

**BRIGADE HOTEL VENTURES LIMITED**

Corporate Identity Number (CIN) : U74999KA2016PLC095986  
Regd. Off.: 29th & 30th Floor, World Trade Center,  
Brigade Gateway Campus, 26/1, Dr. Rajkumar Road,  
Malleswaram-Rajajinagar, Bangalore - 560 055  
Phone : +91 - 080 - 4137 9200 Fax : +91 - 080 - 2221 0784



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**Listing Department****National Stock Exchange of India Limited**

Exchange Plaza, C-1, Block G

Bandra Kurla Complex

Bandra (E), Mumbai – 400 051

**Department of Corporate Services – Listing****BSE Limited**

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai – 400 001

**Re.: Scrip Symbol: BRIGHOTEL /Scrip Code: 544457**

Dear Sir/ Madam,

**Subject: Transcript of Conference Call on the Company's Q1 FY 2025-26 Earnings –  
12<sup>th</sup> August ,2025**

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We are enclosing herewith the transcript of the Conference Call on the financial and operational performance of the Company for Q1 FY 2025-26 held on Tuesday, 12<sup>th</sup> August, 2025.

Kindly take the same on your records.

Thanking you,

Yours faithfully,

For **Brigade Hotel Ventures Limited**

**Nirupa Shankar**

**Managing Director**

**DIN: 02750342**

**Encl: a/a**



# “Brigade Hotel Ventures Limited Q1 FY ‘26 Earnings Conference Call”

**August 12, 2025**



**MANAGEMENT:** **MS. NIRUPA SHANKAR – MANAGING DIRECTOR,  
BRIGADE HOTEL VENTURES LIMITED**  
**MR. AMAR MYSORE – DIRECTOR, BRIGADE HOTEL  
VENTURES LIMITED**  
**MR. ANANDA NATARAJAN – CHIEF FINANCIAL  
OFFICER, BRIGADE HOTEL VENTURES LIMITED**  
**MR. MANOJ AGARWAL – CHIEF OPERATING OFFICER,  
BRIGADE HOTEL VENTURES LIMITED**  
**MR. RAYAN ARANHA – VICE PRESIDENT  
(OPERATIONS), BRIGADE HOTEL VENTURES LIMITED**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Brigade Hotel Ventures Limited Q1 FY '26 Earnings Conference Call.

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

I now hand the conference over to Ms. Nirupa Shankar – Managing Director of the company. Thank you. And over to you, ma’am.

**Nirupa Shankar:** Good afternoon, everyone. And thank you for joining us for the First Earnings Call of Brigade Hotel Ventures following our IPO.

I am joined by the Senior Management of Brigade Hotels, Mr. Amar Mysore – our Director, Mr. Ananda Natarajan – our CFO, Mr. Manoj Agarwal – our COO, and Mr. Rayan Aranha – our VP, Operations.

We are pleased to announce that our portfolio has grown by 22% in revenue and 24% in EBITDA for Q1 FY '26 compared to the same quarter last year.

Bangalore and Chennai performed as per expectations with a 12% and 13% year-on-year RevPAR growth respectively. The GIFT City market in Gujarat is gaining momentum and with sustained demand driven by increased development activity and the entry of high pedigree IT and finance companies. Our hotel in gift city delivered a 44% RevPAR growth for the quarter.

Our hotels in Mysuru continue to perform in line with market trends, maintaining healthy occupancy levels. A special mention to our newly launched Ibis Styles in Mysuru, which is ramping up and managed to achieve a 68% occupancy in just its third quarter of operations. Our F&B revenue recorded good growth with a significant increase of 32% year-on-year.

Looking ahead, we anticipate continued growth in this segment with plans to relaunch multiple outlets, with refreshed positioning before the end of the fiscal year. Industry-wide, the quarter witnessed moderate hospitality demand impacted by seasonal softening and geopolitical tensions across borders. However, our portfolio has shown resilience and steady growth.

This is primarily due to the disciplined rate management and our ability to event-led demand spikes during the quarter. The hotel growth is expected to accelerate through the remainder of FY '26, supported by sustained corporate and MICE demand, and further fueled by events, festival travel, and longer pleasure stays. While international travel continues its steady recovery, our focus remains on attracting domestic travelers through value driven customized experiences.

With the successful completion of our IPO and the availability of funds coupled with operations, we are well positioned to add nine new hotels and double our total key count over the next four to five years.

As part of Brigade Group, we have always been ESG conscious across all our business verticals. Continuing this commitment at BHVL, we are proud to announce that our entire portfolio is now EDGE-certified, marking a significant milestone in our journey towards sustainable and resource efficient development.

EDGE, which stands for Excellence in Design for Greater Efficiencies, is a globally recognized green building standard developed by the IFC, or International Finance Corporation. This certificate reflects our success in reducing energy and water usage by 20% or more, as well as lowering embodied carbon in our materials, demonstrating measurable impact and environmental leadership.

With that, I would like to hand over to our CFO – Mr. Ananda Natarajan, for a detailed financial highlight. Thank you.

**Ananda Natarajan:**

Thank you, Nirupa. And good afternoon, everyone. On behalf of the company, we would like to welcome you to the Earnings Call of Q1 FY 2026. Our Managing Director, Ms. Nirupa Shankar, has already shared operational highlights.

I will be sharing key financial highlights for the quarter.

To start with the consolidated financial performance for Quarter 1 FY '26, the consolidated income for Quarter 1 FY '26 stood at INR. 125 crores against INR. 102.2 crores in Q1 FY '25, an increase of 22.3%. The consolidated EBITDA for Q1 FY '26 stood at INR.41.8 crores as against INR.33.6 crores in Q1 FY '25, an increase of 24.4%.

EBITDA margin for the Quarter 1 FY '26 stood at 33.4%, against 32.9% in Q1 FY '25, an increase of 56 basis points.

Consolidated PAT was INR. 7.2 crores versus a loss of INR. 5.8 crores for the same quarter last financial year. Consolidated PAT after minority interest stood at INR. 6.2 crores as compared to a loss of INR. 4.9 crores in Q1 FY '25.

Turning to the debt position and its breakup.

The consolidated gross debt of the company stood at INR. 6.33 crores as on 30<sup>th</sup> June, 2025. The cash and cash equivalent stood at INR. 16 crores. Therefore, the company's net debt outstanding as on 30<sup>th</sup> June, 2025 is INR. 617 crores. Based on the object of the issue, we have repaid the entire institutional debt of INR. 468 crores.

With the continued robust cash flow from operations and availability of IPO funds, the company has a strong liquidity position to meet its expansion plans.

With this, I will hand it back to the moderator for questions. Thank you.

**Moderator:** Thank you very much, sir. Thank you very much, ma'am. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press "\*" and "1" on your touchtone telephone. If you wish to remove yourself from the Question queue you may press "\*" and "2". Participants, I request you to use handsets while asking the question. We have a first question from the line of Adhidev Chattopadhyay from ICICI Securities.

**Adhidev Chattopadhyay:** Yes. Good afternoon, everyone. My first question is on our upcoming pipeline of hotels given the plan to double our hotel pipeline over the next few years. Could you give us some idea on what is the planned CAPEX either on a per room basis or on a cumulative basis absolutely for this? And how are we looking to fund this in the coming years? So, that is the first question, thank you.

**Nirupa Shankar:** Yes. Thank you, Adhidev. So, basically this will be funded through debt and internal accruals, the CAPEX required varies from hotel to hotel. While we are not in a position to give the exact amount of overall CAPEX requirement for all the nine hotels, what we can say is on average construction cost for brands such as Fairfield is around Rs. 65 lakhs a key, that is the cost of construction per key. And for the higher end hotels like what we have already declared like the Grand Hyatt, InterCon and Ritz-Carlton, on an average basis, the cost of construction per key could be around Rs. 1.75 crores to Rs. 2 crores a key. That is the data that we can give at the moment.

**Adhidev Chattopadhyay:** Sure. The second question is in terms of the demand, considering we had some recovery in July last year, right? Post the lull in the Q1, right, at an industry level. Are you seeing the demand shaping up in the current quarter, if you could just give us some flavor, where we are on a year-on-year basis. Yes, thank you.

**Nirupa Shankar:** Yes, so this year is going as per plan, I would say. As you know, with the hotel industry, H1 is generally a slower H2 part of the year. But we expect that the second quarter to also go as per expectations. I mean, I am happy to say that there was good recovery in Q1 despite the geopolitical issue. But in Q2, we are seeing healthy demand, as we expect to see in Q2 of every fiscal year. So, it will be a little lower than what we typically see in Q3 and Q4. But it is going as per expectations.

**Adhidev Chattopadhyay:** Sure. And just to follow-up, any impact of any festivals or anything on the business of a spot or not? If you could quantify on a Y-o-Y basis if there is any, because sometimes it does tend to impact the demand on the business side. Not on a leisure, of course, but that is what now.

- Nirupa Shankar:** Yes, so typically, if you look at October, you have Dusshera and Diwali coming in the same month. So, it is likely that we will see lower occupancies for the month of October, because Dusshera and Diwali come in the same month and there are long weekends. So, typically, we do expect to see a drop during that time. But November and December should be robust months and hopefully, will make up for whatever reduction we see in October.
- Adhidev Chattopadhyay:** Sure. Fine. Thank you. I will come back in the queue, if I have more questions. All the best.
- Nirupa Shankar:** Thanks.
- Moderator:** Thank you. We have our next question from the line of Raghav Malik from Jefferies. Please go ahead.
- Raghav Malik:** Yes, hi. So, thank you for the opportunity and congrats on a good set of numbers. The first question was just on the pipeline. It appears that most of the hotels are a bit more on the premium side. So, is there any some significant change in RevPAR that we can kind of expect moving forward or in the ARR as we add these slightly more premium hotels?
- Nirupa Shankar:** Yes, I think going forward with the kind of portfolio we have, the kind of ARR that we can see or that we expect to get once the hotels come up will be significantly higher than our current average ADRs. As you know, the current portfolio has quite a few hotels in Tier-II, Tier-III markets, where the rates are much lower, I would say around Rs. 5,000 - Rs. 5,500 for some of the hotels in Tier-II and Tier-III markets. But once the new hotels come up, they are all in the 5-star luxury deluxe category. And we expect that the portfolio will see a significant increase in the ADR once the new hotels come up. And of course, RevPAR.
- Raghav Malik:** Okay, understood. And just some clarity on the F&B mix for the quarter. So, we have seen a very strong surge in F&B versus room revenue, 32% as per your PPT. So, is there any specific reason for that or is that something that we can expect going forward, similar trend kind of going forward?
- Nirupa Shankar:** Yes, so currently F&B contributes about 33% of our overall top line. And of course, last quarter, we saw healthy growth of 32% from the previous quarter. There were a couple of large scale events that the hotel was awarded, I mean, these are all outdoor catering events. And this is business that we do want to go after, because with the existing infrastructure, we can enhance the F&B revenue to very good double digit growth. And this is something we will go after. But in Q1, particularly, there were some large catering events and MICE events that we were able to get awarded for our properties.
- Raghav Malik:** Okay, so going forward, the room and F&B mix will be a bit more, like the gap will close up a little bit probably.

**Nirupa Shankar:** See, the existing infrastructure is the same. We are trying to enhance more F&B revenue because like I said, this can be increased despite having the same infrastructure. But again, once the new set of hotels come up, when you have more 5-star, deluxe, luxury category hotels, the F&B contribution to room contribution could be 50-50. Currently, some of our portfolios are in the smart business 5-star and 4-star categories. There, the F&B contribution is generally a lot lower, like 27% to 30%.

So, on average, our portfolio today currently stands at 33% F&B contribution. But we are very cognizant that F&B is a high growth segment. So, we will continue to focus on enhancing the revenues from this segment. And definitely in our new hotels, we plan to add a lot more F&B and MICE, that is how we are designing them.

**Raghav Malik:** Okay, understood. That is very clear. Thank you. Yes.

**Nirupa Shankar:** Thank you.

**Moderator:** Thank you. We have our next question from the line of Abhishek Shankar from ICICI Securities. Please go ahead.

**Abhishek Shankar:** Yes, hi. Thanks for the opportunity. So, I just wanted to know on your Slide Number #8, where the occupancy states that there is a 10 bps drop, right? I just wanted to understand that your hotels are concentrated more on South of India. So, am I missing something or is it like what impacted the occupancy then?

**Nirupa Shankar:** See, in general, what we did is you will see that our rate for many of our hotels have gone up. It is, so typically what we like to see, and I think what we need to focus on is also a RevPAR growth increase. So, in our case, many of our hotels are double digit ARR growth rates. In some cases, that is offset by lower occupancy. So, it is always a, I would say a give and take play between ADR and occupancy. So, I would not get too concerned with the lowering of occupancy because sometimes the hotels could have had 80% plus occupancy, and now they may have come down to maybe a 75% occupancy.

So, overall, I would say since we have seen a growth in RevPAR, I think it is a good indication. What we can expect to see is we will continue to have this play. There was some dip in occupancy also because, some rooms might have gotten canceled because of the geopolitical issue. But we have made it up in terms of the ADR and the overall revenue.

So, overall, the portfolios are at a very healthy 75% occupancy, which we expect that by the end of the fiscal year, it will be much higher than this. So, portfolio-wide, having a high 70% plus occupancy is still very healthy.

**Abhishek Shankar:** Okay, sure. Thanks. That was from my side. Thank you so much.

- Nirupa Shankar:** Thanks.
- Moderator:** Thank you. We have our next question from the line of Vikas Jain from Reliance Securities. Please go ahead.
- Vikas Jain:** Yes, good afternoon, everyone. So, I just wanted to know, you mentioned that the Rs. 60 lakhs is for the Fairfield key and Rs. 1.5 crores to Rs. 2 crores for the other part of the hotels. So, what is the average breakeven period for any hotel you look at when you watch out for any visibility? And if you can throw some light on the average room rate going forward.
- Nirupa Shankar:** Sorry, could you repeat the second part of your question?
- Vikas Jain:** The average room rate going forward over the next two quarters or three quarters or maybe next two years, what will it look like? Because with new facilities, I mean, up in the metro cities.
- Nirupa Shankar:** Yes. So, for the first part, the operational breakeven, we try to get in quarter two or quarter three itself. So, operationally, we expect the hotel to breakeven in quarter two. But overall, for the entire hotel, it is hard to say at what occupancy it will breakeven, because it depends on the rate. So, again, it typically depends on a rate cum occupancy game.
- And the second part of the question on the ADR. ADR, we expect to see low double-digit growth year-on-year because the portfolio has been operational for quite some time. We think that it will be a double-digit growth, but low double-digit growth, I would say.
- Vikas Jain:** Okay. So, it will be maybe in the range of around 10% to 15% or even more than that?
- Nirupa Shankar:** These are luxury hotels, it depends on the market, when we look at, say, a Ritz-Carlton, they are highly high-end deluxe exclusive category. So, we have to wait and see what the market will be at that point in time. But we have taken down our market study to understand what the expected rate should be. If you study the Hyderabad and the Chennai market, especially on ECR market in Chennai and the Hyderabad HITEC City or Financial District market, you know that the hotels are doing extremely well.
- Currently, they are doing rates of maybe even Rs. 18,000 to Rs. 20,000. So, there is nothing to suggest that we cannot expect similar rates or maybe even higher considering that our hotels will come in sometime maybe 3.5 years from now. So, those are the things we have underwritten at. But of course, it really depends on the market at that point in time. But we expect it to grow significantly is all I can say without giving an exact number at this point.
- Vikas Jain:** Okay. Thank you. Thanks a lot and all the best.



- Moderator:** Thank you. We have a next question from the line of Raghav Malik from Jefferies. Please go ahead.
- Raghav Malik:** Yes, hi. Thanks again. So, just a specific question on Ibis Styles which was opened more recently. How is that property tracking currently? And yes, I will sort of follow-up on Ibis. I will come back after answering.
- Nirupa Shankar:** So, we are quite happy with the way it has performed because it is still in the first year of operations. It literally opened in October of last year and already we are seeing an occupancy of close to 70%. It is currently 68%, but that is a very healthy operate occupancy percentage for a hotel that is just been open hardly for two quarters to three quarters. And rates, the Mysuru average rates is around Rs. 4,500 odd, so the hotel is tracking around there.
- Raghav Malik:** Okay, understood. And also, is there any plan to I mean, some of the newer hotels that we add, will any of them be from like, in partnership of with the Ibis portfolio, given that they recently announced that they will be significantly adding hotels in the next couple of years. Is there a potential opportunity to expand the partnership with this brand?
- Nirupa Shankar:** So, currently, as you know, we have the nine hotels planned and none of them are with the IBIS portfolio. So, I am sure all the hotel chains are growing quite rapidly. So, we already have a strong partnership with Accor, Marriott, IHG and of course now, Hyatt as well. As of now, we are not signing any new hotels with Ibis Styles.
- Raghav Malik:** Okay.
- Nirupa Shankar:** I said most of our hotels are going to be in the upscale category in the 4-star, 5-star and 5-star deluxe category. I would put Ibis in a more mid-market, I would say.
- Raghav Malik:** Okay, understood. So, we will be going more on the premium side. Got it. And just one more question, if I may. So, recently, there is a lot of job cuts that we are seeing in the IT sector. And we do have some weightage of hotels in Bengaluru and Hyderabad, particularly. So, is there any impact that we are seeing of that on maybe RevPARs or ARR for in the last month or two month? How would that be tracking and particularly maybe the impact on MICE as well?
- Nirupa Shankar:** See, the hotels have been doing very well, even in all the major business markets, we understand that Bengaluru used to be very dependent on just the IT services industry. But now, with the advent of the number of GCCs, Bengaluru is the city in India with the highest number of GCCs entering the market. Apart from that, co-working brands - a lot of office requirement is being taken up by co-working brands and India facing brands and India-led companies. So, the dependency, I would say on IT and IT services be it in the office market and then in the hotel market is reducing. There are more industries coming up like the financial services, like pharma, like biotech, a lot of deep tech companies. So, I would say, overall, dependency on IT and IT

services has reduced. And we have not seen any softening of demand in our properties, be it in Bengaluru or Chennai.

**Manoj Agarwal:**

Hi, this is Manoj here. Just to add on to this point, right now our portfolio is very well diversified in terms of the segmentation and in terms of geographical also, although we are only in the southern cities. But in southern cities also it is well diversified between leisure and business and Tier-I and Tier-II cities.

And with very conscious effort, our segmentation is also very well diversified, meaning our corporate segmentation, I mean, the business from corporate segment is we have kept it at around one-third and the rest of it is a mix of retail and the groups and crew. So, I would say, our dependency on corporate business per se is not that much. And having said that, during the quarter, we have not seen any softening of corporate demand as well that has remained at a very healthy level.

**Raghav Malik:**

Okay, understood. Thank you so much.

**Moderator:**

Thank you. We have a next question from Abhishek Khanna from Kotak Securities. Please go ahead.

**Abhishek Khanna:**

Hi. Ma'am, I just wanted to understand, is there a strategic shift in the thinking where you are moving from being a mid-tier focused hospitality company to a more premium/luxury focused company because you are adding a lot more products, Carlton, JW, Marriott, etc., which we have in our pipeline. So, there seems to be a strategic shift, but is that by choice or by the location of your land parcel/assets where you are building that? Second, if yes, what is the rationale behind that shift?

**Nirupa Shankar:**

Yes. See, definitely it is an effort that we have thought about. And what I can say is that typically we are opportunistic about the hotels that we are developing. So, if the micro market where we are looking to build makes sense for a 5-star luxury deluxe, then we go ahead and do that.

I am just going to give you the example of, say, the Grand Hyatt Chennai in ECR. I would say pre-COVID, it was not a very strong leisure market. I mean, there were average ADR was around Rs. 8,000 or Rs. 9,000 or so. Post-COVID market dynamics have changed and the market dynamics have sustained. Many people thought post-COVID leisure would do well only for a short period of time, but it is sustained. And now the rates, say, in that micro market are extremely healthy.

They are in the high, 18,000 – 20,000 as I mentioned earlier, some much higher, but I am just giving a conservative number. So, then we believe that that property can take a Grand Hyatt. Now, for instance, near the Airport, where we have an upper midscale brand - Fairfield by Marriott coming up and in the other micro market in Brigade Valencia, where we do another

Fairfield, those micro markets cannot take 5-star luxury deluxe properties. Or rather, we have, especially in Electronic City in Bommasandra, that market, we believe is best suited for a brand like Fairfield, which is like a 4-star hotel that we would be developing. Near the Airport, we found that there were a lot of 5-stars already, and we wanted to do a very MICE driven 4-star hotel like Marriott.

So, for us, we take our decision based on every micro market. And we do believe that having larger hotels with more F&B, when you do large 5-star deluxe hotels, you can add more F&B, you can add more MICE, and that supports the overall hotel as well. So, it is very micro market dependent, I would say. And we take a call based on each micro market and wherever we get the land. So, I would say the positioning, the brand, everything is decided based on the location of the hotel and what that micro market demands.

**Abhishek Khanna:**

Sure. And for the future land acquisitions that you would look to make or you would be considering, would you be focusing on city centers, Tier-I cities, I think? I mean, I understand it depends on the location, but at least in terms of the direction, would you be focusing more on locations, which are CBD or the ones that can support such 5-star properties? Or you could do either, whether it is a mid-scale centric location or it is a luxury specific location?

**Nirupa Shankar:**

So, we are currently evaluating multiple opportunities. We are looking at some potential leisure markets. We are also open to looking at other locations in Tier-I cities. We are not currently looking at too many Tier-II markets, I would say, unless it is like a major leisure destination. So, I would say the primary focus would be on strong leisure or pleasure where you have strong leisure and business markets or it would be your Tier-I cities. As of now, we are not looking too much at the Tier-II business cities.

**Abhishek Khanna:**

Sure. And just lastly, just a related one to this. So, while we understand your luxury/premium hotels would do incrementally better in terms of the absolute earnings as well as maybe the EBITDA margins that they could deliver, on the return wise metric, maybe the return on capital that you are putting in, is there a conclusive reasoning to say that maybe a luxury property does better versus a mid-tier property, or it just depends on how well you are able to perform in either of these hotels?

**Nirupa Shankar:**

See, it depends on so many things, the land cost, the CAPEX that you put in. I would say between the land cost and the CAPEX itself would account for significant of the upfront investment. So, then it really depends based on the CAPEX and land. So, we also take a call on the brand, depending on the cost of land, etc. So, for instance, you would not put a budget hotel on land that is very expensive. So, whether we do a 4-star, 5-star, 5-star luxury deluxe, I think the metrics and the return expectations would be similar.

- Abhishek Khanna:** All right. Sure. That makes sense. And were those return expectations are, maybe second year, third year, whatever way you track it internally, is there a return on capital employed metric that you track for maybe the mature asset? Is there a number that you could share?
- Nirupa Shankar:** Yes. Typically, we do our IRR thresholds and we also do the payback period, etc. But generally, by the third year, we expect that the hotel should at least start repaying its debt, should be able to stand on its own two feet. And we have high team return expectations from all asset classes, annuity income asset classes, etc. I would say. So, it is no different for hospitality.
- Abhishek Khanna:** All right. Sure. Thanks a lot.
- Moderator:** Thank you. As there are no further questions, I now hand the conference over to Mr. Manoj Agarwal, COO for closing comment.
- Manoj Agarwal:** Yes. Thank you. Thank you all very much for joining us in this first earnings call post our listing and listening to us about our performance and the growth plans. It has been a great quarter for us as not only we have delivered a strong operational performance, but after our successful IPO closing, we have a strong balance sheet and capital structure to prudently execute our growth strategy.
- We continue to believe that long term value in hospitality is created by owning the right assets in the right location and at the right build cost. With a robust development pipeline in place and supportive industry tailwinds to aid the performance growth, we are very well positioned to build on this momentum and create sustained value for all our stakeholders.
- Thank you all. Thank you very much. And thanks for attending the call.
- Moderator:** Thank you, sir. On behalf of Brigade Hotel Ventures Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.