

Hotel room demand to outstrip supply up to FY28: Icra

Mumbai: Hotel room demand will outpace supply between FY25 and FY28, despite a 5–6% annual rise in premium room additions according to rating agency Icra. Occupancies are projected to rise 200 basis points to 72–74% in FY26, with average room rates increasing 3–6% to Rs 8,200–8,500. Demand is expected to expand 8–10% annually.

“India’s premium hotel inventory across 12 major cities crossed 1 lakh in FY23 and will exceed 1.2 lakh next fiscal,” said Srikumar Krishnamurthy, from Icra. TNN