

ITC Hotels Gears Up for Major Expansion Post-Demerger

As ITC Hotels prepares for its demerger from the ITC Group, the company has unveiled bold plans to expand its portfolio from 140 to over 200 hotels across India. This transformative step marks a pivotal moment in ITC Hotels' evolution, as it transitions into an independent entity focused on accelerated growth and innovation within the hospitality sector.

Formerly a division of the diversified ITC conglomerate—renowned for its consumer goods dominance—ITC Hotels will now operate with full autonomy. The ITC board has approved the demerger, finalizing shareholder allocations for the newly formed entity. This separation is expected to grant ITC Hotels enhanced flexibility to pursue expansion and adopt an agile, innovation-driven approach.

Currently, ITC Hotels manages 140 properties with 13,000 rooms, of which 45% are owned and 55% are operated under management contracts. In line with global trends, the group is shifting to an asset-light model, focusing on management agreements to rapidly scale its footprint.

Operating across six distinct brands—ITC Hotels, Fortune, Mementos, Storii, WelcomHeritage, and Welcomhotel—the company has added 28 managed properties since November 2022. Maintaining this momentum, ITC Hotels plans to launch nearly one new hotel each month over the next two years.

The company's financial performance underscores its robust growth. For the quarter ending September 2024, ITC Hotels reported a 12.1% year-on-year increase in revenue, a 20.2% rise in profit before tax, and a 0.7% improvement in EBITDA margin, driven by cost efficiencies and rising RevPAR amid strong demand.

Recent openings highlight ITC Hotels' commitment to showcasing India's cultural diversity and heritage:

- **Fortune Beachfront, Puri:** A sea-facing resort designed for leisure travelers.

- **Storii Jaisalmer:** A 131-room desert oasis, ideal for weddings and celebrations.
- **Welcomhotel Jabalpur:** A 122-room property inspired by Bundela architecture.
- **Welcomhotel Belagavi:** A 116-room retreat spread over six acres, offering scenic views of local windmills.

The pipeline includes exciting projects such as new Welcomhotels in Delhi, Gangtok, and Gwalior, as well as Storii properties in Jawai and Jaipur, reinforcing ITC Hotels' focus on unique, high-potential destinations.

In April 2024, ITC Hotels made its international debut with the launch of **ITC Ratnadipa** in Colombo, Sri Lanka. This landmark property on the Indian Ocean features 352 rooms, suites, and serviced apartments across two interconnected towers. With nine dining options and inclusion in Marriott's Luxury Collection, it caters to global travelers and Marriott Bonvoy members.

Armed with a robust expansion strategy and a strong financial foundation, ITC Hotels is poised to redefine its presence in India and abroad. The demerger marks the beginning of a new era, empowering the group to focus exclusively on hospitality and unlock opportunities in the luxury, heritage, and lifestyle segments.