JUNIPER HOTELS

JHL/SJ/2024/44 **August 20, 2024**

National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	BSE Limited, Corporate Relationship Department Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001
Symbol: JUNIPER	**Scrip Code: 544129**

Dear Sir,

Sub.: Transcript of Earnings Conference Call

Ref: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations")

In continuation to our letter no. JHL/SJ/2024/43 dated August 13, 2024, and pursuant to the Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, please find enclosed herewith the Transcript of the Earnings Conference Call held on August 13, 2024 for investors with respect to Unaudited Standalone and Consolidated Financial Results for the Quarter ended June 30, 2024.

The Earnings Conference Call concluded at 05:50 p.m. (IST) on August 13, 2024.

This is for your information, record, and appropriate dissemination.

Thanking You,

For Juniper Hotels Limited

Sandeep Laxmikant Joshi

Digitally signed by Sandeep Laxmikant Joshi
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Sandeep L. Joshi
Company Secretary and Compliance Officer

Encl: a\a

"Juniper Hotels Limited
Q1 FY '25 Earnings Conference Call"
August 13, 2024

MANAGEMENT: **MR. VARUN SARAF – CHIEF EXECUTIVE OFFICER – JUNIPER HOTELS LIMITED**
MR. TARUN JAITLY – CHIEF FINANCIAL OFFICER – JUNIPER HOTELS LIMITED

Moderator: Ladies and gentlemen, good day and welcome to the Q1 FY '25 Earnings Conference Call of Juniper Hotels Limited. As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference, please signal an operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded.

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Certain statements disclosed in this presentation or that may be disclosed over this call may relate to company's growth prospects that are forward-looking statements within the meaning of applicable securities, laws and regulations. These forward-looking statements are not guarantees of future performance as they are subject to known and unknown risks which are beyond the control of the company.

I now hand the conference over to Mr. Varun Saraf, CEO from Juniper Hotels Limited. Thank you and over to you, sir.

Varun Saraf: Thank you and good evening, everyone and thank you for joining on our Earnings Call. This is our first full quarter earnings call post the IPO and our first quarter towards our journey towards Juniper 2.0. With an extremely comfortable leverage, steady cash flow and healthy cash balance favoured by good strong industry dynamics and a strong India growth story, the company is extremely well positioned to embark on its next phase of growth.

Juniper Hotels is one of the leading hospitality companies in India. We have two large marquee assets in the luxury segment in Delhi and Mumbai. We are a hotel development company with 40 years of experience in constructing and developing hotels.

In Hyatt, we have one of the leading global hotel management companies as a strategic partner with which we continue to take advantage of. The hospitality industry is growing through a tremendous growth phase in the country. As a sector, travel and tourism both contributes to the GDP growth as well as benefits from the growth that we are currently witnessing in the country.

India's GDP grew at approximately 8% in the fiscal year 2023-24. For the current year, it is forecasted to grow upwards of 7% making India one of the fastest growing large economies in the world. The continued development of infrastructure is resulting in real growth across the nation.

New markets are opening up, new businesses are being established, manufacturing is being set up, air and road connectivity is improving, and people are traveling for both work and leisure. Our hotels are well positioned to take advantage of this. By providing luxury accommodation to business travellers, we are fulfilling an essential requirement. As India continues to grow, we will also continue to get opportunity to develop as well as acquire new hotels. The growth of Juniper is intrinsically linked to the growth of India.

Juniper 2.0 is the beginning of a new growth phase for our company. We are the best position to capitalize as well as contribute to the India growth story. We have the experience and resources to deliver on our target growth. Our entrepreneurial skills gives us the foresight to identify the right opportunities at the right locations and build efficiently.

Our industry experience allows us to construct good quality hotels within a prescribed budget and timeline. And our partnership with Hyatt allows us to provide best guest experience possible. During the current quarter, renovation at Grand Hyatt Mumbai was ongoing at full swing.

Our second event venue, the 'showroom', will be opening in September 2024. 60% of our rooms have now been refurbished. This will be followed by upliftment of two F&B outlets as well as a new Grand Club. In Q3 of this year, we will be relaunching Grand Hyatt Mumbai. This renovation has had some impact on our revenue, but despite the renovation and a sluggish market, we have been able to hold our ground. Delhi has continued to show strong growth despite the traditionally weak quarter as well as the elections which were held in May.

Ahmedabad and Lucknow have continued to post healthy numbers as well. The additional inventory which we added in the last fiscal in Ahmedabad got absorbed and occupancy increased year on year. Hampi and Raipur have also performed very well.

With this, I would like to hand over to our CFO, Mr. Tarun Jaitly.

Tarun Jaitly: Thank you, Varun. So, the quarter presentation has already been uploaded, so I'm not going to do a page turn. I will just run through the highlights for the quarter one, FY '25. So, some of the key highlights for the quarter have been that we have actually achieved what we set out to do, as in we've repaid INR 1,500 crores of debt, which is what we wanted to do from the perspective of the fundraise (IPO). We've seen revenues touching INR 204 crores in quarter one, which is a 21% Y-o-Y growth despite the disruption in Mumbai and the normal slackness in the general Mumbai market that we saw last quarter.

But importantly, the PBT has grown by 2x quarter on quarter. As you all know that fourth quarter is normally the strongest quarter. We've seen on a quarter-on-quarter basis 2x growth in profit before tax, 131 million. On the rating side, the update is that Juniper has been rated AA- by India Ratings. CHPL has got a rating of A-, so these are two strong ratings underlying the growth prospects of the group and strong balance sheets. And the CHPL loan accounts have been updated by the banks there.

On the key performance matrix, we've seen very strong performance on ARR, where our consolidated portfolio in Q1 saw a 7% Y-o-Y increase in ARR, driven primarily by our luxury portfolio of assets, which saw 11% Y-o-Y growth in ARR in the Q1FY25 to 11,686 from INR10,564 in Q1FY24. On the occupancy, we saw a minus 3% occupancy in the current quarter, which is primarily on account of the luxury portfolio showing a dip because of the Grand Hyatt refurb and roughly on a rotational basis some of the inventory of the rooms being out of circulation.

If we adjust for that, we've held the occupancy levels that we've achieved in the corresponding quarter last year. On the financial side, I would like to highlight that Q1 FY25 builds in Juniper and Chartered whereas Q1 FY24 did not include Chartered. So that is one theme which is all through the numbers that we would see. We've seen 19% growth Y-o-Y on operating revenues and EBITDA we've achieved stability in EBITDA, wherein EBITDA is stable at INR 68 crores.

And if you net out the other income at INR63 crores it's at the same level as it was in Q1 FY24. This is despite the impact of the refurb and also there have been some non-recurring expenses that we have picked up in this particular quarter. Despite that, we've maintained the EBITDA at the same level. What is important is that the asset EBITDA has grown 2% Y-o-Y growth.

And if we actually do a like-to-like comparative on a turnover adding CHPL to first quarter last year the turnover growth is 3% at the operating level (YoY). So like-to-like 3% turnover growth and 2% asset level EBITDA growth on a like-to-like basis is what we've achieved in this quarter (YoY). If I were to further break down the impact of Grand Hyatt and look at the portfolio as I said the revenue has grown 3% and EBITDA 2%. This is driven primarily by a minus 6% occupancy for the portfolio and a 7% growth in ARR.

But if I were to break it down between GHM and the balance of the portfolio, Grand Hyatt saw occupancy fall by 22% and an ARR increase by 7% during the quarter. So that's one of the key influences of performance which impacted the overall portfolio performance in last quarter. But the good news is that the hotel portfolio net of GHM saw a 3% Y-o-Y increase in occupancy and an 11% increase in ARR.

And I would like to underline that on an ARR basis both Grand Hyatt and the rest of the portfolios actually outperformed our comp set. So that's a key positive factor for us. The apartment RevPar has grown in Delhi by 25%. So that's another star performance coming in from Delhi. So these are elements which have actually contributed to the growth of top line and EBITDA during the quarter from an asset performance perspective.

Interest costs during the quarter have fallen Y-o-Y roughly around 60% and that is driven by the repayment of debt and today we are sitting on extremely good and solid balance sheet. And as I said the PBT grew 2x Y-o-Y because of stable EBITDA and reduction in interest servicing. On a company basis, net debt to equity is 0.17x vis-a-vis 5.94x in the corresponding quarter last year.

And the cash in hand as of June end (2024) was INR 350 crores with the company. As we speak, we are continuing to implement the blocks of growth for Juniper 2.0. We are totally committed, and we are continuing to put in place the strategy for adding 1,000 rooms over the next three years.

And in addition to that we also are striving to add further key counts to inorganic growth on top of the 1,000 keys that we had earlier shared with all of you. So with that I would like to hand the floor back to the Operator and we are open to taking questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Prashant Biyani from Elara Securities. Please go ahead.

Prashant Biyani: Yes, thank you for the opportunity. Sir any update on the ROFO assets, be it in Mumbai or any other city and any timeline for the same?

Tarun Jaitly: So Prashant we shared the - I just mentioned that we are on track to adding 1,000 keys. The majority of that primarily stems from the ROFO assets coming in and I said we are on track to building that out and adding that key count as we speak. I'm afraid I can't at the moment share further details than that, but we are totally committed to add that key count.

Prashant Biyani: Okay. Sir when will the expansion at GHM start which we were about to add around 390 rooms or something, 320 rooms?

Tarun Jaitly: So we said that in our earlier call that we will start the work in FY26. So there are two phases for it. The phase one includes all the work that is already concluding right now with respect to the showroom, and I'm happy to share that we'll open for business in September'24. And this would be one of the most high-end event space that Mumbai market would see. And maybe we would invite some of you over. You're most welcome to come and see it. So, that is phase one of the strategy at GHM. And the phase two is to add the key count on top of Grand Hyatt.

And we are on track, as I said commencing in FY26, and it will take 18-odd months for completion. So, those timelines are holding.

Prashant Biyani: And, sir, how is the demand till date in Q2?

Tarun Jaitly: So, if you look at the trajectory – and again, we need to be mindful that the refurb is getting completed at Grand Hyatt. In fact, as we go, we've seen the disruption in Q1 fiscal. But the good news is that, as we go towards Q2 and Q3, the re-launch of Grand Hyatt would take place. That would mean all four floors totally refurbished, totally new products, launch of a new Grand Club, and 100% refurbed apartments, and operationalizing the showroom, as I spoke about.

So, all of these elements will start contributing back to the top line and margins in the next few quarters. What is holding up right now is the ARR. And we are extremely happy to share that, even if I were to look at July numbers. In July Grand Hyatt, we've seen a 30% uptick in ARR. And Delhi continues to be very, very strong at 19%, even in July. And Lucknow is also seeing a 19% growth in the month of July from a variance perspective on ARRs (YoY).

So, ARR continues to be robust. Occupancy, as we get into the traditionally stronger quarters, will pick up. And hence we are set for a robust growth for the business.

Moderator: Sorry to interrupt. We request you to please re-join the queue for follow-up questions. Thank you. The next question is from the line of Aman Goyal from Axis Securities Limited. Please go ahead.

Aman Goyal: Yes, thank you. So, sir, I just want to know any guidance for EBITDA margin for the rest of the year?

Tarun Jaitly: So, look, we don't give guidance. But generally, I can talk about trends. And as I was saying, one of the key factors which has impacted, the margins is there are two or three things, one of them being the refurb and the disruption impact, which, as I said, in the next few quarters will go away. Then there have been a couple of non-recurring costs that got picked up in this quarter, which will also not be there going forward.

One of them is R&M. Repair and maintenance is one of them which came in this quarter, roughly around INR 4 crores INR 5 crores odd. And then on the heat, light, and power, generally in Delhi, we have traditionally sourced 45% to 50% of the energy requirement through captive renewable sources. And there was a little bit of disruption on that, which required us to purchase power from the grid, which is at a much higher rate.

And that renewable captive, we are striving to get back up. And hopefully, as that comes in, in the next few quarters, the HLP cost there should also come off. So, from a trend perspective, as I said, in July, we are already seeing ARRs continuing to be robust. As we enter into the traditional stronger season, you will see occupancies also contributing. In addition to that, as these costs start to even out in the next few quarters.

Normally that should be a positive influence of a margin. But beyond that, I would not like to share any guidance in particular.

Aman Goyal: Okay. Thank you. So, my next question is that any capex plan for the Grand Hyatt Mumbai? And the promoter has a right to acquire the Hyatt Regency from the robust. So, can you tell me something about that, any plan to include in 1,000 keys from that NCLT property?

Tarun Jaitly: So, I think there are two, three questions that you're asking us. One of them is that on a nomadic basis, whatever is the refurb and the upgrade that is happening at Grand Hyatt and also, we are doing a little bit of refurb in Delhi. So, on a cumulative basis, the capex for the refurb would be around INR100 crores. Part of it is already expended.

There is only a part which will come in the next few quarters. So, it's not a terribly large amount of capex. As far as the expenditure to acquire, we have shared in the past and I will not get into specifics. These are all listed entities. So, there's, precious little that I can share with you at the moment.

But what we have said is that, from a perspective of how these entities would coming into Juniper, some of those entities would come in through a merger which would not necessitate a cash purchase. So, I hope I have answered your question.

Aman Goyal: Yes. Thank you, sir. Thank you.

Moderator: The next question is from the line of Lokesh Manik from Vallum Capital. Please go ahead.

Lokesh Manik: Yes. Hi. Good evening to the team. My first question was on the Mumbai Grand Hyatt expansion plan of 300 keys. So, when you start this construction in FY26 in your Phase 2 plan, what is the impact that you see in your existing 600 keys? How many keys go out of service due to this construction activity?

Varun Saraf: Sure. So, what we have done is just to give you a background so that you understand. So, we have actually appointed our structural consultant. He is already on board. And they are doing their analysis and doing the design. The idea is to add a steel structure on top of the building which will allow us to do most of the fabrication offsite and only the erection work would happen onsite.

Having said that, we have taken account of 100 rooms, about 98 odd rooms which will go out of inventory on a rotational basis while the structure is being constructed on the building.

Lokesh Manik: Fair enough. The second question was an update on the adjacent land parcels to the Grand Hyatt. Any update on the development of those parcels?

Varun Saraf: Sure. So there are two land parcels. One is in a subsidiary called Mahima Holdings. That land parcel allows us for a development of about 3 lakh square feet. We have not taken that project up yet. In due course, we will intend to develop that, but right now we have other larger opportunities which that we are working on.

The other is a smaller 40,000 square feet commercial complex which we can build and for that, we have initiated the process. Currently, there are certain structures on that property which need to be relocated. Post that, we will be able to start the construction. So I would imagine probably that would go under construction in about 12 months' time.

Lokesh Manik: What sort of capex you are looking at for this?

Tarun Jaitly: I think from a capex standpoint once we freeze the plans we will come back, and we will share them. Right now our focus is to primarily look at the 1,000-odd keys and that is where our management bandwidth is right now.

Lokesh Manik: Sure. That is it from my side. I will come back for more inquiries.

Moderator: Thank you. The next question is from the line of Kunal Lakhan from CLSA. Please go ahead.

Kunal Lakhan: My first question was on if you can just break down this 1000-key expansion over the next few years in terms of how much would come through in 25 and 26 and 27?

Tarun Jaitly: From a perspective of 1,000 keys this would come in phases post FY25. So the 1,000 keys include the 317 that would come on top of Grand Hyatt and that would start construction in FY26, and I have said it will take 18 months. So that will be the last block that would come in. The earlier two net of the 317 are inorganic acquisitions.

Both the processes are underway from the perspective of the steps that are required to implement that strategy. So they are right now underway, and we will share further details on specific timelines of those assets when we are closer to the dates therein. Also I have said Kunal that we are right now also focusing on augmenting the 1,000 keys and we will again come back and share a little bit more detail and flavour on it in the next few months.

Kunal Lakhan: Sure. But just to clarify none of these inorganic additions would come in 25. They will still be on 26 and 27?

Tarun Jaitly: Of the 1,000 yes it will not come in FY25. But as I said we are looking at augmenting the number of 1,000. If that were to happen, that would happen within FY25.

Kunal Lakhan: Okay. Understood. My second question was on just the clarification you said that your refurbishment of GHM would get completed by Q3 and then banquet will also be ready by about that time is that correct?

Varun Saraf: So I can expand on that. So, the ballroom which the new showroom what we call it will be ready in September. This will be followed up by the room which will be ready in mid-October. And along with the rooms we will have two new upgraded F&B outlets in the first week of November along with the new grand club.

So in all if you have to see Grand Hyatt Bombay at the end of the year which is mid-November that's what we're taking. We will have a new product to go in the market and actually further strengthen our rates and occupancy and attract the business that we're looking to get in.

Kunal Lakhan: Sure. So wouldn't it be safe to assume that second half would be more like-to-like or are they even better than that because I'm sure like some of the new refurb also happened in second half of last year. So second half growth would it be fair to compare in terms of like sort of like a like-to-like growth?

Tarun Jaitly: I think it's safe to assume with the trajectory that you normally see as the second half of the year being stronger than the first. In addition to that you would have incremental contribution coming in from fresher products. Our strategy is that with the fresher product, capturing more on the corporate, high-paying corporates also. Also, in addition to that, the contribution from showroom, all of those would be the positive contributors.

Again I would like to emphasize out here we've always said that we believe that the growth in ARR is not yet behind us. And it's important to add that we're continuing to see robust ARR, continuing to be robust even in July. So if that trend were to hold along with recovery in occupancy and the additional contributors coming in from the showroom, etc we definitely are expecting to see a better second half than what normally you would see.

Kunal Lakhan: And in terms of growth it will be at least mid-teens or like probably higher than that second half growth versus the second half of last year. Would that be a safe assumption?

Tarun Jaitly: I mean, there would be definitely growth, but I would not like to comment on what percentage it would be.

Kunal Lakhan: Fair enough. My last question is on the greenfield plan, right? If you can comment a little bit on that, you know, where we are? I remember we were planning to; you know, I think acquire some land parcels near airports. Where are we on those plans? And if you can give us some color on that.

Varun Saraf: Sure. So I'll answer that. So we're still scouting for opportunities, as you said, because the airports have always been our focus. We're looking at Bangalore, Hyderabad, New Bombay. These are our three big targets. As we mentioned during the IPO, again, Delhi International

Airport, if we're able to identify another asset there, we're actively looking for another opportunity there as well. Our search is ongoing, and we hope to have something in due course.

Apart from that again, as we said, we look at large developments. So the opportunities are with those large airports that are around. Apart from that, we're still looking at other growing, emerging cities, whether it be Bhubaneswar or Patna or Varanasi. We don't know yet where the opportunity is. The teams are out.

Post the IPO, we've been able to regroup and go out on the development phase, right? So that's what we were talking about in Juniper 2.0. That's the growth phase. So our team is active. We are looking for opportunities, but we are mindful of which projects to take. We are not interested in pan-India presence. We are looking to build efficient, profitable, good assets which will add to the shareholder value.

Moderator: The next question is from the line of Saurabh Bansal from Star Finvest Private Limited.

Saurabh Bansal: My first question is, when you're looking for brownfield opportunities in the market, then whether you will be also looking at non-Hyatt branded properties or the focus is only going to be on Hyatt-only ones? That is the first question.

Tarun Jaitly: Right. So the answer to that is, as Juniper, it would be a decision that the Board would make of Juniper. There is flexibility for us to look at assets other than Hyatt flag. So I hope that answers your question. What is your other question?

Saurabh Bansal: Right. This other question is that which are the kind of cities for ROFO and non-ROFO assets that you're targeting and what will be the size, average size of the properties?

Tarun Jaitly: So I would not get into details, specifically with respect to ROFO assets, these are listed entities out there. So I would refrain from making any specific references to them. But I would normally say that they are big block hotels. Our ethos has been to look at larger hotels. Key size of 300 to 400 is what we would normally look at until unless it's something extremely compelling. And our strategy remains the same. And again, our focus would be on key cities, larger cities. Those are the focus area for us to grow and look at these assets.

Saurabh Bansal: All right. And just one last question, whether the transaction, I think you highlighted, you gave a color on this question. But still, once more, what is the kind of acquisition that the company would be inclined to take, whether it will be a complete cash buyout or a possible merger?

Tarun Jaitly: So, this would be transaction specific. And it's impossible to really say that it will be one way or the other for all the assets that we are looking at. So there are three or four assets that we are looking at very, very closely. And each has got its own structure and manner in which it will come into Juniper at the point in time if these were to go forward. And it is a mix of either a cash purchase or a merger. So there is no one set specific manner in which one can say with certainty that these are -- this is how these assets will come in.

Moderator: The next question is from the line of Prashant Biyani from Elara Securities. Please go ahead.

Prashant Biyani: Yes. Mr. Tarun, you had -- in one of the answers you were telling about augmenting the 1,000 number and that can happen this year. So, that will be through ROFO, organic, inorganic. Can you elaborate on that?

Tarun Jaitly: Yes, hi, Prashant. So, it will be an inorganic strategy and that would be outside the ROFO.

Prashant Biyani: Sure. And, sir, these thousand rooms of GHM should start in by which month specifically? Same like showroom it will start in September, or it can happen earlier or later?

Tarun Jaitly: So, as Varun said, right, we have appointed structural engineer, detailed studies are being done and we would go with their advice. It will also be with the intent to minimize the impact on the ongoing operations of the asset. So, we will come back as we go forward in the next few quarters, Prashant. We will share a much more finer timeline. But right now, we are looking at broadly FY '26 second half when we would undertake that project.

Prashant Biyani: So, this hundred room that has been closed has been for the future capex or it is normal refurbishment going on there?

Tarun Jaitly: So, what Varun said hundred rooms would be the disruption that we anticipate at the moment that the construction of 317 keys on top of Grand Hyatt will cause at that point in time. That is not related to the refurb that is undergoing at the moment.

Prashant Biyani: No, I was referring to the PPT in which you told that the occupancy decline is due to hundred room closure. That is the same which Varun sir is referring to.

Tarun Jaitly: No. So, the current impact in the current quarter is because of the refurb. So, there is one floor plus the Grand Club floor which is under refurb as we speak at Grand Hyatt. And that is the impact on occupancy in this quarter that we saw, and this would get completed as we go forward in Q2, Q3 for this fiscal year and that impact would be behind us.

Prashant Biyani: Sure. Thank you so much.

Moderator: Thank you. The next question is from the line of Lokesh Manik from Vallum Capital. Please go ahead.

Lokesh Manik: Yes, thank you again. My question was on our association with Hyatt. They have global members about 42 million in the DRHP. I wanted to get a sense of how do we benefit from this association on a more quantitative sense which you can provide roughly as a percentage of revenue or out of these 42 million, how many visit our properties in a given financial year. Some sense on that would be helpful.

Varun Saraf: Sure. So, World of Hyatt is the Hyatt loyalty program. It is one of the leading programs globally and how it benefits is so basically our business traveller, the traveller who is traveling across the country they are a member of some loyalty program. So, they are the frequent users of our assets. They are the ones who actually land up spending at the units. So, what the loyalty program does is ensures we have repeat customer and these are the repeat customers who are the highest spending customers who are coming in.

I wouldn't know the exact number. I can get back to you on it, but I would imagine approximately 40% to 50% in that range would be World of Hyatt members. And another important thing to understand is these World of Hyatt members are coming to us directly from our own booking channels. So, they are not coming through online travel agents or booking through third party. These guys are booking directly on our hotel website. This actually makes sure that the acquisition cost of this business is also lower than what it would be for others.

So, the World of Hyatt member is not only spending more they are our loyal customers. The cost of acquisition of business is lower. And this is something we want to continue to promote and make sure we can make more World of Hyatt members and continue to get them to visit our hotels.

Lokesh Manik: Great. That's it from my side. Thank you so much.

Moderator: Thank you. The next question is from the line of Saurabh Bansal from Star Finvest Private. Limited. Please go ahead.

Saurabh Bansal: Yes, hi. Thank you for taking the question once again. Just one more question. I was thinking that when you are targeting for a brownfield expansion or other inorganic opportunities be it non-ROFO or RUFO assets then what would be the company's objective?

Let's say, what are the kind of financial metrics or valuation metrics that the company would be looking at? For example, would you want to target an earning a creative number or are you right now targeting for scale? So what is the kind of philosophy on that, if you could kindly share?

Tarun Jaitly: Hi, Saurabh. So the strategy is primarily dependent on getting these marquee assets in, which are value-additive to Juniper. And that is what would be the ethos for getting these inorganic acquisitions. Again, the idea would be to look at larger assets, which also are value-additive and add significantly to the top line. The second important factor would be that these assets, which we are looking at should be very near to starting the contribution or are operating so that there is not significant amount of lead time for the returns to start coming in. So these would be some of the drivers, the way we look at the strategy.

Saurabh Bansal: All right. Okay. Thank you.

Moderator: Thank you. The next question is from the line of Nikhil Agrawal from Kotak AMC NDPMS. Please go ahead.

Nikhil Agrawal: Good evening, sir, and thank you for the opportunity. I believe you had said that the ARR will continue to grow in double digits. Do you still maintain that or is there any change to your outlook?

Tarun Jaitly: Yes. So, one thing which I actually wanted to emphasize on when I was going through in the earlier bit of my presentation, and I'm just sorry, Nikhil, I'm just rummaging through the papers on my desk. So, just to give you a flavour of the first quarter, right, the revenue while it grew 3%, if you keep aside GHM, we're talking about 12% growth in revenue for the rest of the assets.

And even GHM, if you take out the occupancy, the ARR grew 7% while the broader Mumbai market year to date, as far as they are, the ARR there was only about 5%. So, Grand Hyatt Mumbai grew by 7% to 8% in ARR and outperformed the broader market. Delhi is a totally different story. I mean, look at Delhi, if you were to look at an ARR YTD for the New Delhi city, it was 10.6% for the market and Andaz grew by 20% year to date.

When I'm talking about year to date with respect to Comp-set report, I'm talking about Jan to June numbers, right? And if you then go forward with the latest set of data points that I have as of July, Grand Hyatt is 30% Y-o-Y uptick. And Andaz is 19% Y-o-Y uptick. Lucknow is 19%. Even markets like Raipur and Hampi are, between 8% to 10%.

So, the trajectory continues to hold firm. And also, I would like to add even at these rates in Mumbai and Delhi, we are not number one still with respect to our Comset, with respect to, ADRs. We believe that there is still a gap and with a fresher product in Mumbai, that catch up is still fully to play out.

And there is headroom for catching up to do beyond what the market is growing. So, that gives us confidence that, these ARR trajectories will hold. And we are confident that, what we had anticipated, 6 months ago when we were on the road and meeting investors, we were confident of this. We remain confident on ARRs.

Nikhil Agrawal: Okay. Any number that you can give, I mean, for the FY '25, '26?

Tarun Jaitly: So, I would say that we would achieve with a combination of recovery of occupancy and ARRs, we should see double digit overall growth primarily driven by ARRs. That is where I will leave it at right now.

Nikhil Agrawal: All right. So, occupancies would remain stable and your ARR will take the growth.

Tarun Jaitly: Yes, that is more like the trajectory that I anticipate would play out. But, yes, we will see how this, in the next few months who are something which are important to closely watch.

Nikhil Agrawal: All right. That is it from me. Thank you so much.

Moderator: Thank you. We have no further questions. Ladies and gentlemen, I would now like to hand the conference over to Mr. Tarun Jaitley, CFO, for closing comments. Over to you, sir.

Tarun Jaitly: Thank you very much. I would like to thank everybody who have taken time out to attend the call. If there are any further clarifications or queries, please feel free to reach out to my team and we would be more than happy to answer those for you. I look forward to your participation in the next quarterly call. Thank you very much. Have a nice day, everyone.

Moderator: Thank you. On behalf of Juniper Hotels Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.

Note: This transcript has been edited for factual errors and clarity. Although an effort has been made to ensure a high level of accuracy in this transcript, however company takes no responsibility of any errors that may have occurred due to transcription.