

India Hotels Sector Continues Growth Momentum in February 2025: Report

India's hospitality industry maintained its growth trajectory in February 2025, buoyed by strong demand drivers such as weddings, conferences, G20-related events, and growing corporate travel. According to the HVS ANAROCK Hotels & Hospitality Overview, nationwide occupancy increased to 69–71%, a solid year-on-year growth of 2–4 percentage points. Average Daily Rates (ADR) saw a robust increase of 10–12% YOY, reaching INR 7,200–7,400, resulting in a 14–16% growth in Revenue Per Available Room (RevPAR), which stood at INR 5,100–5,300.

Tier-1 cities led the charge, with Hyderabad posting a notable RevPAR increase of 24.5%, the highest among key cities, owing to a significant uptick in ADR and occupancy. Mumbai, buoyed by strong business travel and MICE demand, registered a RevPAR growth of 14.4%, while Goa, benefitting from sustained leisure tourism, saw a 12.7% growth.

Bengaluru, however, saw more modest growth of 5.4%, impacted by slower recovery in the IT/ITES sectors and reduced MICE movement. Delhi NCR remained stable with a healthy 12.2% increase in RevPAR, driven by corporate demand and sustained international travel.

Notably, the report highlighted sustained momentum in Tier-2 cities like Jaipur and Chandigarh, signalling the rising potential of India's secondary markets.