otherwise, the numbers are looking good.

Rohit Dhawan: Okay, sir. Thank you so much for that answer. I just have another question. How are the recently opened properties including Bhavnagar and other additions progressing in terms of occupancy, ARR and EBITDA? And by when do you expect these properties to reach stabilized operating levels?

Milind Wadekar: So, normally, any new property takes around one year for stabilization. Now, when we look at half yearly numbers for Bhavnagar, Rishikesh, I mean there is negative EBITDA but that amount is not really significant. And we expect in next half, I mean next two quarters, we will be able to show positive EBITDA there.

Rohit Dhawan: Okay, sir. Thank you so much.

Moderator: Thank you. We have the next question from the line of Devansh Jain from Eternal Capital. Please go ahead.

Devansh Jain: Yes, hi. Thank you so much for the opportunity. So, I just have two questions. So, first, as I understand it, the company has a current pipeline of almost 620 keys across seven properties. And this is, what is the visibility on adding further properties beyond this pipeline? And what are the key markets and destinations that you are prioritizing for the expansion?

Vishal Vithal Kamat: Yes. So, basically, we are looking at various properties. One is within the states where we are already operating rather than going to fresh states unless and until there is a good opportunity which is making financial sense, which is making EBITDA, you know, which is adding a value to either our EBITDA, adding value to our network and creating that kind of positive visibility. So, definitely, one is the expansion within the states we have. There are various opportunities. To give you any speculation would not be fair because while we negotiate with owners, it is very crucial that the terms work out. And we have now established our set internal norms which we do not generally deviate from. We do not really deviate from them because we realize that as we grow and as we have integrated various tools, softwares, accountings, various sales driving

tools, because hospitality is no more about just serving a great cup of tea. There is a lot of backend stuff which goes into it. And especially with now the way the GST has come in, making sure that there are no leakages in terms of, you know, GST loss many a times. So, we have integrated a lot of technology together right from backend to operational to sales. And if an owner does not see that vision through and through, which many a times owners do not, they still feel that what is there in hospitality? They think it is about cooking food etcetera. They do not design the backend very well, then the operating cost goes high. So, it is very crucial for us to get that kind and once those kind of people are there, we sign up. So, when we have a kind of fixed pipeline, we share it with you all. But for me to speculate and say something like that, that is not. But to broadly answer your question, we have opportunities which we are already deeply negotiating in states where we are already there and we are going to bolster our presence in those states.

Milind Wadekar: Devansh, if I have to answer your question in financial numbers. Now see, I mean last year we did EBITDA of around Rs. 100 crore. This quarter we did Rs. 50 crore, right. And we are very confident. I do not want to give forward looking numbers. But even if you take 60:40, 60% in Quarter 1, sorry half 1 and 60, 40 in half 1 and 60 in H2. We will cross Rs. 130 crore, Rs. 135 crore mark, right. If you look at our cumulative EBITDA for next five years, it will be in the range of Rs. 750 crores. Now, my debt is at zero. By this year end, we will be net zero debt company. So, there is no interest burden, there is no repayment obligation. So, around Rs. 750 crore less tax. So, Rs. 600 crore will be available with us for growth, right. Apart from that, if I take three years down the line, my EBITDA as Rs. 200 crore. So, debt to EBITDA of 3x EBITDA to debt. So, another Rs. 600 crore plus some interest. So, on the lower side, we will have around Rs. 1000 crore for expansion. And as Vishal ji has explained, we will look at locations, micro market where returns are good. But from financial standpoint, we have the muscle power now to invest for growth.

Devansh Jain: Noted, sir. Thanks, Vishal, for the honesty and thanks, Milind, for the breakdown. Such a very good breakdown. It really helped a lot. And I will just come to my second question and then I will leave to the queue. So, what I wanted to understand is largely we are following the lease, let us say a management and revenue sharing model for the expansion. Going forward, are you seeing any mix between these models evolving? And what is the structure that we are offering? So, any balance between the returns, risk and scalability? Are we seeing anything? And how will it pan out over the few years?

Vishal Vithal Kamat: So, firstly, let me share a little industry general point first of when we are talking about expansion. See, what is happening in our industry and this is where a lot of people do not understand hospitality is that they come with an aspiration. They come with the aspiration that I want to have a hotel. I am talking about the mass. I am not talking about big brands or big hotels. I am talking about the common general mass person who is not from hospitality. He comes and he says, I want to make a hotel. He has an architect friend. He has a plot. He puts up his architect friend. Architect friend is very good at making homes. So, he thinks he can

make a hotel. Then he sets up a hotel. How much will it take to do a hotel? It will cost this much. Why? Because that is what a residential building with two lifts and some little basic amenities will cost. Then he realizes there are so many nuances. There are compliances. There are so many things which are required above and beyond which are normal building, even an office building does not have. Lots of things are there. Now, all these things when you take together as a dream, the problem is that his vision and his thought is that I will make a hotel of 30 rooms, 40 rooms. And today that is the problem a brand like us has is that viability is not there in a hotel which is 40 rooms to 50 rooms in general. There is no viability for an owner to have an ROI when he is doing a hotel of generally of a 40 rooms to 50 room hotel. The cost is more or less the same wherever you do it in India. Little bit it is up and down. But that fundamentally does not change the problem of what can you charge for a 40 room, 50 room hotel and what is the output of that EBITDA or what we call GOP in our hospitality parlance and whether that is okay to sustain your entire loan. Not to just make a profit to run, you know, like my cousins who are in the Kamat restaurants and who are this thing, though they are debt-free property. So, even whatever they earn, even if they earn a few lakhs, they are taking it home because there is no liability. But the minute they would have had to open a second new restaurant and you take a loan and you have to pay interest and you have to then recover your capital cost and then what is left is actually your profit. If that is the true honest way of looking, then many places would not sustain. So, our industry where that is a big problem because now why is relevant to me is because many of the owners who come, they say, sir, take my hotel. They make it very beautifully. They spend a bomb. But the viability is not there, neither for him nor for me. Why? Because he is assessing it from a capital value perspective and I am assessing it from an operative perspective. So, one of the challenges we have as a brand is because of all our compliance norms, which we do not bend on, we adhere to all our compliance norms, we have then various other aspects, overheads, apart from all the software, which I told you. We need basically properties which are in the range of 80 to 100 for us to take on particularly lease. On particularly lease. Because today, especially because of GST and the way GST is structured, the cost of GST has again gone back to the old VAT days where the cost of VAT was a cost. So, now today again in the smaller hotels where GST is not above 18%, the cost of GST is an added burden. While it may be sounding very consumer friendly, the reality is that it is not industry friendly. Of course, there are various deviating a bit, but I must let you know. Industry has done various representations. I do not think that they will really be taken on because government is happy because it is directly coming in their pocket, both from the top side from the customer and from the bottom side from the vendors and payouts. So, government is not really going to be that keen to handle that topic. But how it affects me again? Because now I have to build in that cost when my expansion. So, when we are taking the input plus 5% or 18% based on whatever the cost is there and on top I am taking from the customer only a 5%, the overall sandwiching does not allow a sustainability model of around 40 rooms to 50 rooms at all. Unless the ADR is extremely high and there is always an exception to the rule. But the rule is that we need sustainable hotels which is 80 to 100. And if they come between the 80 to 100 plus bracket, then only we can look at expansion from the lease perspective. Now, coming to

management. In management, it does not matter. Even if it is a 40 room hotel because we charge a flat 6%. We evolved our model and our model now goes in for a flat 6% of the top line. We do not have a model anymore which is part GOP based, which is gross operating profit based and then which is an incentive fee and then a top line fee. We stopped all that model. Why? Because in India particularly, owners have certain benefits which I cannot capture in my GOP, which I do not want to also capture in my GOP. I rather allow him to have the full benefit and I focus on my ability to drive and bring in business from sales, from marketing, from footfalls, from F&B and I get my 6% on that. So, on one hand, the management model works even if it is a, again, there also we do not go for hotels which are below 35 rooms, 40 rooms, frankly speaking, because it also is too much taxing on our bandwidth. So, we have understood that 40 rooms, 45 rooms is a sweet spot onwards for management. Below that, we also know the hotel owner will not be able to sustain, maintain our various compliance requirements which we have. And hence, in our expansion, the only windows we have is any hotel which is above 40 rooms and above in terms of management and any hotel which is basically 60 rooms, 70 rooms above minimum. And there are also exceptions I am throwing in for leasing or revenue share model. So, that is why we are very cautious on our expansion. We do not want to be like we know certain cases in the industry and otherwise we know where the lease were done earlier and today because of GST requirements and other things as it has evolved, they are not making an interesting proposition for the operator anymore. So, that is basically the expansion point. I hope that clarifies your thing.

Devansh Jain: Yes, sir, very detailed. Thank you so much. It really answers a lot of my questions. Thank you so much.

Vishal Vithal Kamat: Thank you.

Moderator: Thank you. We have the next question from the line of Runit Kapoor from Equity Tree Capital. Please go ahead.

Runit Kapoor: Yes, hi. Am I audible? Hello, am I audible?

Moderator: Mr. Runit Kapoor, can you hear us?

Runit Kapoor: Yes, am I audible? Audible. Can you hear me? Hello, can you hear me?

Moderator: As there is no response, we will move on to the next speaker. Our next speaker is Guneet Singh from Countercyclical PMS. Please go ahead.

Guneet Singh: Hi, thank you for this opportunity. I would like to understand our Bombay Hotel land is owned by Plaza, right? The promoter entity, Plaza Hotels.

Vishal Vithal Kamat: Yes.

Guneet Singh: So, I just want to understand one thing. So, we had deposited interest free. We made interest free deposit for Plaza deposited around Rs. 60 crores in 1994. And I think around Rs. 20 crores subsequently. So, even if that is compounded at 7% per annum, the current value of that should be around Rs. 500 crores, right? So, I want to understand why are we still paying royalty on top of, I mean, providing an interest-free deposit to Plaza currently. And why did we revise the royalty upwards for the Mumbai hotel from 3% to 5%? Because this seems to be against the interest of minority shareholders. So, I want to understand the rationale for this. And going forward, do we plan to reduce this royalty payments to 0% in the interest of the minority shareholders? Because this does not make sense to me. I mean, if you can throw some light on that.

Milind Wadekar: Guneet, Milind there. Now, if you look at the value, I mean, let us assume if we decide to buy this land parcel from promoters, right, and prevailing market price, it could be very high. And if we look at the cost of finance, I think the royalty what we are paying, even after adjusting that security deposit, the royalty is on lower side. I mean, this property is expected to do, let us say, Rs. 150 crore top line. And 6% royalty comes to around Rs. 9 crore. And if I take land value at around Rs. 300 crore, Rs. 350 crore, I do not know what is the market value today. But that cost of finance could be in the range of Rs. 35 crore. So, from that perspective, I mean, we consider it once, can this be amalgamated both so that the royalty component goes away and promoters get incremental shares. We are still evaluating that, but it is not in the interest of minority shareholders. But again, we will look at it.

Guneet Singh: I mean the merger you mean?

Milind Wadekar: Yes.

Vishal Vithal Kamat: So, first and foremostly, an arrangement which was done in 1994, I was extremely a child at that time, I was born in 1983, so you can do the math. Now, historically, we had this one thing and hence what is there, there are pros and cons to both the sides. On one hand, if tomorrow the promoters decide, like Mr. Milind has said, that if the promoters and all decide that, okay, let us look at a fair valuation merger, considering it is almost three acres and next to the international domestic airport, so you can imagine what its value of just the land would be. It may not necessarily be conducive to the overall thing. So, what has been there, we have not tried to tinker with it, we have tried to see what best we can do. And within that, just as it is, based on that, we have the situation. Whether, how to enhance, improve, do the needful, we are definitely there. And we would, because as you have also rightly said, the promoters also are not benefiting, the companies also are not benefiting. How to make both benefit? We have a board which I should not speak beyond the purview of that. Whatever, based on best idea we can do in future, we will see that. Thank you.

Guneet Singh: Right, sir. Got it. Thank you very much. Because the deposit amount, the fair value, I mean, I just use the 7% interest on that. And that comes out to be around Rs. 500 crores currently. So,

I just kindly, I mean, for the minority shareholders, I just kindly ask you to reconsider this and maybe lower the royalty payment which was increased in 2024 itself. That would be a huge indication about how you value the minority shareholders. Thank you very much. Thank you.

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

Moderator: Thank you. We have the next question from the line of Deep Modi, an individual investor. Please go ahead.

Deep Modi: Good afternoon, sir. Congratulations on such outstanding numbers. I have a question. That was like, how has demand evolved across corporate, leisure, weddings and MICE segments during Q2? What is the demand outlook for the upcoming festive and wedding season, particularly across your key markets?

Milind Wadekar: So, outlook looks very promising. The demand is expected to be robust. And as I said earlier, we will show heightened revenue and EBITDA growth in H2 as compared to previous H2. And the business in Q2 came from mostly corporate for our business hotels and leisure travel for our leisure properties.

Deep Modi: Okay, sir. My next question would be, while occupancy has improved, how should we look at the ARR in the portfolio? When do you expect the room rates to improve meaningfully, particularly in markets where pricing remains relatively subdued?

Milind Wadekar: In hotels, you should look at RevPAR growth. I mean, when I push occupancy, the revenue per available room is a key metric for any hospitality company. I mean, increasing the rates and keeping rooms unoccupied does not necessarily give you good revenue and good EBITDA. And when occupancy picks up, we start pushing up rates. So, now, last quarter, we played occupancy route. I mean, it depends property to property, each micro market, each day, each month, each quarter. So, we will do whatever is best for the company.

Deep Modi: Okay, sir. Thank you for your such well-put answers and all the best for the future.

Milind Wadekar: Thank you.

Moderator: Thank you. We have the next question from the line of Yashwi Dutta, an individual investor. Please go ahead.

Yashwi Dutta: Yes. Thank you for this opportunity. So, I had a question. Like, apart from

Moderator: Yashwi Dutta, you may go ahead with your question.

Yashwi Dutta: Hello. Yes, thank you so much for this opportunity. Hello.

Moderator: As there is no response, we will move on to the next question. Our next speaker is Roshni Shukla an individual investor. Please go ahead. Ms. Roshni Shukla, if you can hear us, please go ahead with your question. As there is no response, we will move on to the next speaker.

Vishal Vithal Kamat: So, if suppose there are no more questions, then I think let us not this thing, first and foremostly, we are always available. Our doors are always open. Mr. Nikhil is also there from the CS and the Compliance Department. Mr. Milind Wadekar from our CFO and Finance side also. So, we are always available to be reached out. You can reach out directly to us or through Valorem. And I think we can end the conference early. Thank you, everyone. I think moderator, please do the needful.

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