

ElH Limited

A MEMBER OF THE OBEROI GROUP

CIN:L55101WB1949PLC017981

CORPORATE OFFICE: 7 SHAM NATH MARG, DELHI -110054, INDIA / TELEPHONE: +91-11-23890505/ WEBSITE: www.eihltd.com
email: isdho@oberoigroup.com

09th February 2024

The National Stock Exchange of India Limited Exchange Plaza, 5 th Floor Plot No..C/1, G Block Bandra Kurla Complex Bandra(E) Mumbai – 400 051. Code: EIHOTEL	The BSE Limited Corporate Relationship Dept. 1 st Floor,New Trading Ring Rotunda Building Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai-400001 Code:500840
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SUB: TRANSCRIPT OF INVESTOR MEET / CALL HELD ON 07th FEBRUARY 2024

Dear Sirs / Madam,

Pursuant to Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we hereby submit Transcript of the Investor Meet/Call held on 07th February 2024, on the Unaudited Financial Results of the Company for the quarter and nine months ended 31st December 2023, on Standalone and Consolidated basis, which were considered and approved by the Board of Directors of the Company, at its meeting held on 06th February 2024.

The above may please be taken on record.

Thanking you,

Yours faithfully
For **ElH Limited**

Lalit Kumar Sharma
Company Secretary

EIH Limited
A MEMBER OF THE OBEROI GROUP



Q3 FY24 EARNINGS WEBINAR

MR. VIKRAMJIT SINGH OBEROI - MD & CEO

MR. KALLOL KUNDU - CFO



NAVIN B. AGRAWAL – HEAD, INSTITUTIONAL EQUITIES

+91 98200 27446 | navin.agrawal@skpsecurities.com

WEDNESDAY, FEBRUARY 7, 2024

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- Good morning, ladies and gentlemen, and thank you for attending this virtual meeting. It's my pleasure to welcome you on behalf of EIH Limited and SKP Securities to EIH Limited's Q3 FY24 Earnings Webinar. We have with us Mr. Vikram Oberoi - MD and CEO, and Mr. Kallol Kundu - CFO. This meeting is being recorded for compliance reasons, and during the course of this discussion, there may be certain forward-looking statements. These must be viewed in conjunction with the risks that the company faces. We'll have the opening remarks and a presentation by the management, followed by a Q&A session. Thank you, and over to you Vikram.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- All right, Naveen, thank you very much, and ladies and gentlemen, it's still morning. Good morning to everyone, and thank you for joining us today on this call. Our quarterly results, as you would have seen, have been very positive, and for the 9 months they were also very, very positive. Our focus has really always been on quality, to provide our guests with exceptional levels of service and care, and to maintain our hotels to a very high standard. And, with that focus, we have been able to drive premiums in our average room rates, relative to our competitors, and also to drive strong occupancies, which are reflected in the numbers that you see in our quarterly results. This has always been our focus. This will continue to be our focus. We're also spending quite a lot of time and attention to upgrade our hotels, so that they can continue to be successful, continue to distinguish ourselves from our competitors, again, with the focus on our guests, on our quality.
- I really would like to use this opportunity also, to thank our colleagues at all our hotels, who put our guests above all else, and do whatever they can to provide our guests with exceptional guest experiences, and that also seems to pay dividends, or is paying dividends, with guests' loyalty towards both our brands. If you see ISTR data, we're primarily STR-1. In some locations, we are 2 with Oberoi hotels, but most of our hotels within the Oberoi brand are STR--1. And Trident also, in many locations, are STR-1 or STR-2.
- So, really, that was what I was going to say. I'll now ask Kallol to make a presentation, and then we can take your questions. But thank you all for attending this call today.

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- Thank you, Vikram. Good morning, ladies and gentlemen. We have uploaded our presentation on our website and have sent it to the stock exchanges, but may I request Navin to please put it up on the screen as well. Thank you.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- So may I just add one more thing? Because I don't think we have... I mean, I think this has been covered, perhaps, in the press, and we, of course, also did the stock exchange filings, but since our last call, there are three more hotels that we have announced, that are already now under development. So, we're doing a Trident in Tirupati. It'll start with 125 keys, and we have a very nice site, and we can expand that hotel further based on demand and occupancy. We've got a very nice site in Vizag, very close to the new airport. We're also there doing a Trident hotel of 125 keys, again, expandable into the future, based on demand. And then I don't know if you're familiar with an area called Gandikota, which is really a beautiful, pristine area in India, the Indian Grand Canyon. And, we've got a lovely site there where we're doing an Oberoi leisure hotel, a small hotel of 25 keys, again, expandable in the future. So, these are, I think,

three hotels. We didn't cover this in our last call, and I thought I'd mention those as well. And like I said last time, we remain focused on the target that I've shared, of 15 new hotels by 2030.

- **Mr. Kallol Kundu - CFO, EIH Limited:**

- Thank you, Vikram. Good morning, ladies and gentlemen, once again. So, we'll start with a commentary by a recent report from Horwath on the Indian hotel sector, which really... the report really calls this stage to be like an *Amrit Kaal*, where the all-Indian ADRs are at Rs. 7,500, with three markets with ADRs over Rs. 10,000, and this is for all segments of the industry within the country. There are eight markets which have a five-digit luxury upper upscale ADR. The supply growth has grown by 14,000 rooms, the highest in any year, and the net pipeline is up by 23,000 rooms. The GDP is expected to grow between 6.5% to 7% over the next 3 years. The current pipeline inventory has crossed 250,000 rooms, with more than 2,500 hotels and more than 400 destinations. The rooms demand per day has gone up by 65% and 19% respectively, as compared to 2015 and 2019. And the sectoral market cap, as compared to 2015, has gone up by Rs. 1,282 billion as on 31st December, 2023.
- As per the same report, Foreign Traveller Arrivals for India during January to November were 17% above the January to November '22 period, but they still remain below the pre-COVID levels, where arrivals were more than 10 million tourists visiting India, creating future demand potential from a complete revival and a subsequent growth. Our 2023 ADRs is ahead of 2019 ADRs in each segment, but the gain has been the maximum in the Luxury Upper Upscale segment, where the gain is 36%. And as you see from the table, the others are slightly lower at roughly 32% for the others. The Leisure segment continues to expand and contribute positively. 55% of the national room revenue is from the Upper Upscale and Luxury segments, whereas it's 34% from Upper Mid-Scale and 11% from the Mid-Scale and Economy. The other thing to note is, insofar as room revenues are concerned, 36% of all India room revenues is earned at the three major metros - Mumbai, New Delhi and Bangalore, which have a 26% supply share. And of course, aiding all this, are the four new convention centres that have been established in the last two years in Mumbai, Delhi and Jaipur. These centres, the report hopes, will drive new demand and opportunities for hotels in their respective cities.
- If you look at the industry statistics and compare them with the Oberoi and Trident Hotels, which includes EIH owned hotels and managed hotels, the RevPAR growth at Oberoi and Trident Hotels have been consistently higher than industry. And the chart is here, so I won't elaborate on the numbers here.
- EIH owned and managed hotels continue to demonstrate RevPAR leadership over the STR competition set. What I mentioned in my previous slide was in respect of industry and India in general. And this is a more specific competition set. And as you would be aware that, STR collects data from individual hotels, where a single hotel has to provide four hotels as their competition at a minimum. And when we use that and we compare the data from 2019 onwards, EIH managed and owned hotels have consistently been above the competition set, with the overall RevPAR leadership being at around 27%. So that's about 27% more than what the industry average or the competition set averages.
- This is basically a positioning to show how the various segments within our business has performed vis-à-vis... in the current quarter, in the Quarter 3 of the current year, versus the same quarter in last year, where almost every segment has grown substantially. But the highest growth has been seen in the metro cities. So, if you see on the right-hand side, Oberoi Metro and Trident Metro have grown by 27% and 29% over the same quarter last year. This is followed by other brand hotels, which we have 10.02 etc. And this is followed by the Oberoi Leisure locations where the current year Quarter 3 RevPAR has grown 18% over last year.

- The trend in international locations is also healthy. However, I must point out here, that the hotels or the resorts that we have in the MENA region, they have been affected due to the Gaza conflict. And therefore, the decrease in occupancies that you see in places like Morocco and Egypt, is essentially because it's been affected. to some extent by the ongoing conflict. But otherwise, we've managed to hold on to our rates. And of course, Indonesia is doing extremely well in terms of occupancy with similar ARR's that we've enjoyed in the past.
- The blue line here represents the hotels owned by EIH and the yellow line represents all domestic hotels which are owned and managed by EIH. The RevPAR, in both cases, have grown in the first case by 27%, and in the second case by 23% when we go to see year-on-year.
- Getting into a breakup of the month-wide occupancies and ARR's, ARR's have been really strong in all the three months of October, November and December, as is evident from the bar charts. Occupancy was slightly lower by 1% in November, but it has held on. It has increased of course in October. And in December, it's held on to very high occupancies of 84%. So overall, in Quarter 3, the overall occupancy was a high 79% against 77%, with an Average Room Rate of close to 20,000 as compared to 16,700 in the same quarter last year.
- City-by-city positioning. Agra has really rebounded back with a 39% RevPAR growth, and this is primarily with the influx of foreign tourists back. This is followed by Mumbai, Calcutta, Hyderabad, Udaipur, Delhi of course, and so on and so forth. Shimla and Chandigarh continue to be affected because of the negative environment conditions. And international, although in general, it's a healthy trend and most of our locations have done well, but the RevPAR has slightly de-grown because of the impact of the Gaza conflict or the Middle East conflict on the various hotels around that region.
- Direct segment continues to have strong tailwinds. Corporate has also picked up from where it was in the past. And Leisure & MICE also is seeing a pretty steep upward trend.
- The Flight Catering & Airport Lounge business has collectively... these are collective numbers for both the catering and the lounge business. And this is a substantial improvement and it's a strong bounce back with strong margins of about 35%.
- So, we move on to the financial numbers. As you can see, this is the strongest quarter in the last many years. In fact, the strongest quarter that we've seen in the history of the company, with an EBITDA of 309 crores for the quarter, revenues of 680 crores and a PAT of 187 crores.
- Consolidated performance for the quarter has also been extremely strong, with total revenues of 770 crores, EBITDA of 353 crores and PAT of 230 crores.
- The standalone funds position continues to improve. And as you can see from the COVID days up to here, the journey has been really remarkable. The same is in case of the consolidated funds position.
- So, the consolidated funds position is about 684 crores as on 31st December, 2023, which really places the company in a good... in a healthy position in so far as the balance sheet is concerned, and obviously provides access to funds for future growth ambitions of the company.
- So, this is... I will not read out these numbers because these have already been published and it's the same numbers.
- These are trends in the revenue, EBITA, PBT and PAT from quarter-on-quarter. And for all our friends who are interested in following trends, these charts may be relevant.
- These are the consolidated performance highlights.
- Same quarter-on quarter-trends from Quarter 1 of FY22 to Quarter 3 of FY24.

- Of course, all the performance that has happened, is in terms of... it's not only in terms of financial success, but the awards that the company and the brands have really garnished. We've also been awarded by the CII DX Awards for Digital Transformation. So, this is a list for everybody who's interested, to have a look.
- The business footprint is for informative purposes.
- And with that, I will end the presentation here. We are happy to, of course, take any questions that you may have. Thank you so much.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- Thank you, Kallol. Thank you, Vikram. Friends, we have opened the floor for the Q&A session now. One request, if participants can limit themselves to two questions, because there's a long list of participants wanting to ask questions. We'll just wait for a couple of minutes while the questions line up.
- First question is from Nilesh Saha. Nilesh, please go ahead.

- **Mr. Nilesh Saha – Participant:**
- So, I think last quarter, you gave us some colour on the expansion path that you have in mind. We did some numbers basis that, and one of the things that we probably understood, and you sort of indicated adding 50 hotels and 4,500 rooms, right, which by FY 30, and which basically indicates adding about 8 hotels per year. And, also indicates probably slightly smaller hotels of 80-90 rooms per hotel. Which is where I wanted to understand, how your thought process is shifting on the market? Because what we see on the market is that. really in the big metros, the demand is really focused a lot around MICE, and that typically requires bigger hotels. Now, from your point of view, how do you see your... what is the size and scale of the incremental hotels that you're planning? Do you feel there is room for you to have multiple hotels in the main metros, like how you have in Bombay? And, do you think that at the kind of ARR and occupancy, with that in mind, what is the right kind of size and format that you're planning? And, is there a way that you could also capitalize on the MICE opportunity that we see in metros? Thank you.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Thanks Nilesh. That's a great question. Really, the size of the hotel or the number of keys that you have, really is dependent on the location that you're going to open a hotel in. Now, in leisure destinations, where we're going to see quite a lot of our growth, there will be smaller hotels. And if you see our Oberoi resort hotels, they have a very high rate and a very strong RevPAR. And I think Kallol had showed some of that in the in his chart today. So, in city hotels, inventories will be larger. But again, probably in the region of, let's take the Oberoi Bombay... we're sitting at the Oberoi Bombay. This hotel has 220 keys. And, there are 20 suites that are currently under renovation, really to cater to long term guests, and the inventory will go up to 240. So, our hotels... in order to provide personalised service, to provide a guest experience that is second to none, inventories... a small inventory really helps. And that's our focus. Our focus is on quality, our focus is on service. And what we've seen is, with our Indian guests, the propensity to spend on premium hotel experiences, has significantly increased. And, at least our analysis suggests that, this will become even stronger going forward. And we need to be well placed in order to cater to that business, which is a high-rate high-margin business, where guests are really looking for quality. So that's the first thing I'll say.
- The second thing on your point on MICE, again, very, very valid question on MICE. MICE typically, particularly Leisure MICE is... if you have a unique product, you can command a significant premium on Average Room Rates,

or rates. And this is a very important market that we see, and we want to play in, not only for the high rates that we get, but also these are typically lifetime's experiences in a family's... So, for example, a wedding, or a celebration of an important family event. We want to be the hotel of choice, where these events take place, so that when people look back, they associate their families' important events with either an Oberoi or a Trident hotel. Now, I mentioned, we're opening hotels in Tirupati in Vizag, and we're ensuring that we create adequate 'my space' to really cater to this segment in a very effective and unique way. So, I hope I've answered your question.

- **Mr. Nilesh Saha – Participant:**

- Yeah, just I think one small clarification. Now, you spoke about adding 50 hotels and 4,500 rooms, right? And then you also spoke about leisure or destinations. And in fact, if I'm not mistaken, the 2-3 hotels that you've announced between last call and this call, are all in the leisure side. Is it the shift that you are... I mean, you have always been in leisure. But the question I'm asking is, is predominant addition... are you doing on the leisure side instead of the city hotel side?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- If I had to say where the more the larger number of hotels will come, it'll be in leisure. On rooms, it will not be the case, because our city hotels will absolutely be larger. One other thing. For a city hotel, if you want to be successful, you need to be in a premium location. I mean, location is critical. You can build a very good hotel. But if you're in the wrong location, you will not generate that 24.02 you need to generate. And with prices of land in city hotels being what they are, really, the only model in our mind for expansion and city locations, is a mixed-use model. And absolutely, we are looking at that too.

- **Mr. Nilesh Saha – Participant:**

- Oh, you are looking at that a mixed-use model. Makes sense.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- And we will be making some (24.30 – voice cracks).

- **Mr. Nilesh Saha – Participant:**

- Sorry, I don't want to take up too much time, but just one small clarification I wanted.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- I just want to add one more thing, Nilesh. And, we will be announcing in the not too distant future, initiatives around that.

- **Mr. Nilesh Saha – Participant:**

- Okay, just one small clarification. In the current quarter, we are seeing a certain combination of ARR, occupancy and margin. Now, that is a function of a certain mix that you have between business hotels and leisure hotels. If you are incrementally doing more leisure hotels, on a round the year basis, in the leisure hotels, you could argue that your ARRs could be higher. But, maybe the occupancies on an all-year-round basis, I would probably imagine that they

are lower. And in that sense, could you comment on how we should think about that and the margin profile, as you shift incrementally towards leisure? Thank you. That's the last question.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- So, Nilesh, our margins in Oberoi leisure hotels... number one, our rates are significantly higher. Number two, you're absolutely right, the occupancies are lower because it's more seasonal. But our margins are the highest in Oberoi Leisure hotels. I don't know if I can give specific hotels, I can't. But our margins are significantly high in Oberoi Leisure compared to Oberoi City, Trident City, and they really are at a big premium over the other hotels. So, expanding in leisure will actually support our margins rather than detract from our margins. Thanks Nilesh.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**

- Yeah, I think there's some connectivity issues.

- **Mr. Nilesh Saha – Participant:**

- No, no, that's all from my end. Thank you so much for your detailed responses. I appreciate it.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Thank you very much.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**

- Thank you, Nilesh. We take the next question from Saket Mehrotra. Saket, please unmute yourself and go ahead.

- **Mr. Saket Mehrotra – Participant:**

- Good morning to you, sir. Just had a question on the Note 5 in your earnings. There was a mention of a vacant freehold land in Gurugram being converted to PP. Are we planning any development on this? What's the rationale behind this? Just if you could tell us something about it.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- This land is in Sona, and it would be too premature for me to comment on what our plans for that are. It's a lovely land in a very good location, very close to Gurgaon. But I I don't want to say anything beyond that at this point, if that's all right.

- **Mr. Saket Mehrotra – Participant:**

- Okay. And is it, is it, is it closer to that belt where you have Grand Hyatt and all these other resorts? Is it in that stretch?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- It's probably better located than that. It's not far off of the new highway. So, it's, it's probably... I mean, from Gurgaon, it'll take you... from the heart of Gurgaon, it'll take you 25 minutes.

- **Mr. Saket Mehrotra – Participant:**

- Great. Yeah, that's the only question. Thank you so much.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- Thank you Saket. Take the next question from Sanjay Kohli. Sanjay, please go ahead. Sanjay, please unmute yourself and go ahead.
- Okay. We'll take the question from Vikas Ahuja. Vikas, please go ahead.

- **Mr. Vikas Ahuja – Participant:**
- Hi, sir. Good morning and congratulations on an excellent set of numbers. I have a couple of questions. Number one is related to... we have been witnessing our 20,000 plus kind of ARR's now for I think, the second consecutive month. So, so if I talk about from November, December, taking it to January or February, are we seeing this trend holding up? (29.44 – voice cracks)

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Sorry Vikas, your voice is cracking a bit. But I think you're saying, if I've understood you correctly, your question is, will we continue to see, or are we seeing these strong rates going into the future in the months of January? Well, January is already over, and February as well? The answer to that is yes.

- **Mr. Vikas Ahuja – Participant:**
- Yes. I was just trying to understand if this 20K is holding up. Secondly, if I look at the overall RevPAR of Mumbai, especially 34%, and if I look at some of your peers who have reported numbers, they reported Mumbai RevPAR was more like in mid-teens. So, what led to this strong performance compared to maybe even your larger peer, in terms of market cap?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- So, again, I can't talk about the competition. But what I can say is, again, the very basic stuff. We focus on the basics. It's looking after our guests, it's maintaining our hotels, it's providing service and care, really heartfelt service. That's what we are committed to doing. And being the hotel of choice, and hopefully.... or not hopefully, but guests value that and therefore are willing to pay a premium for it, which is reflected in the numbers that you see.

- **Mr. Vikas Ahuja – Participant:**
- Sure, sure. And also, have talked about adding 15 hotels by 2030. Is it possible to give some, maybe, rough colour on how much is going to be on managed, how much would be owned? And maybe in terms of what would be the leisure versus the corporate hotels. Any colour around that would be great?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- So, Vikas, as and when we have information to share, we will absolutely share it. And if we could leave it at that, I'd be really grateful. Like I said, we've announced three hotels. Hopefully, we'll have more good news to share, and we'll continue to share that with you. And of course, along with all compliances, inform the stock exchange, etc.

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- So maybe Vikram, I'll just add one bit to it. These three hotels that we're speaking about. are completely new hotels. But two of the other hotels which were already under construction and are scheduled to open, they are absolutely on track. Maybe Vikram, you want to update on that.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Sure.

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- So therefore, effectively, in the current year, we're going to have two hotels coming in, which is already in advanced stages of construction and completion.

- **Mr. Vikas Ahuja – Participant:**
- Sure, that's helpful. One final question I have is on margins. And this time there was a very, very strong execution there. Employee cost, I think it's gone up 11% YoY. But what we are hearing is that the employee cost, overall, for the business, is kind of going up. So, do you think there is a risk of this number accelerating, going forward? And, and secondly, in other expenses, what led to that, because that has not increased. So, if you can just maybe quantify what was what led to other expenses being where it is. Thanks a lot, gentlemen. I'll look forward to the next call.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- On employee costs, this has been a... One of the things we really do is, conduct an Aon employee engagement survey. And one of the things that has come out in that, and it's an industry wide phenomenon, is really the balance between one's working life and one's personal life. And, we made a commitment to our colleagues that we will do our best to ensure that they have that balance. So that's really a reflection of that. It's not so much a reflection of a huge wage escalation. So that was the first thing I'd like to say. On consumption etc., Kallol will...

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- Yeah, consumption has obviously improved as a percentage of revenue, because with growth in rates, the flow through to EBITDA is obviously much higher than the growth would have happened through only increase in occupancy. But there are a couple of things for which the other expenses are slightly higher, and those are all supporting the business. For instance, repairs and maintenance. As an organization, we've never shied from carrying out the repairs and maintenance and renovations that are due, that's slightly higher. We have also, over the last several years, been very attentive to ensuring that our compliances and our legal cases, etc. come down, and they're getting resolved one by one. And of course, there's some attention towards that. Therefore, some consulting fees towards those expenses have also gone up. And the other increases are generally in respect of, let's say, marketing efforts, etc, where we believe that our positioning needs to remain where it is and improve further. And therefore, there's a lot of impetus that we are currently giving on our marketing expenses as well. So yeah, by and large, that is what it is.
- But on the other hand, we are also saving costs. For example, in several of our hotels, we have introduced the solar power, which has effectively, although it has an initial upfront cost, but it gives an advantage over several decades. So, I think all in all, it's more or less under control, and we don't see it going out of control in the foreseeable future.

- **Mr. Vikas Ahuja – Participant:**

- Sure. I was actually looking for the savings, because when we look at YoY increase in revenue, it's 26%, and other expenses only 8%. So, I understand power was one of the... which led to. Yeah.

- **Mr. Kallol Kundu - CFO, EIH Limited:**

- So Vikas, I answered that in the first answer as well. If your flow through is better because of increased rates, which has always been our endeavour... of course, occupancies are also 80% plus. So therefore, that really ensures that even if your costs go up marginally, it doesn't really matter.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- And also the fact that a large part is fixed costs. So, when you drive in revenue... it's all you get through.

- **Mr. Vikas Ahuja – Participant:**

- Yes, I understand. Thanks a lot. Thank you.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**

- Thanks so much Vikas. We'll take the next question from Sanjay Kohli. Sanjay, please go ahead.

- **Mr. Sanjay Kohli – Participant:**

- Thank you. Mr. Oberoi, fantastic results. Congratulations. And it's wonderful to have these results come, and the markets also giving you a thumbs up. Great quarter.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Thank you, Sanjay. Thank you.

- **Mr. Sanjay Kohli – Participant:**

- Mr. Oberoi, my question was on some of these destinations where we don't have a presence currently, and how you are viewing them? If you were to sort of look at it from a point of view of religious destination or resort destination? I suppose, a religious traveller also probably views it as a resort destination. But, looking at cities like Goa, Amritsar, Varanasi or some of the possibilities of Southern Indian resorts, how would you sort of prioritize?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Sanjay, we need to be in locations where our guests travel to. And that will be our effort to... Whether it's a religious destination, a leisure destination or a city destination, our focus should be in opening our hotels in locations where guests who are loyal to either of the brands, can stay with us in those locations. And that will be the focus of our expansion as well. Now, in some leisure destinations, they may be destinations that guests don't travel to now because they may not have suitable hotels. And again, we want to be in those locations as well. These are pristine, beautiful locations where one can really escape from city life that we all face and have peace, tranquillity, beauty, natural beauty.

And that will also be another focus, provided it's reasonably easy to get to. So, within a three-hour drive of an airport, those locations will... three hours or less, those locations will also be an area of focus for us.

- **Mr. Sanjay Kohli – Participant:**

- Okay, great. Thanks. And sorry about the technical problem with the audio.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- No problem. We could hear you loud and clear, Sanjay. Thank you so much.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**

- Thank you, Sanjay. We take the next question from Saurabh Patwa of Quest. Saurabh, please go ahead.

- **Mr. Saurabh Patwa – Participant:**

- First of all, congratulations on great set of - for the great set of numbers. Just two questions, Sir. One is on the current quarter numbers they reflect a very sharp improvement in Mumbai specifically. Is it also to do with - have we been able to do some brownfield CapEx here, which is now started which has led to higher rooms or I think these were to open the banquet which was closed for some time, has it opened this quarter?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Yes. So, we actually we've done just to highlight some of the renovation we've done in Bombay. We renovated the main function room and the adjoining rooms. With that, we've also renovated the lobby and the lobby bar area or the lobby lounge area. We brought in some F&B there as well and our Banqueting Room, which has been renovated, has been extremely well received. I've actually attended some functions there and guest response has been very, very positive. I had a - I was talking to a couple who said that - a member of their family was getting married and they were absolutely going to hold it in Nariman Point in our banqueting area because it in many ways is unique, the way we've designed it, and the way food is served and presented so that would yield results. We've also renovated the bar area at Trident Nariman Point. We will be doing the restaurants as well in future and we're also doing the 20 suites at the Oberoi Mumbai, which are designed really to cater to guests who want to stay longer. They're beautiful suites that will be in fact they will come on stream 1st April, 15th April, 10 will be available for sale on the 1st of April and are another 10 on the 15th of April and these really are designed to cater to guests who want to stay longer. So, they're very residential in their design, they also have a kitchenette, which is well suited to guest staying for longer period of time.

- **Mr. Kallol Kundu - CFO, EIH Limited:**

- Also, the four floors.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Oh yeah. I forgot, yeah. We've also renovated Trident Nariman Point four floors. These again have been very well received by guests and not only giving us very positive comments, but also willing to pay a premium for those for the renovated rooms on the 4th floors and we'll be undertaking that again going into the future.

- **Mr. Saurabh Patwa – Participant:**

- Great sir. Coming to FY25 would there be new more innovations properties which are under innovation, are there any large properties like Oberoi or Trident in Mumbai which would come on – will be back on stream in FY25 apart from greenfield which you already highlighted the two hotels?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- So, we will continue to do. We have for example, Vanyavilas, we will add some additional tents. So, there's work happening in a number of locations and we will continue to ensure that the hotel product is hopefully best in class.

- **Mr. Saurabh Patwa – Participant:**

- Great Sir. Just one last question on my side, which is - so in the beginning of the call you highlighted something on the mixed-use will it be in lines of the Oberoi Mumbai where you have sort of some detail or something entirely different?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- No, it will be entirely different. We don't have any mixed-use today by the definition that we give towards an excuse.

- **Mr. Kallol Kundu - CFO, EIH Limited:**

- We have announced Hebbal in the past.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Yeah, we've talked about Hebbal is in Bangalore, it's overlooking the lake. It's an 8-acre site. We can develop 1.2 million square feet approximately and we'll do. The ideal thought process is to do commercial as well as luxury hotel and hopefully we will progress that and be able to share our further news on that development in due course.

- **Mr. Saurabh Patwa – Participant:**

- Great. Congratulations once again and all the best for the future. Thanks a lot.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Thank you so much.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**

- Thank you, Saurabh. We will take the next question from Amit Agarwal. Amit, please go ahead. Amit, please unmute yourself and go ahead.

- **Mr. Amit Agarwal – Participant:**

- Can you hear me?

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**

- Yes, we can.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Hello Amit, how are you?

- **Mr. Amit Agarwal – Participant:**
- Good. Thank you. Sorry for joining the meeting late. Just wanted to know how confident are you about retaining Wildflower Hall, Shimla. I just want your true opinion?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- So, Amit, it's I would prefer not to answer that, but if you read our UFR what we published and the note on Wildflower Hall, it'll give you all the facts that explained how confident we should be. So, if you haven't read that, I'd really suggest that you read that.

- **Mr. Amit Agarwal – Participant:**
- No, I've gone through that. I just wanted your opinion on how confident you are, like how strong is our case?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- It's the strongest what is written in that document.

- **Mr. Amit Agarwal – Participant:**
- Okay and because many new properties are coming up and we are just managing the properties, so can you give what is the managing revenue per quarter as a segment?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Kallol, you want to

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- The total management fee in a year I would say is roughly around 60 to 65 crores as of today, but obviously with new management contracts coming up in the years going forward, it will be higher.

- **Mr. Amit Agarwal – Participant:**
- And what is the gross margin for these 65 crores?

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- Everything, it's all flow through to EBITDA 100%.

- **Mr. Amit Agarwal – Participant:**
- 100%, okay.

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- You do spend, I mean 100% in the sense that all this is obviously management, time, effort, and all that goes into it and a fair bit of advertisement etc., but yeah, but generally management fees are taken to flow through to EBITDA almost in entirety and that's not only for us, but for everybody.

- **Mr. Amit Agarwal – Participant:**
- And what if we add one more hotel for management services, so how much revenue that particular hotel will add?

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- Well, the number of hotels that we manage today are what they are. We have our own hotels and the total number of hotels is about 30. So, if you take that away, so out of so on an average somewhere it will be higher, somewhere it will be lower, but on an average, we would 47:28 hotel, but that's a very average figure Amit.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Actually, I may just add Amit. So, Amit you know different hotels have different terms and conditions for managing hotels for an owner and that information is proprietary to each of the hotel company. All I can say is that we #1 run very good hotels, very profitable hotels, and at very competitive terms that we hope in future will be attractive to potential owners to partner with us for management and these typically are there's a percentage of GOP or percentage of top line etc., so that's how these management contracts are structured.

- **Mr. Amit Agarwal – Participant:**
- And my next question is regarding

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- Amit, may I request you to join the queue again because I have a lot of participants waiting.

- **Mr. Amit Agarwal – Participant:**
- Okay. Okay.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- Thank you. Thank you very much.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Thank you, Amit. Thanks a lot.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- We take the next question from CA Vikash Vijaywargiya. Vikash, please go ahead.

- **Mr. CA Vikash Vijaywargiya – Participant:**
- Hello?

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- Yes, Vikash.

- **Mr. CA Vikash Vijaywargiya – Participant:**
- Yeah, one thing I - hi, at my side, I have 2 questions. What is our sustainable EBITDA margin in next two to three years?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- What that means?

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- I think what you're asking is whether we will be able to sustain the margins that we have

- **Mr. CA Vikash Vijaywargiya – Participant:**
- Yeah. Yeah. Yeah.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- We're confident of sustaining those margins, yes.

- **Mr. CA Vikash Vijaywargiya – Participant:**
- Hello?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Yeah. Vikash, we are confident of sustaining those margins into the future.

- **Mr. CA Vikash Vijaywargiya – Participant:**
- Whatever in the current quarter is there?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- I would say please look at the nine months rather than the quarter because it is

- **Mr. CA Vikash Vijaywargiya – Participant:**
- Okay, understood.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- and typically rates and occupancies are much stronger in quarter 3 and quarter 4.

- **Mr. CA Vikash Vijaywargiya – Participant:**

- Okay, I understand. And regarding of this 3 Reliance Co-managed properties, one is in Mumbai, Gujarat, and another one is a UK. What is our current status there, Sir?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- I really don't want to comment on it other than the press release that was issued by Reliance. So, I'd just urge you to look at that. I'm sure you've already looked at it and that's the position.

- **Mr. CA Vikash Vijaywargiya – Participant:**
- Okay. Understood. Thank you. Thank you on my side.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Thank you so much, Vikash. Thank you.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- Thank you, Vikash. We take the next question from Bharat Seth. Bharat bhai please go ahead.

- **Mr. Bharat Seth – Participant:**
- Yeah, hi. Congratulations, Mr. Oberoi and Mr. Kundu.

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- Thank you.

- **Mr. Bharat Seth – Participant:**
- We would like to I mean some of the Greenfield that we have already announced like in Andhra and as well as some of them. So, can you give some color when we are expected those to come become operational and size of those hotels?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Yes. First of all, it's nice to have you online again, Bharat. I hope all is well.

- **Mr. Bharat Seth – Participant:**
- Yeah, thanks.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- The Tirupati Hotel will start with 125 keys. We've got a very large 20-acre site and if demand is strong which we expect it to be, we will then add additional rooms and because the way the layout of the site, we will be able to add more rooms without causing any disturbance or disruption to guests who are staying in the hotel. Same position is at Vizag. In fact, the site of Vizag is larger, it's a beachfront site with beautiful ocean views and that will also be 125 keys, expandable as well. Both hotels have large banqueting facilities to not only cater to buy outs or guests staying

in the hotel, but also to other demand as well. The Gundy Cota is or the Indian Grand Canyon is a smaller hotel, although we have a large site and that also we will be able to expand our as the destination gains prominence.

- **Mr. Bharat Seth – Participant:**

- Mr. Oberoi, is it possible to give some timeline when those will become operational?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Yeah, certainly. We will absolutely open in less in under four years, all three hotels.

- **Mr. Bharat Seth – Participant:**

- Less than four years.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Absolutely.

- **Mr. Bharat Seth – Participant:**

- And is there any color you would like to give on this Morocco and Egypt property? Is there normalization is coming back or how are we seeing?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- So, I'll start with Egypt. Egypt typically, we have the Nile Cruise and we have a hotel in an area it's called Charlotte Sea Ship. It's not far from Bogota Airport and these hotels and the cruise typically, let me start with the cruise does a well over \$1000 average room rate per cabin and occupancies are into the 90%, but since the Gaza crisis, and it's largely dependent on the single largest destination from where our guests come is the US and with the Israeli-Gaza crisis demand has been severely impacted. I'm hoping this talk of a ceasefire and possibly an extended ceasefire hope that happens. It's really tragic to see what's happening in in in Gaza with so many civilians losing their lives, women and children. So, I hope peace, there will be a peace agreement, hostages will be released, and we expect business to resume thereafter. Marrakesh has also been impacted by the crisis in the Middle East and also Marrakesh was sadly impacted by an earthquake prior to that. So, again, I think once peace and stability returns, Marrakesh is such an incredible destination, very close to Europe, beautiful weather, so we hope that once stability returns, we'll see occupancies pick up. The hotel has a very, very good average room rate of over \$800, but occupancy needs to pick up and we hope that will happen.

- **Mr. Bharat Seth – Participant:**

- And is it fair to understanding that Egypt is affected in Q4? Till Q3, Egypt was working normal?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- No, Q3 was also impacted. I mean the crisis in Gaza is now coming up on probably close to three months. I can't remember exactly, but it's probably around about three months and there was talk even actually no, when the hostages

were taken, I think the Israelis reacted quite quickly. So, it's about 3 months and absolutely was impacted in Q3. Large, large amount of cancellations.

- **Mr. Bharat Seth – Participant:**

- Thank you very much and all the best, Mr. Oberoi.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Thank you, Sir. Thank you very much.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**

- Thank you, Bharat Bhai. Take the next question from Ashwini Damani. Ashwini, please go ahead.

- **Mr. Ashwini Damani – Participant:**

- Hello, Sir. Congratulations for a very good set of numbers. Sir, I just wanted to understand a few things. If we look at the average room rates, which is closer to 20,000, this translates to an approx U.S. dollar rate of around \$240. We were looking at some data sets from what alleviate and, in the past, this has peaked at around the same levels. Do you think that there will be enough and more pricing power or I understand that these rates are similar to what these rates were in 2007, but do you think that there will be a breaking point beyond which you may not have a pricing power?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- So, Ashwini, I think it's a great question. I mean I really thank you for asking this question because my personal view and my perception is that India and I'm not only talking about our hotels, we have as a country very good hotels whether it's Oberoi, Leela, or Taj and others high quality hotels, good service, but we're relative to what hotels, quality of hotel like this would cost elsewhere, we are extremely underpriced and it's not, I mean I would say there is no reason why our hotels in even in city locations are leisure hotels do rates of close to \$1000 a night, but I don't see any reason why our city hotels cannot come close to that over a period of time. I think with India moving in the direction it is, with disposable incomes going up sharply, with people looking for quality experiences, with people willing to pay a premium for quality, I see substantial upside in average room rates and I will still maintain, we are extremely underpriced right now and there's no reason why that will not increase overtime.

- **Mr. Ashwini Damani – Participant:**

- Thank you, Sir for that. Sir, just a counter question for that, there were newspaper reports also and as a traveler myself, I sometimes feel that the hotel rates in India restrict our traveling probably sometimes it's cheaper to travel to Southeastern country than travel within the country for the same experience, so if I could go to Goa, it's costlier than going to say, Thailand or something, or even a Vietnam, and hotel rates are playing a key role, airfares too. So, how would you address that though?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Yeah, I think again I think I covered that Ashwini, but again a really valid point that you raise. Oberoi Leisure Hotels like I mentioned have rates of close to \$1000 a night certainly in winter and it's a little bit lower in the summer months.

So, they are comparable to other hotels around the world for that quality. So, if you stay at let's say I'm just trying to pick a city. If you travel to Thailand and you stay at one of the leading hotels in for example, Phuket or if you travel to the Maldives, they're frightfully expensive in the Maldives, but Phuket, you'll be paying for the top hotels, The Amman is a very nice hotel in Phuket. It would have rates of well over \$1000 and there's no reason why our hotels are any less in fact, I would like to think that, not specifically talking about Amman, but in general Oberoi Leisure Hotels are certainly are far better than any other hotels around the world of that caliber. So, but our city - our Leisure Hotels are in that price range already where we're not

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**

- Please just hang on for a minute. I think so there's some connectivity issue. Give me a minute. Please, just give me a minute, I'm speaking with the management. **61:31 to 61:53 Connectivity Issue.**

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Hello, Naveen. Hi. I don't know if you can hear me?

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**

- Hi, Vikram. Yes, we can hear you.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Sorry, Naveen the line - I don't know what happened.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**

- No worries.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- But just to finish, I don't know if Ashwini is still online, but just to finish the question he had. Sorry about that Ashwini. But I think the real opportunity lies in our city hotels where rates are very low. I think the upside in Oberoi Leisure Hotels is limited. It may increase, maybe not significantly, but the opportunity really lies in the city location **62:47 to 63:07 Echoing/Connectivity Issue.** Can you hear me?

- **Mr. Ashwini Damani – Participant:**

- Yes, Sir, I. I think I got your answer. Thank you, Sir. Your answer gives us a lot of confidence. Thank you.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Thanks, Ashwini. Thank you so much.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**

- Thank you, Ashwini. We take the next question from Rajiv Bharti. Rajiv, please unmute yourself and go ahead.

- **Mr. Rajiv Bharti – Participant:**

- Yeah, good afternoon, Sir.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Good afternoon, Rajiv.

- **Mr. Rajiv Bharti – Participant:**
- So, with regard to slide 11 where you have given market wise data in terms of RevPAR and then if I collaborate this with let's say last year same quarter data and compare it against let's say pre-COVID number, so your Bombay RevPAR is grown at close to 14% CAGR versus let's say pre-COVID versus you said rest of the market especially Delhi is still at 10% and there are markets like Cochin, Kolkata for 7% CAGR growth as compared to pre-COVID. So, what would it take for, I mean is it possible for everybody to catch up on Bombay in terms of let's say, I mean versus pre-COVID we are 72% higher?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- This is the – so, again, it really Rajiv will go city by city. I can't give you an answer that says everybody's going to catch up or it really varies from one actually on the hotel itself. So, actually you've talked about Cochin. Cochin is unfortunately one of our worst performing hotels and the growth you see is on a low base. So, really, I can't answer that question. You know, is there a potential for Delhi to improve substantially, there is. Calcutta is a little bit more price sensitive. Bangalore, there's some headroom. So, it really depends from location to location.

- **Mr. Rajiv Bharti – Participant:**
- That helps, but my question was for example last, I mean if you compare Q2 data Delhi was let's say in terms of recovery versus pre-COVID, it was let's say the top performer in your portfolio at 16% CAGR and now it is Bombay which is 14% CAGR, and you have explained partly that you've opened some facilities in Bombay and which help, so will it take - we have to invest in other properties for this rates to catch up in other markets as well?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- So, our experience has been, when we invest in a hotel, the improvement in performance is substantial. The Oberoi New Delhi is an example, the Oberoi Mumbai is an example, the renovated floors at Trident Nariman Point are an example. Many of the new restaurants in Bangalore, we renovated the F&B in Bangalore a few years ago, we saw a substantial improvement in those restaurant's performance. We're doing that in Bombay at Trident Nariman Point again later on in this coming financial year. So, we are absolutely committed to improving hotel performance and if we believe that requires investment, absolutely we will make that investment and we are extremely thorough in our analysis and the diligence that we do. We don't just sit on - we all are passionate about what we do. We love what we do. It's our life, right, but at the same time, we don't mix passion with fundamentals and with analysis. So, we need to ensure that we spend money wisely and we get a return for the money that we're spending.

- **Mr. Rajiv Bharti – Participant:**
- Sure. Sir, on Slide 8, particularly the Indonesia part, you have seen substantial improvement in occupancy. Is this something you read there, have you made some progress in?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- I think there's really, we made some, I wouldn't say anything - we made some fundamental changes to how we were positioning those hotels and we were much more vigorous in monitoring, adjusting bar pricing, working with travel partners, because it's all leisure business, working with travel partners, even basics like the contracts are ensuring that it's a win-win for the hotel and for our travel partners. So, no real rocket science. What we do is quite simple, but we try and execute well and as a result of that, we've seen that improvement.

- **Mr. Rajiv Bharti – Participant:**

- My question was that asset

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- And in Lombok it's been sorry, please, please go ahead, Rajiv.

- **Mr. Rajiv Bharti – Participant:**

- Sorry, please, please, you please complete.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- No, I was going to say in Lombok the improvement has been substantial.

- **Mr. Rajiv Bharti – Participant:**

- So, I was under the impression that those assets required some renovation because of which the occupancy was low and I mean I was wondering whether we have made some progress on that front?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- So, the hotels do or actually so let me take Lombok. Lombok is even though the hotel is not a new hotel, the product is doesn't need anything major. The rooms are exceptional, the hotel is really first class, and it's maintained. If you go to the hotel it looks brand new. We've maintained the hotel. So, really nothing substantial needs to be done at the Oberoi Lombok. At the Oberoi Bali, there's an opportunity really, really reposition that hotel to take it to a rate of in keeping with other overall leisure hotels. So, anywhere between \$800 to \$1000 and that's where the opportunity lies and if we want to capitalize on that, that will involve really upgrading the hotel product. We believe that's the right thing to do. We believe that the hotel could be a market leader sort of amazing location, very nice beach. It's a unique product and it just needs a product upgrade in order to drive those kinds of average room rates with a strong occupancy and our analysis has shown we looked at I think probably the last 15 years of data for, the comp set in which we currently operate, we also looked at the comp set where we want to operate and clearly the numbers and the growth is coming in the concept that we want to operate in the premium, premium segment. So, that's where we believe the opportunity lies.

- **Mr. Rajiv Bharti – Participant:**

- Great. Thanks a lot, Sir.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- My pleasure. Thank you, Rajiv.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- Thank you, Rajiv. We take a question from through Dhruv Agarwal. Dhruv, please go ahead. Dhruv, please unmute yourself and go ahead.

- **Mr. Dhruv Agarwal – Participant:**
- Yeah. Can you hear me?

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- Yes, we can. Please go ahead.

- **Mr. Dhruv Agarwal – Participant:**
- Yeah, Sir. Very good afternoon, Sir.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Good afternoon.

- **Mr. Dhruv Agarwal – Participant:**
- Congratulations on the very good set of numbers, Sir. Sir, what are the expansion plans going forward like in say two to three to four years and along with that, what would be the CapEx that would be required for the said expansion, Sir?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Dhruv, you really have to forgive me for this because I'm not going to answer the question the way you want me to answered. So, please forgive me, but we are committed to growth and as and when we have details to share with you on individual hotels, we will share that information with you, but other than that, I think the proof of the pudding is in the eating. So, let us make, let us work hard towards growth and let's continue to make those announcements as and when they happen, but please rest assured, we are absolutely committed and focused on driving growth and we are financially in a very good position to do that.

- **Mr. Dhruv Agarwal – Participant:**
- Okay. Sir, as on a date, what would be the bifurcation between number of rooms between like business hotels and the leisure hotels and going forward, what would be the ratio between this business hotels and leisure hotels would be?

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- Dhruv, I think this information is already available in a number of our investor presentations. If I can request you to just go through the presentation in detail, it has a data.

- **Mr. Dhruv Agarwal – Participant:**

- Okay. okay. And Sir the last one

- **Mr. Kallol Kundu - CFO, EIH Limited:**

- If you go to the last slides, you'll get a detail.

- **Mr. Dhruv Agarwal – Participant:**

- Okay, sure. And this last one question, Sir, like what kind of RevPAR growth or like ARR growth we can expect going forward in the occupancy levels, Sir?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- I mean I don't see any reason why demand will not continue to be strong. India is in its golden years of growth and we see that continuing and therefore we see demand will reflect that for hotel accommodation and Kallol also shared in his presentation really growth is coming in the previous segment, which is where the segment where we play and we would like to continue to remain.

- **Mr. Dhruv Agarwal – Participant:**

- Okay. Sir, can you please quantify some percentage if like if you give some color on that going ahead what would be the percentage growth in ARR or like occupancy levels?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- Dhruv, I haven't prepared that number and I don't want to just give you a number. All I can say is that it's going to be very strong and I'm hesitant to give a number without doing proper analysis.

- **Mr. Dhruv Agarwal – Participant:**

- Okay, okay. Okay, Sir thank you so much. All the best for the future, Sir.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**

- My pleasure, Dhruv. Thank you so much.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**

- Kallol do we have time to we just trying to take ask questions and a few other Q&A both?

- **Mr. Kallol Kundu - CFO, EIH Limited:**

- Maybe just one maybe just one last question, Naveen.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**

- Yeah. We take the last question for the afternoon, Udit Sahgal. Udit, please go ahead.

- **Mr. Udit Sahgal – Participant:**
- Hello, can you hear me?

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- Yes Udit. Please go ahead.

- **Mr. Udit Sahgal – Participant:**
- Sir, I wanted to know a bit about the airline catering business. I mean, are we doing domestic and international and what is the trajectory we see going forward on that?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- So, we're very positive about that business. Our focus has been and will continue to be on international, although we are doing some domestic as well and we have a strong domestic airline partner that we work with and we will continue to work with them and nurture that very important relationship we have, as we have with our International Airlines as well. Kallol and I have both and the gentleman who heads that business are very positive about the future of that business and that's reflected in the numbers that Kallol has already shared with you in the presentation.

- **Mr. Udit Sahgal – Participant:**
- But Sir, what is the scope of scaling that up and I'm sure there could be operating leverage at play as well, I mean it could expand the margin?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Yeah. Kallol can answer that question.

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- Yeah. So Udit, we are already - we still have a lot of capacity to utilize because our kitchens have been built to be very modern and contemporary. We have just renovated our Bombay kitchen. So, we have plenty of capacity so therefore, and you know that there are several airlines even within India, which are amongst the highest purchases of aircraft in the next several years. So, therefore, we don't see a dearth of capacity and we have the capacity for that as well already.

- **Mr. Udit Sahgal – Participant:**
- Thank you so much, Sir. And one last question Mr. Oberoi, you had said at the starting, you see certain areas where we could further improve, if you could just share that with us?

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- I can't remember the exact context in which I said that in, so if you can just remind me then I can be more specific in my in my answer.

- **Mr. Udit Sahgal – Participant:**

- Somebody was congratulating you on the results and you said there are some areas we can still improve further.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- We can improve in every area. We cannot be complacent. I mean we have to strive for perfection in everything that we do and perfection is a moving target. So, that's one, but I think maybe and I'm not sure, you have to give me, I don't remember exactly the context in which I said this, but I think there is opportunity to look at any hotel, any area of our business that could be performing better and really drive greater plan that helps improve that performance and so, that's one. The second one is that if we continue to operate our product for hotels to really be at a premium level, that always yields results and we've seen that on multiple, multiple multiplications. So, we will continue to do that as well.

- **Mr. Udit Sahgal – Participant:**
- Okay, Sir. Thanks a lot.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- Thank you, Udit.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Udit, thank you so much. Naveen, thank you, thanks so much.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- As we have run out of time completely, Kallol can we take the questions on the Q&A board or should I e-mail them to you?

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- Yeah, I think you mail the questions to us like in the past, we will be more than happy to address them and of course from time-to-time we keep meeting investors through various channels. So, we're happy to answer any questions.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- Since we have run out of time, I'd like to hand over the webinar to Vikram for any closing remarks.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- No, Naveen just other than thanking everybody for participating and thanking you. Other than that, nothing and we have enjoyed speaking to all the participants and doing my best to answer the questions along with Kallol and thank you for all your good wishes. We really appreciate that very much and it gives us additional inspiration to continue to do the best we possibly can.

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- Thank you. Thank you, Naveen.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- Thank you very much, Vikram and Kallol for taking your time out and I look forward to hosting you again for the full year results now. Thank you. Bye, bye and have a nice day.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Bye. Thank you.

- **Mr. Kallol Kundu - CFO, EIH Limited:**
- Thank you.

- **Mr. Vikram Oberoi - MD & CEO, EIH Limited:**
- Thanks so much. Cheers. Bye, bye.

- **Moderator - Mr. Navin Agrawal - Head Institutional Equities, SKP Securities:**
- Bye.

END OF TRANSCRIPT