

## **INDIAN HOTEL INDUSTRY**

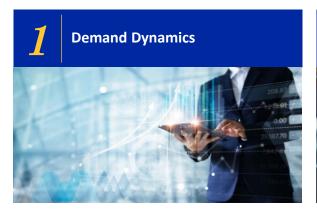
Temporary lull in business travel in Q1 FY2025 because of the General Elections

**JUNE 2024** 



## **Agenda**













## **Highlights**



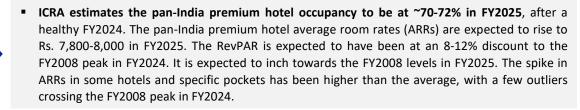


#### Click to see full report

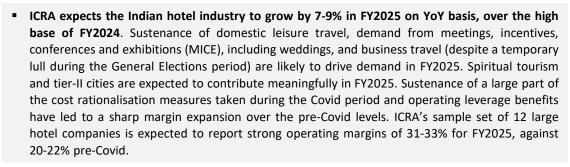
ICRA expects demand to remain strong in FY2025, despite a temporary lull in business travel in Q1 FY2025 because of the General Elections. This, along with robust margins, would result in improvement in accruals.

Hotels which have expanded through the asset-light mode over the last few years, have reported significant improvement in RoCE, aided by strong accruals. However, in case of assetheavy expansion, the extent of improvement in RoCE has remained constrained by high capital cost of new properties.















■ The demand uptick led to a pick-up in supply announcements and commencement of deferred projects in the last 18-24 months. However, supply, which is expected to increase at a CAGR of 4.5-5% over the medium term, would lag demand.



Name	Designation	Email	Contact Number
Shamsher Dewan	Senior Vice-President and Group Head	shamsherd@icraindia.com	0124 – 4545 328
Srikumar K	Senior Vice-President and Co-Group Head	ksrikumar@icraindia.com	044 – 4596 4318
Vinutaa S	Vice-President and Sector Head	vinutaa.s@icraindia.com	044 – 4596 4305
Sriraman Mohan	Senior Analyst	sriraman.mohan@icraindia.com	044 – 4596 4316

















## **ICRA Business Development/Media Contact Details**

Name	Designation	Email	Contact Number
L Shivakumar	Chief Business Officer	shivakumar@icraindia.com	022-61693304
Neha Agarwal	Head – Research Sales	neha.agarwal@icraindia.com	022-61693338
Rohit Gupta	Head Business Development – Infrastructure Sector	rohitg@icraindia.com	0124-4545340
Vivek Bhalla	Head Business Development – Financial Sector	vivek.bhalla@icraindia.com	022-61693372
Vinita Baid	Head Business Development – Corporate Sector - West & East	vinita.baid@icraindia.com	033-71501131
Shivam Bhatia	Head Business Development – Corporate Sector - North & South	shivam.bhatia@icraindia.com	0124-4545803
Naznin Prodhani	Head – Group Corporate Communications & Media Relations	communications@icraindia.com	0124-4545860



















#### © Copyright, 2024 ICRA Limited. All Rights Reserved.

All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies, while publishing or otherwise disseminating other reports may have presented data, analyses and/or opinions that may be inconsistent with the data, analyses and/or opinions in this publication. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.



# **Thank You!**

