

IHCL

THE INDIAN HOTELS COMPANY LIMITED



Research Report

Indian Hotels Co. Ltd



Prepared By-

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About

The Indian Hotels Company Limited (IHCL), India's largest hospitality Company in South Asia has been an industry pioneer for over 120 years. IHCL and its subsidiaries bring together a group of brands and businesses that offer a fusion of warm Indian hospitality and world-class service. These include Taj – the iconic brand for the most discerning travellers and ranked as World's Strongest Hotel Brand 2024 and India's Strongest Brand 2024 as per Brand Finance; Claridges Collection, a curated set of boutique luxury hotels merging elegance with historical charm; SeleQtions, a named collection of hotels; Tree of Life, private escapes in tranquil settings; Vivanta, sophisticated upscale hotels; Gateway, full-service hotels designed to be your gateway to exceptional destinations and Ginger, which is revolutionising the lean luxe segment.

Business Segments

Segment-wise Revenue Contribution:

- **Hotel Services** – ~91.5%

Brands include:

- Taj
- Vivanta
- SeleQtions
- Ginger

- **Air & Institutional Catering** – ~8.5%

Synopsis of Financials

FY26 and Q4 financial performance: high margins sustained while investing:

- Revenue: INR 2,845 cr (+14% YoY)
- EBITDA: INR 1,052 cr (+15% YoY) → 37% margin
- PAT (pre-exceptional): INR 600 cr (+14% YoY)

Stock data (as 20th May 2026)

Nifty Price	: 23,646.25
52 week High (in Rs.)	: 811.95
52 week Low (in Rs.)	: 565.00
Market Cap. (in Crore)	: 93,818.42
NSE Code	: INE053A01029

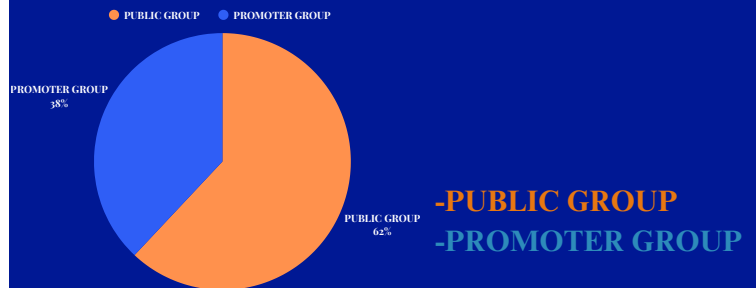
Stock data

-NIFTY-50

Indian Hotels Co. Limited.



Shareholding Pattern (March 2026)



Financial Summary

Particular	Mar-22	Mar-23	Mar-24	Mar-25	Mar-26
Sales -	3,056	5,810	6,769	8,335	9,689
Sales Growth %	94.03%	90.10%	16.50%	23.13%	16.25%
Expenses +	2,651	4,005	4,609	5,565	6,495
Operating Profit	405	1,805	2,160	2,769	3,195
OPM %	13%	31%	32%	33%	33%
Net Profit +	-265	1,053	1,330	2,038	2,247
EPS in Rs	-1.74	7.06	8.85	13.4	14.64
Dividend Payout %	-23%	14%	20%	17%	22%

Quarterly Results

Particular	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
Sales -	2,533	2,425	2,041	2,041	2,842	2,765
YOY Sales Growth %	28.98%	27.28%	31.66%	11.76%	12.20%	14.03%
Expenses -	1,571	1,568	1,465	1,471	1,766	1,793
Material Cost %	9.89%	9.69%	10.20%	10.20%	9.74%	9.32%
Employee Cost %	22.88%	24.26%	29.28%	28.96%	22.57%	23.74%
Operating Profit	962	857	576	570	1,076	973
OPM %	38%	35%	28%	28%	38%	35%
Other Income -	59	59	61	83	334	79
Other income normal	59	62	61	83	58	79
Interest	52	54	55	56	56	55
Depreciation	134	142	143	145	150	167
Profit before tax	834	720	440	453	1,203	830
Tax %	26%	25%	27%	30%	22%	25%
Net Profit +	633	563	329	318	954	645

Source: Screener

Key Ratios

Ratios:

Sr. No.	Ratio	in times/%	Numerator	Denominator	Current Year	Previous Year
a)	Current Ratio	in times	Current Assets	Current Liabilities	2.26	1.78
b)	Debt – Equity	in times	Non - Current Borrowings + Current Borrowings	Total Equity	NA	NA
c)	Debt service coverage	in times	Profit before Tax + Interest on borrowings (Net) + Provision for impairment of investments + Depreciation and amortisation expenses	Interest on borrowings (Net) + Principal Repayment of long-term Debt	NA	4.56
d)	Net Capital Turnover	in times	Net Sales	Working Capital i.e., (Average Current Assets - Average Current Liabilities)	3.68	4.63
e)	Return on Equity	in %	Profit/(Loss) after tax	Average Total Equity	13.21	11.54
f)	Inventory Turnover		NA	NA	NA	NA
g)	Trade Receivable Turnover	in days	Average Trade Receivables	Revenue from operations per day	32	32
h)	Trade Payable Turnover	in days	Average Trade Payables	Total expenses other than Payroll Cost, Finance Cost and Depreciation per day	63	67
i)	Net Profit Ratio	in %	Profit/(Loss) after tax	Total Income	27.47	23.85
j)	Return on capital employed	in %	EBIT	Average Equity + Average Debt + Average Lease Liabilities + Average Deferred Tax Liabilities	16.70	15.20
k)	Return on Investment	in %	Income earned on mutual funds and fixed deposit investments	Average investment in mutual funds and fixed deposit	7.44	6.95

Source: Annual Report

Yearly Results

Particulars	March 2021	March 2022	March2023	March2024	March2025
Equity Capital	142	142	142	142	142
Reserves	6,920	7,840	9,314	11,018	12,910
Borrowings	3,888	3,139	2,736	3,084	2,837
Other Liabilities	2,052	2,391	2,541	3,371	4,408
Total Liabilities	13,002	13,512	14,733	17,616	20,297
Fixed Assets	8,415	8,819	9,311	10,918	12,233
CWIP	194	332	256	633	764
Investments	1,967	1,891	2,261	2,279	3,606
Other Assets	2,426	2,470	2,905	3,786	3,693
Total Assets	13,002	13,512	14,733	17,616	20,297

Synopsis Quarter Results

Concall Notes - May-2026: Key Highlights

FY26 and Q4 financial performance: high margins sustained while investing:

Q4 FY26 (Consolidated)

- **Revenue: INR 2,845 cr** (+14% YoY)
- **EBITDA: INR 1,052 cr** (+15% YoY) \Rightarrow **37% margin**
- **PAT (pre-exceptional): INR 600 cr** (+14% YoY)

Q4 FY26 (Standalone)

- “industry-leading” **RevPAR +12%**
- **Revenue: INR 1,721 cr**
- **EBITDA margin: 49.5%** (+160 bps YoY)
- **PAT (pre-exceptional): INR 569 cr** (+15% YoY) \Rightarrow **33.1% margin**

FY26 (Consolidated)

- **Revenue: INR 9,971 cr** (+16% YoY)
- **EBITDA: INR 3,477 cr** (+16% YoY) \Rightarrow **34.9% margin**
- “For the first time ever, we crossed milestone of **INR 2,000+ crores in profit after tax.**”

FY26 (Standalone)

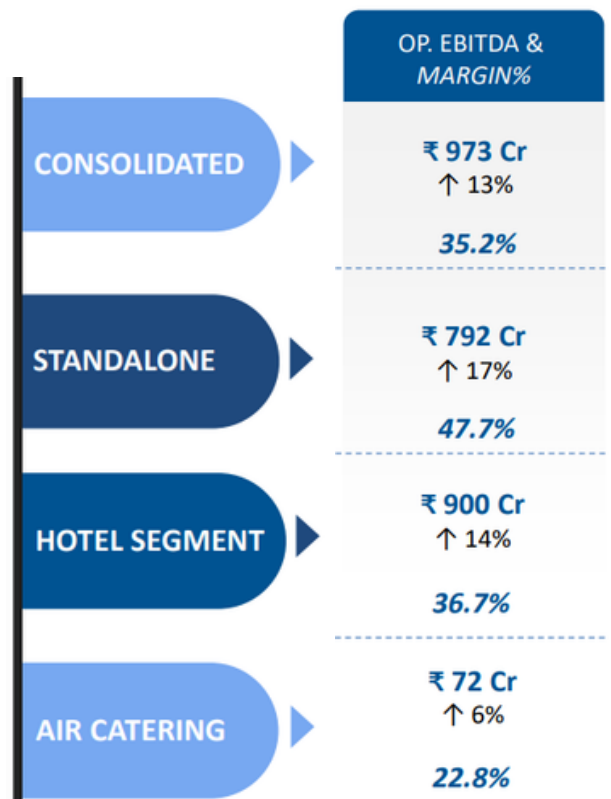
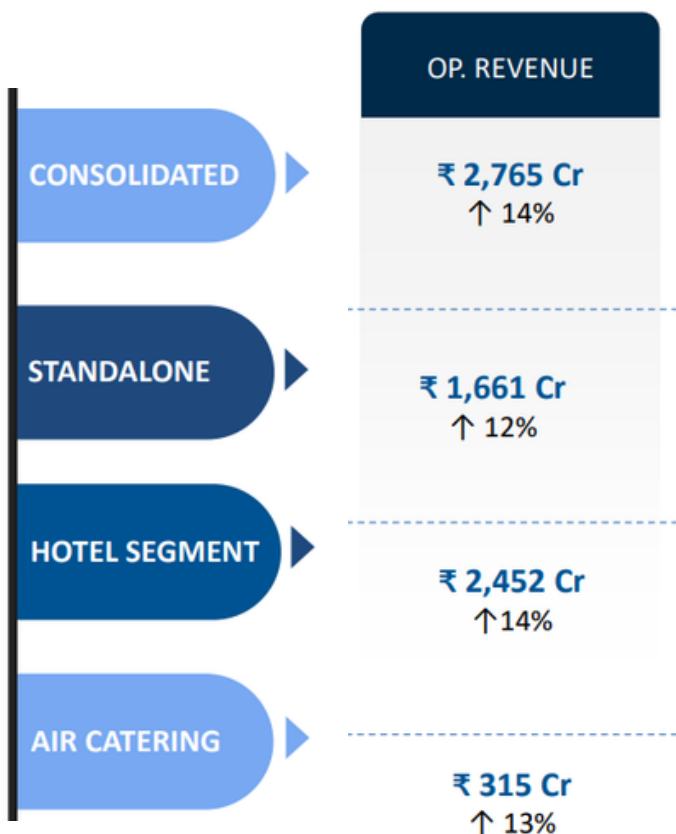
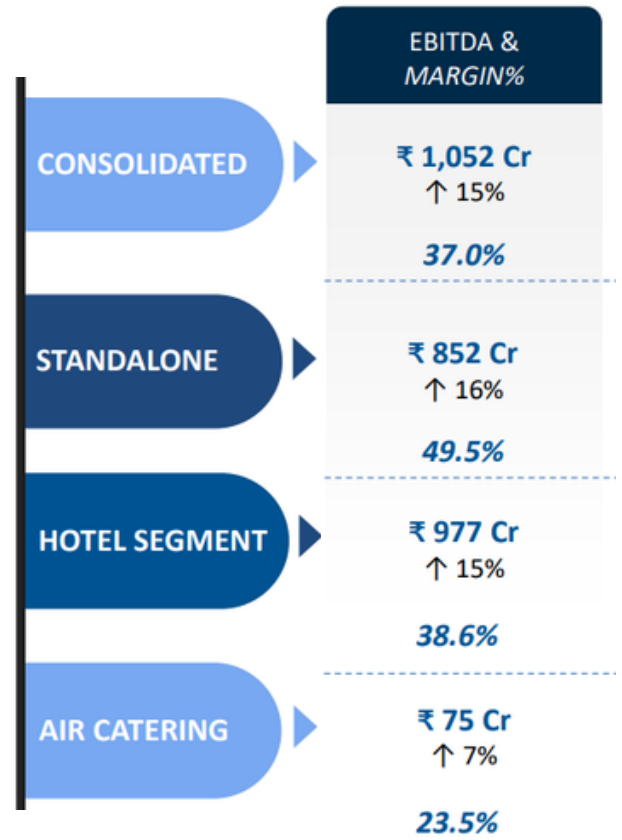
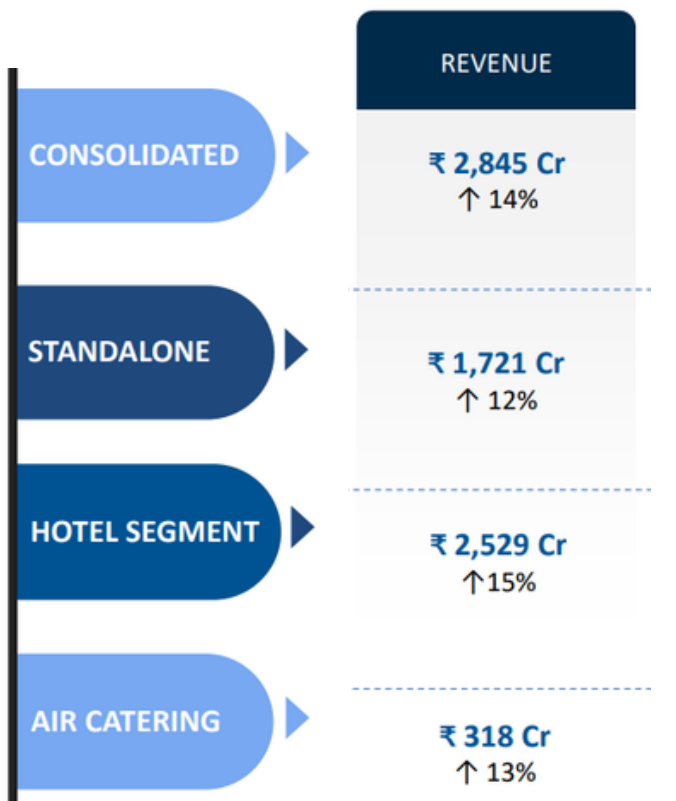
- **Revenue: INR 5,640 cr** (+10% YoY)
- **EBITDA: INR 2,543 cr** (+13% YoY) \Rightarrow **45.1% margin** (+120 bps)
- **PAT: INR 1,632 cr** (+14% YoY) \Rightarrow **29% margin**

Management also underscored 4-year performance consistency: “**double-digit CAGR** across revenue, EBITDA and PAT on both... consolidated and stand-alone.”

Capital allocation: capex intensity maintained + acquisitions + dividend step-up Capex:

- FY26 capex “over INR 1,000 crores”
 - ~INR 650 cr: renovations, maintenance, digital initiatives
 - balance: greenfield projects
- Forward stance: continue INR 1,000–1,200 cr annually to reinforce competitive advantages and build new ones.
- Historical: “over the last 3 years... INR 2,500 crores in capex.”

Highlights



Peer Comparison

Peer Stock Performance (1Y) Indexed



Source: Trading View

Peer Financial Performance

Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit	Sales Qtr	Qtr Sales	ROCE %
Indian Hotels Co	644.35	48.47	91718.85	0.34	645.43	14.48	2765.29	14.03	17.26
ITC Hotels	153.95	36.64	32067.42	0.65	317.43	21.85	1253.7	18.2	10.73
EIH	323.75	26.67	20246.14	0.47	254.75	-1	872.89	9.09	23.43
Chalet Hotels	795.85	26.99	17428.64	0.12	163.01	31.64	558.22	6.94	17.07

Source: Screener

Final Outlook

INDHOTEL: HOLD | LTP: 660 .75

Summary:

Indian Hotels has delivered a strong turnaround after the pandemic, supported by rising travel demand, better hotel occupancy, and premium pricing. Revenue, margins, and profitability have improved consistently over the last few years. The company continues to expand its hotel portfolio and invest in renovations and new projects, which supports long-term growth. Strong brand value through Taj and other hotel chains gives IHCL a competitive advantage in the hospitality sector. However, the business remains somewhat sensitive to economic slowdown and travel demand cycles.

Recent Performance (Q4 FY26 – Easy View):

- Revenue: ₹2,845 Cr (+14% YoY)
- EBITDA: ₹1,052 Cr (+15% YoY)
- EBITDA Margin: 37%
- PAT (Pre-exceptional): ₹600 Cr (+14% YoY)
- FY26 consolidated revenue crossed ₹9,900 Cr
- Company achieved ₹2,000+ Cr annual PAT milestone for the first time

Indian Hotels is a strong hospitality company with excellent brand value, improving profitability, and steady long-term growth potential. The company is benefiting from rising tourism, premium travel demand, and strong operational efficiency.

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