Hotelivate's Hotel Check-In
Q2 2024/25 (July - September)

About The Report

Hotelivate's Hotel Check-in (HCI): India Quarterly Report is an update on critical metrics and data points for the Indian Hospitality Industry. The sector has witnessed rapid growth over the past few years and is now slowly achieving a state of maturity. This robust growth is further evidenced by the surge in IPOs of numerous hotel companies on Indian stock exchanges over the past fifteen months, with more expected before the close of this fiscal. Concurrently, previously listed hotel stocks are enjoying record-high market capitalisations. This maturity necessitates a quarterly comparison to effectively explore the trendlines within the sector, which we achieve by analysing the listed hospitality universe. These select hospitality companies represent a significant portion of the branded supply (~30%). In this dynamic context, we are proud to present this quarterly report, which condenses key industry information and updates on select listed companies in a user-friendly format.

The report includes quarterly updates on:
- India's hotel performance along with a focus on a few key markets
- Metrics of select listed companies
- Air passenger traffic
- Grade-A Commercial Space

The report contains Quarter-on-Quarter (QoQ) and Same Quarter Last Year (SQLY) comparisons for relevant metrics as the seasonal nature of the hotel industry necessitates both comparisons. Moreover, we present per key metrics to serve as a useful comparison tool amongst the selected companies.

Please note that this report presents data and associated analytics "as is." The primary objective is to provide information and insights derived from the data. It does not aim to opine or provide any subjective commentary. The report utilises data as provided by the individual companies and financial data websites (such as Yahoo Finance).

Basis of selection of listed hotel companies

We have selected 8 hotel companies whose individual hotel supply (including pipeline) is over 2,000 rooms each. Wherever relevant, Hotelivate has opted to include the consolidated, not standalone, numbers as reported by the listed hotel companies.The companies selected for the report include:

1. Chalet Hotels Limited (NSE Symbol: CHALET)
2. EIH Limited (NSE Symbol: EIHOTEL)
3. IHCL (NSE Symbol: INDHOTEL)
4. Juniper Hotels Limited (NSE Symbol: JUNIPER)
5. Lemon Tree Hotels Limited (NSE Symbol: LEMONTREE)
6. Apeejay Surrendra Park Hotels Limited (NSE Symbol: PARKHOTELS)
7. Royal Orchid Hotels Limited (NSE Symbol: ROHLTD)
8. SAMHI Hotels Limited (NSE Scrip Code: SAMHI)

NIFTY Tourism Index (Q2 2024/25)

3-Month Change +5.35%
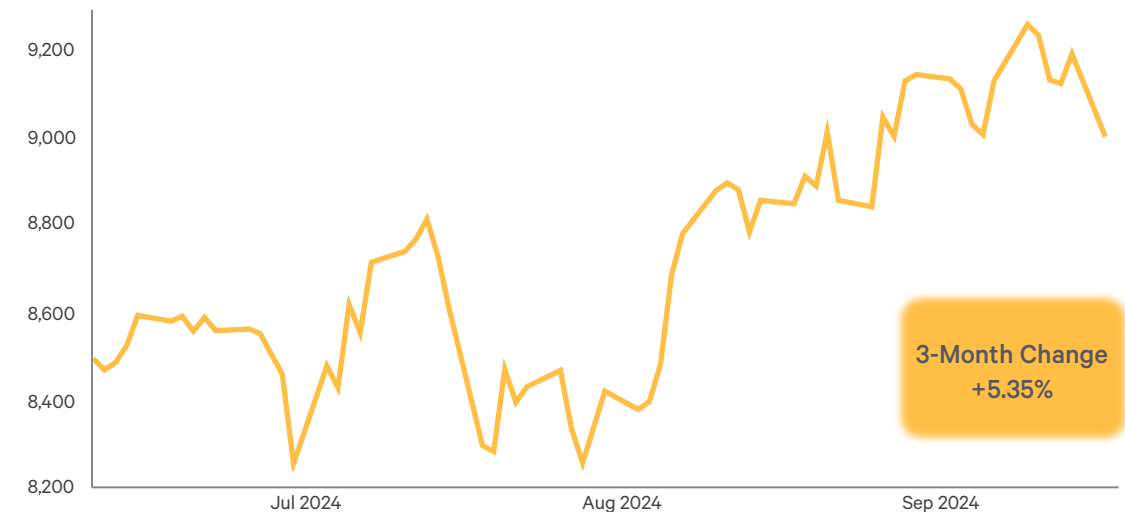
Source: National Stock Exchange

Nationwide Hotel Industry Performance

The following section focuses on the quarterly hotel performance (occupancy, ADR and RevPAR) trends with a spotlight on key markets and the selected companies. **Figure 1** and **Figure 2** show the movement in the nation's RevPAR on a quarterly basis. **Q2 2024/25 recorded a 5.5% growth in ADR and 3.5% growth in occupancy compared to the same quarter last year. Figure 3** plots the performance for some key markets in India vis-à-vis the nationwide aggregates. **The top 5 markets by RevPAR for this quarter were Mumbai, New Delhi, Udaipur, Chennai and Goa. Figure 4** maps the quarterly performance of the selected companies against the nationwide aggregates.

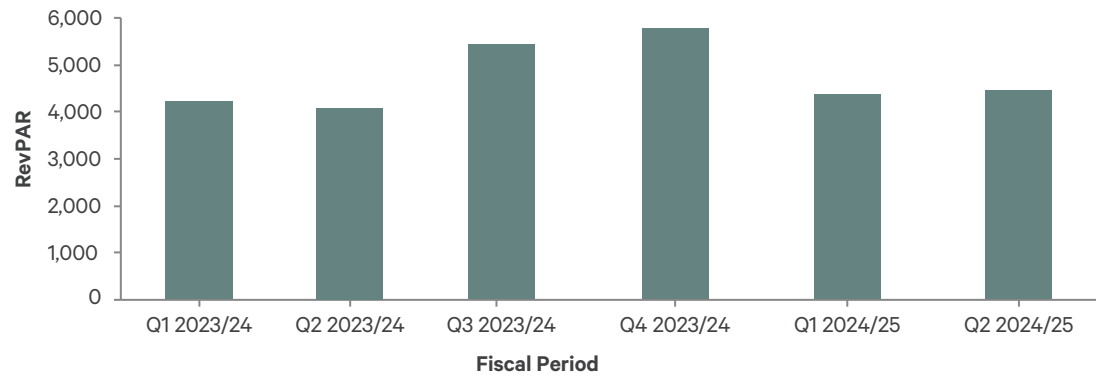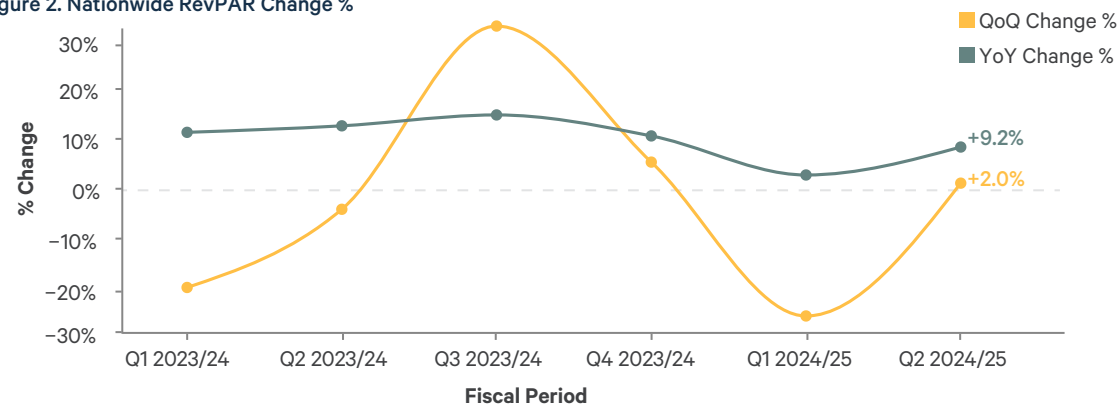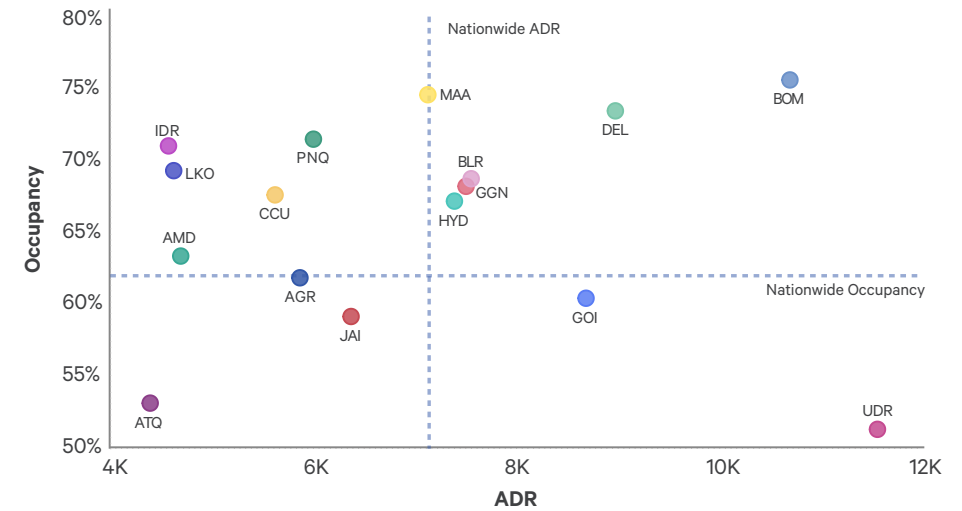### Figure 1. Nationwide RevPAR by Quarter (Q1 2023/24 - Q2 2024/25)


Figure 2. Nationwide RevPAR Change %

RevPAR = Room Revenue per Available Room; QoQ Change % = Quarter-on-Quarter Change %; SQLY Change % = Same Quarter Last Year Change %; All Values in INR; Source: CoStar

Figure 3. Performance Metrics for Key Markets (Q2 2024/25)

All Values in INR; The markets selected have a hotel inventory (excluding pipeline) of over 1,500 keys each; City IATA code has been used as a substitute for city names (Complete list provided in the Glossary). Source: CoStar

Figure 4. Performance Metrics for Select Listed Companies (Q2 2024/25)

● Chalet ● EIH ● IHCL ● Juniper ● Lemon Tree ● Park ● Royal Orchid ● SAMHI
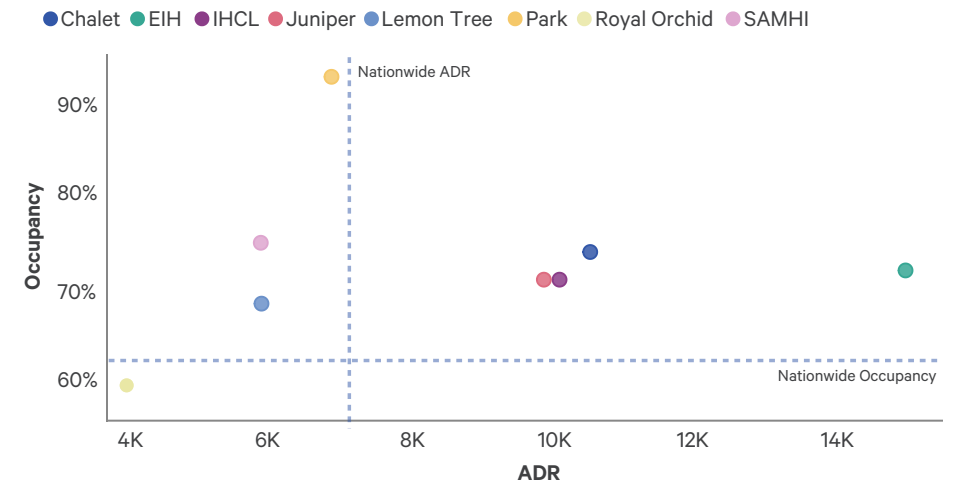
All Values in INR; Source: CoStar and Quarterly Investor Presentations & Financials of the Companies

Overview of Selected Hotel Companies

The table below provides an overview of the hotel portfolio of the selected companies for the preceding two quarters as reported in their financial presentations. A decline in proposed inventory may be attributed to the completion of project(s) or to the cancellation/delay of project(s).
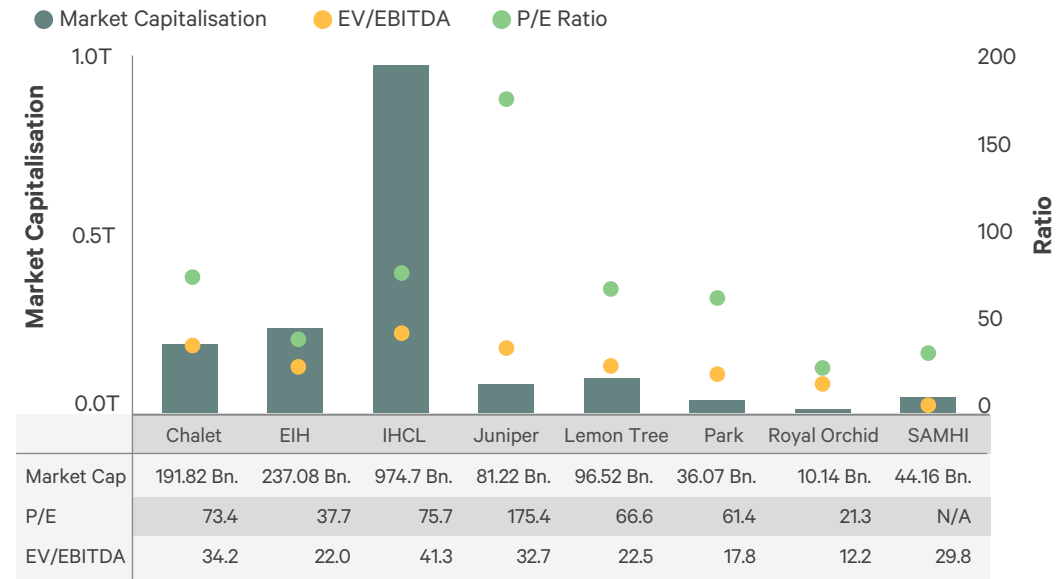
Company	Hotels	QoQ%	Keys	QoQ%	Avg. Hotel Size	QoQ%	% Owned	QoQ%	Proposed	QoQ%	% of Existing
Chalet											
Q1 2024/25	10	-	3,052	-	305.2	-	100.0%	-	865	-	28.3%
Q2 2024/25	10	-	3,052	-	305.2	-	100.0%	-	1,035	19.7%	33.9%
EIH											
Q1 2024/25	30	-	4,269	-	142.3	-	80.0%	-	N/A	N/A	-
Q2 2024/25	30	-	4,269	-	142.3	-	80.0%	-	N/A	N/A	-
IHCL											
Q1 2024/25	224	2.8%	24,519	1.6%	109.5	-1.1%	52.2%	-1.0%	14,516	12.1%	59.2%
Q2 2024/25	232	3.6%	25,230	2.9%	108.8	-0.6%	51.3%	-1.8%	17,354	19.6%	68.8%
Juniper											
Q1 2024/25	7	-	1,895	-	270.7	-	100.0%	-	N/A	N/A	-
Q2 2024/25	7	-	1,895	-	270.7	-	100.0%	-	220	N/A	11.6%
Lemon Tree											
Q1 2024/25	107	2.9%	10,125	2.7%	94.6	-0.2%	38.3%	-2.8%	4,105	-1.2%	40.5%
Q2 2024/25	112	4.7%	10,318	1.9%	92.1	-2.6%	36.6%	-4.5%	5,220	27.2%	50.6%
Park											
Q1 2024/25	33		2,395		72.6		33.3%	N/A	2,450	N/A	102.3%
Q2 2024/25	34	3.0%	2,410	0.6%	70.9	-2.3%	35.3%	5.9%	2,638	7.7%	109.5%
Royal Orchid											
Q1 2024/25	107	-	6,395	2.9%	59.8	2.9%	N/A	N/A	1,828	-3.8%	28.6%
Q2 2024/25	109	1.9%	6,556	2.5%	60.1	0.6%	N/A	N/A	1,600	-12.5%	24.4%
SAMHI											
Q1 2024/25	31	-	4,801	-	154.9	-	100.0%	-	327	-38.4%	6.8%
Q2 2024/25	31	-	4,801	-	154.9	-	100.0%	-	327	-	6.8%

QoQ% = Quarter-on-Quarter Change %; N/A = Not Applicable; Avg. Hotel Size - This represents the average size of a hotel (by inventory) in the relevant company's portfolio. It is calculated as the total existing keys divided by the total existing hotels for that company; % Owned - The proportion of existing hotels owned by the company or its subsidiaries; % of Existing - Calculated as the proposed supply divided by the existing supply Source: Quarterly Investor Presentations & Financials of the Companies

Figure 5 shows the key valuation metrics for the selected companies which includes the market capitalisation, trailing twelve-month P/E ratio and EV/EBITDA ratio as of 30th September 2024. Certain companies have a negative trailing twelve-month PAT and therefore the P/E ratio has been qualified as N/A.
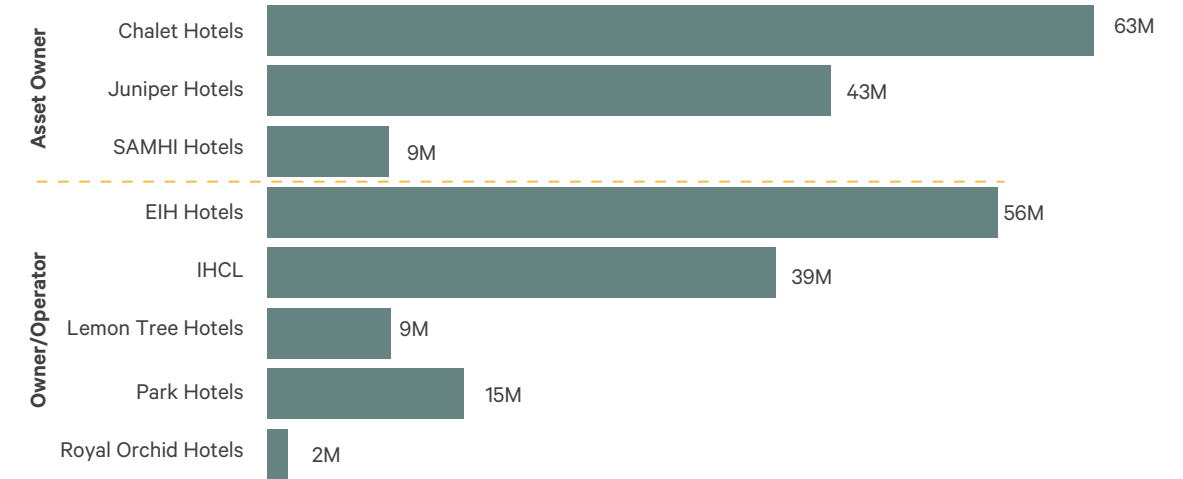
Figure 6 presents the market capitalisation per key for the selected companies. Hotel asset valuations are typically viewed on a per key basis for benchmarking purposes. In the same vein, we have presented market capitalisation per key to facilitate a similar comparison. **Global trends indicate that "Asset-Light" companies tend to have a lower market capitalisation per key compared to their "Asset-Heavy" counterparts.** Another key factor affecting this metric is the positioning mix – a portfolio consisting of predominantly higher positioned hotels is likely to have a higher market capitalisation per key.

Figure 6. Market Cap/Key

1 Cr. = 10 M; Market Cap as of 30/09/2024; All Values in INR; Source: Yahoo Finance and Quarterly Investor Presentations & Financials of the Companies

Figure 5. Market Capitalisation, EV/EBITDA and P/E Ratio by Company

|	Chalet	EIH	IHCL	Juniper	Lemon Tree	Park	Royal Orchid	SAMHI
Market Cap	191.82 Bn.	237.08 Bn.	974.7 Bn.	81.22 Bn.	96.52 Bn.	36.07 Bn.	10.14 Bn.	44.16 Bn.
P/E	73.4	37.7	75.7	175.4	66.6	61.4	21.3	N/A
EV/EBITDA	34.2	22.0	41.3	32.7	22.5	17.8	12.2	29.8

100 Cr. =1 bn; Market Cap as of 30/09/2024; N/A = Not Applicable; All Values in INR; Source: Yahoo Finance and Quarterly Investor Presentations & Financials of the Companies

A Global Perspective
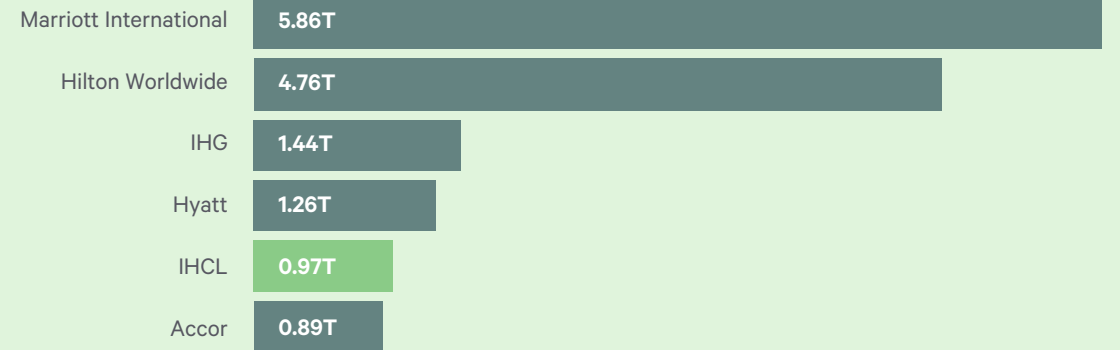
1,00,000 Cr. = 1 T; Market Cap as of 30/09/2024; All Values in INR; Source: Yahoo Finance

Financial Metrics of Selected Hotel Companies

The table below focuses on the financial performance for the selected companies for Q2 2024/25. **It is pertinent to note that "Asset-Light" companies tend to reflect lower per key metrics compared to their "Asset-Heavy" counterparts.** Similar to the market capitalisation per key, a portfolio consisting of predominantly higher positioned hotels is likely to have higher per key financial performance.

Company	Revenue	QoQ%	SQLY%	Per Key	EBITDA	% of Revenue	QoQ%	SQLY%	Per Key	PAT	% of Revenue	QoQ%	SQLY%	Per Key
Chalet														
Q1 2024/25	3,691 Mn.	-13.0%	17.3%	12,09,371	1,483 Mn.	40.2%	-24.8%	14.2%	4,85,911	777 Mn.	21.1%	-5.2%	-12.2%	2,54,587
Q2 2024/25	3,832 Mn.	3.8%	20.4%	12,55,570	1,556 Mn.	40.6%	4.9%	19.5%	5,09,830	-1,385 Mn.	-36.1%	-278.3%	-481.5%	-4,53,801
EIH														
Q1 2024/25	5,599 Mn.	-28.3%	7.1%	13,11,548	1,682 Mn.	30.1%	-51.1%	-6.5%	3,94,074	940 Mn.	16.8%	-58.2%	-7.0%	2,20,286
Q2 2024/25	6,226 Mn.	11.2%	12.7%	14,58,421	2,082 Mn.	33.4%	23.8%	26.3%	4,87,702	1,356 Mn.	21.8%	44.2%	38.4%	3,17,639
IHCL														
Q1 2024/25	15,960 Mn.	-18.2%	5.3%	6,50,924	4,960 Mn.	31.1%	-29.8%	8.1%	2,02,292	2,480 Mn.	15.5%	-40.7%	11.7%	1,01,146
Q2 2024/25	18,900 Mn.	18.4%	27.6%	7,49,108	5,650 Mn.	29.9%	13.9%	40.5%	2,23,940	5,550 Mn.	29.4%	123.8%	232.3%	2,19,976
Juniper														
Q1 2024/25	2,048 Mn.	-17.5%	21.3%	10,80,739	679 Mn.	33.1%	-27.8%	5.5%	3,58,062	117 Mn.	5.7%	-75.0%	-207.3%	61,741
Q2 2024/25	2,229 Mn.	8.8%	32.3%	11,76,253	728 Mn.	32.7%	7.3%	20.7%	3,84,023	-278 Mn.	-12.5%	-337.6%	78.2%	-1,46,702
Lemon Tree														
Q1 2024/25	2,684 Mn.	-19.0%	19.5%	2,65,086	1,154 Mn.	43.0%	-34.2%	8.1%	1,13,975	201 Mn.	7.5%	-76.1%	-26.9%	19,852
Q2 2024/25	2,844 Mn.	6.0%	25.2%	2,75,635	1,048 Mn.	36.9%	-9.2%	0.0%	1,01,561	350 Mn.	12.3%	74.1%	32.6%	33,921
Park														
Q1 2024/25	1,380 Mn.	-11.4%	5.5%	5,76,200	417 Mn.	30.2%	-22.4%	4.2%	1,74,029	170 Mn.	12.3%	-0.5%	117.9%	70,981
Q2 2024/25	1,560 Mn.	13.0%	10.3%	6,47,303	563 Mn.	36.1%	35.2%	10.7%	2,33,734	270 Mn.	17.3%	58.8%	84.9%	1,12,033
Royal Orchid														
Q1 2024/25	777 Mn.	-5.6%	5.3%	1,21,439	213 Mn.	27.4%	-10.8%	-7.1%	33,292	87 Mn.	11.2%	-42.6%	-14.5%	13,636
Q2 2024/25	783 Mn.	0.9%	11.8%	1,19,463	194 Mn.	24.7%	-9.1%	2.2%	29,530	68 Mn.	8.7%	-21.8%	-8.7%	10,403
SAMHI														
Q1 2024/25	2,568 Mn.	-8.7%	6.6%	5,34,889	890 Mn.	34.7%	-7.5%	88.1%	1,85,349	42 Mn.	1.6%	-62.8%	-104.9%	8,748
Q2 2024/25	2,705 Mn.	5.3%	10.4%	5,63,424	972 Mn.	35.9%	9.2%	80.0%	2,02,418	126 Mn.	4.7%	200.0%	-112.4%	26,245

1 Cr. = 10 M; 1 M = 10 L; 1 K = 1,000; QoQ% = Quarter-on-Quarter Change %; SQLY% = Same Quarter Last Year Change %; All Values in INR; N/A = Not Applicable as information is not available; Source: Quarterly Investor Presentations & Financials of the Companies

QoQ Change

Figures 7 and 8 showcase the quarterly change in Revenue and EBITDA for the selected companies. Owing to the seasonal nature of the sector, flowthrough is an important metric to analyse. **A higher flowthrough is desirable in a situation of EBITDA growth (irrespective of Revenue change) whereas a lower flowthrough is desirable in a situation of EBITDA degrowth (irrespective of Revenue change).**
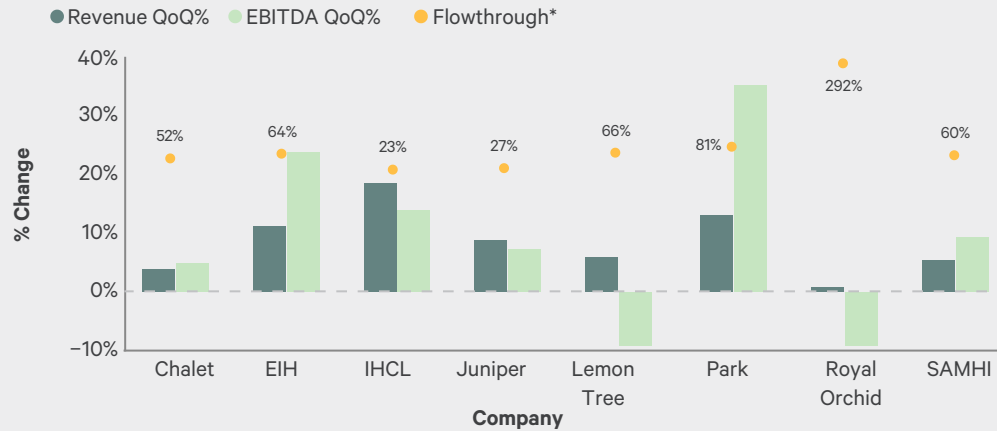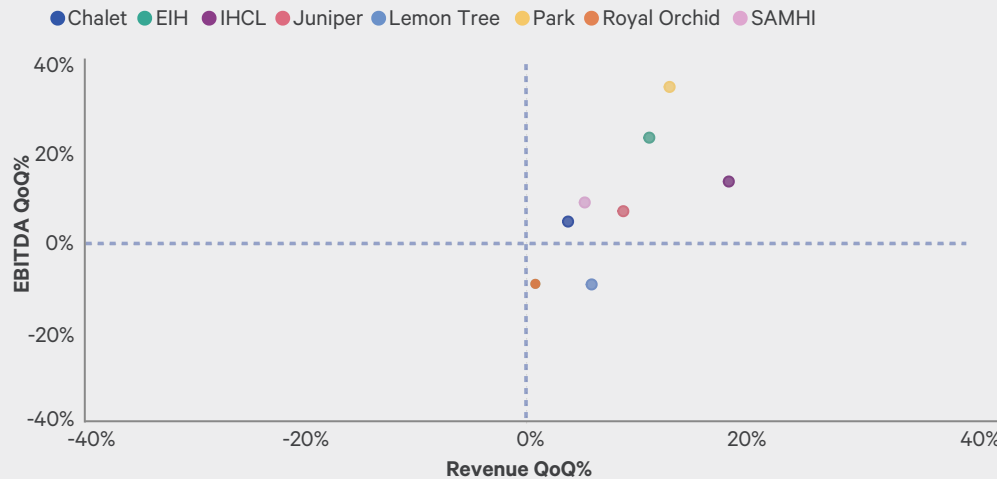
Figure 7. QoQ Change in Revenue and EBITDA (Q2 2024/25)

Figure 8. QoQ Change in Revenue and EBITDA (Q2 2024/25)

QoQ% = Quarter-on-Quarter Change; Source: Quarterly Investor Presentations & Financials of the Companies
*The term flowthrough is defined in the glossary on page 8

SQLY Change

Similarly, **Figures 9 and 10** showcase the change in Revenue and EBITDA compared to the same quarter last year for the selected companies. To reiterate, a higher flowthrough is desirable in a situation of EBITDA growth (irrespective of Revenue change) whereas a lower flowthrough is desirable in a situation of EBITDA degrowth (irrespective of Revenue change).

Figure 9. SQLY Change in Revenue and EBITDA (Q2 2024/25)
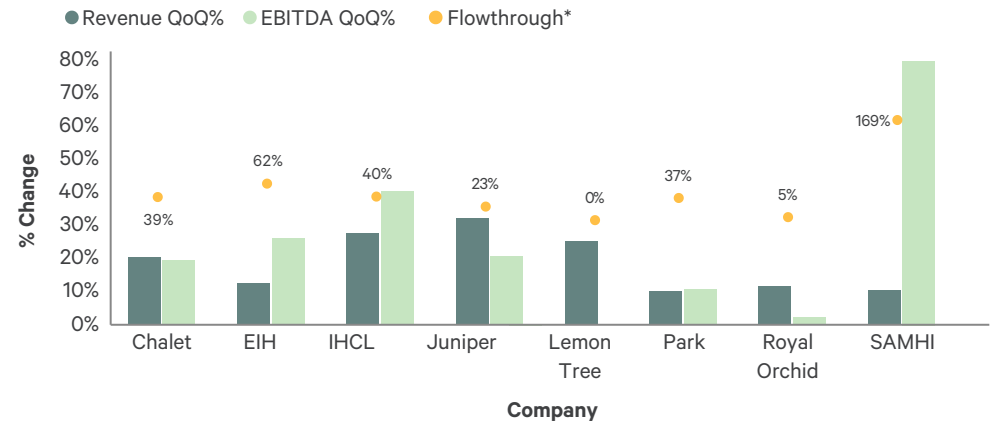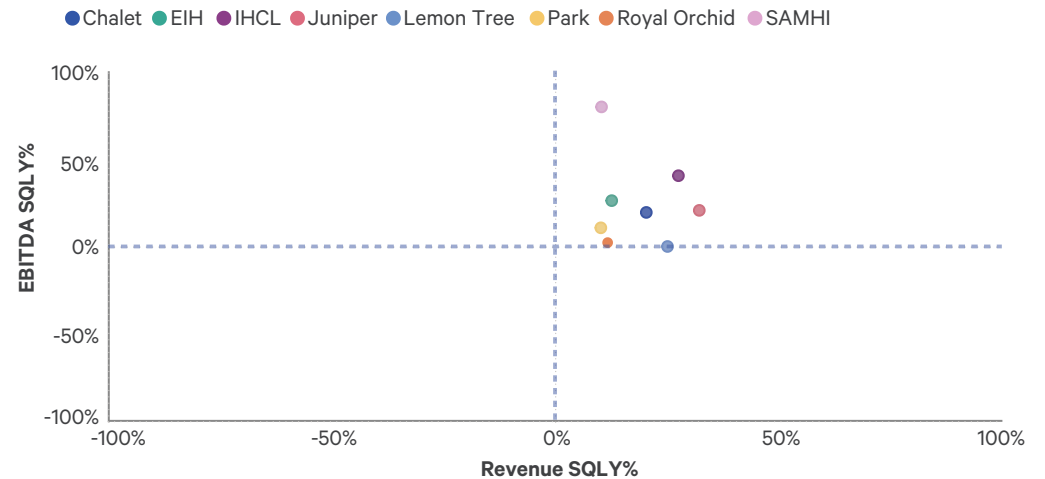

Figure 10. SQLY Change in Revenue and EBITDA (Q2 2024/25)

SQLY% = Same Quarter Last Year Change %; Source: Quarterly Investor Presentations & Financials of the Companies
*The term flowthrough is defined in the glossary on page 8

Key Drivers of the Hotel Industry

Figures 11 - 14 highlight quarterly trends in nationwide airline passenger movements and grade A commercial real estate in key markets. The hospitality industry is reliant on both sectors as drivers of overall performance. **India's aviation sector continues to scale new heights with H1 2024/25 reporting a record number of passenger movements.**

Figure 11. Airline Passenger Movements by Quarter (Q1 2023/24 - Q2 2024/25)

Figure 13. Passenger Movements by Region (Q2 2024/25)

Source: Airports Authority of India

In Q2 2024/25, the vacancy rate for commercial real estate has marginally declined to 17.15%, while the weighted rental has grown to ₹81 per sq. ft. per month. Mumbai commands the highest rate at ₹141 per sq. ft. per month and Ahmedabad has the lowest rate at ₹44 per sq. ft. per month.
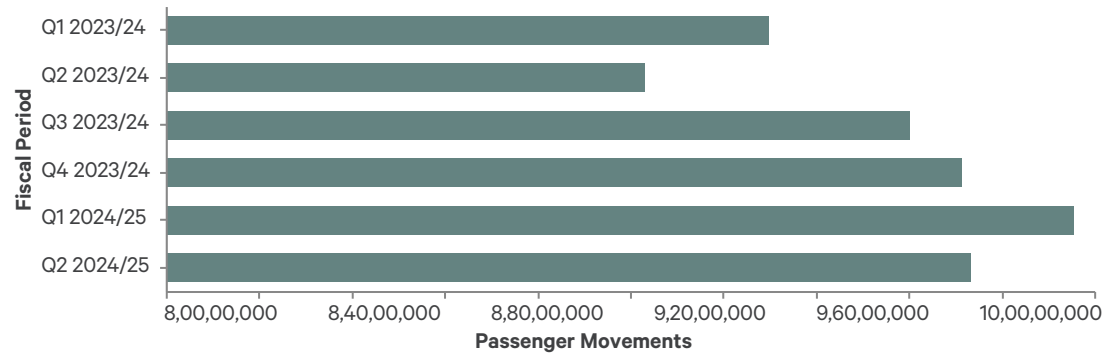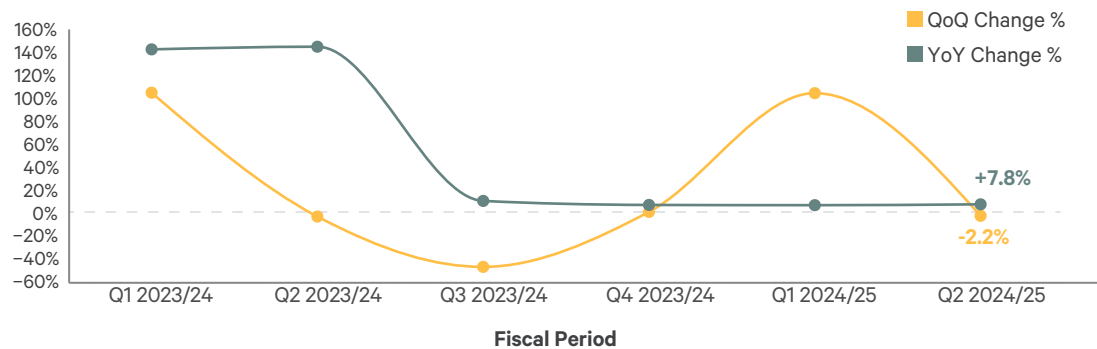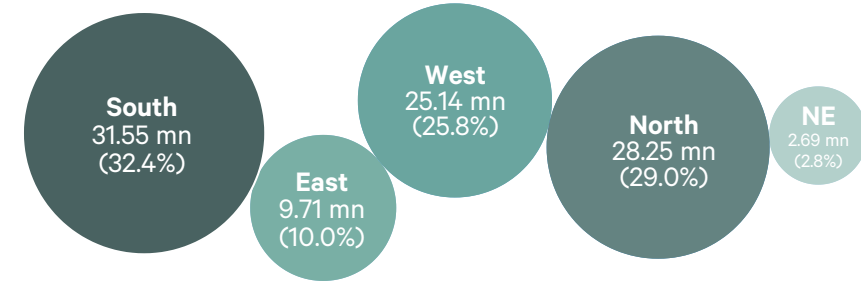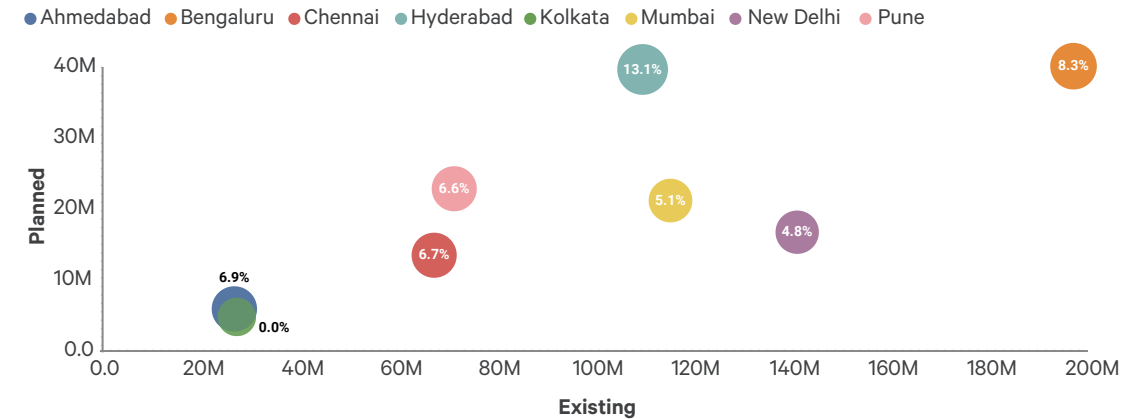
Figure 12. Airline Passenger Movements by Quarter (Q1 2023/24 - Q2 2024/25)

Source: Airports Authority of India

Figure 14. Grade-A Commercial Space for Major Markets (Q2 2024/25)

Total Inventory = Existing + Planned Inventory; Bubble Size and label indicate total office space change vs same quarter last year; 1 Cr. = 10 M; Source: Cushman and Wakefield

Glossary

- **% of Existing** - Calculated as the proposed supply divided by the existing supply
- **% Owned** - The proportion of inventory owned by the listed entity
- **% of Revenue -** Calculated for both EBITDA and PAT by dividing their actual value by the Revenue for the same period
- **ADR** - Calculated as the Net Room Revenue divided by the room nights sold in any period
- **Average Hotel Size** - This represents the average size of a hotel (by inventory) in the relevant company's portfolio. It is calculated as the total existing keys divided by the number of existing hotels for that company.
- **City List:** Agra: AGR; Ahmedabad: AMD; Amritsar: ATQ; Bengaluru: BLR; Chennai: MAA; Goa: GOI; Gurugram: GGN; Hyderabad: HYD; Indore: IDR; Jaipur: JAI; Kolkata: CCU; Lucknow: LKO; Mumbai: BOM; New Delhi: DEL; Pune: PNQ; and Udaipur: UDR.
- **EV/EBITDA** – Calculated as the enterprise value as on the given data divided by the trailing twelve-month EBITDA
- **Flowthrough** - Calculated as the change in EBITDA for any period divided by the change in Revenue for the same period
- **Grade-A office space** - The highest quality office space available, characterised by its high-end features, design, and location
- **Occupancy** - Calculated as the room nights sold divided by the room nights available in any period
- **Per key metrics** - Calculated by dividing select metrics of a listed hotel company by the existing inventory in that company's portfolio
- **QoQ Change %** - Represents the increase or decrease in a metric compared to the previous quarter (for example - Q3 vs Q2, Q2 vs Q1)
- **RevPAR** - Calculated as the Net Room Revenue divided by the room nights available in any period OR as the product of Occupancy and ADR
- **SQLY Change %** - Represents the increase or decrease in a metric compared to the same quarter in the previous year (for example - Q3 2024/25 vs Q3 2023/24, Q2 2024/25 vs Q2 2023/24
- **Trailing P/E** – Calculated as the share price as on a given date divided by the trailing twelve-month earnings

Note: While Mahindra Holidays & Resorts India Limited does qualify on the basis of inventory, the company continues to operate on a timeshare model with membership sales and renewals representing the primary driver of top-line. Due to this critical difference in their business model, we have refrained from including them in our report.

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Q2 2024/25 (July - September)

Conferences & Events

Our Services

💡 Strategic Advisory
Trusted Advisors for feasibility studies, valuations, and other strategic hospitality assignments

🏢 Asset Management
Unlocking the true potential of a hospitality asset

🖥️ Executive Search
A holistic and targeted approach to talent acquisition

🏷️ Hotel Transactions Advisory
Sector specialists for sale/purchase of hotel assets and companies

🔍 Operator Search & Contract Negotiations
Management and franchise agreements

🤝 Owners' Representation
360° support for new hotel development

OUR PRESENCE: Delhi • Mumbai • Singapore • Dubai • Bangkok | New York • Atlanta • Seattle • San Diego • London