

Published Date:	31 Oct 2025	Publication:	Hospitality Biz [National]
Journalist:	Bureau	Page No:	22
Circulation:	37,500		

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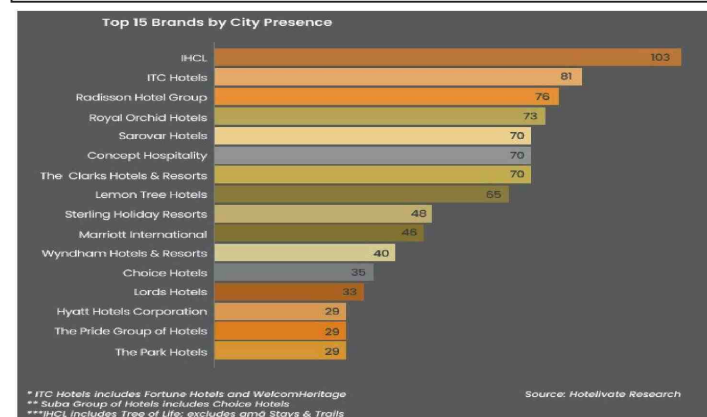
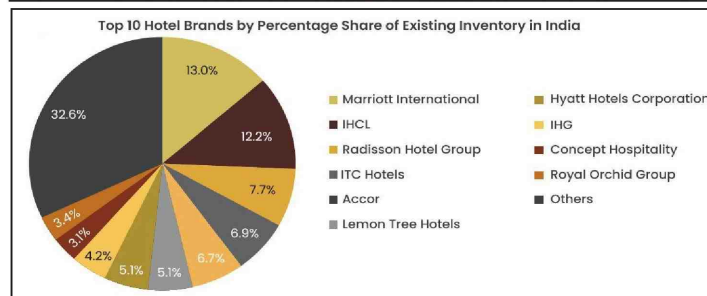
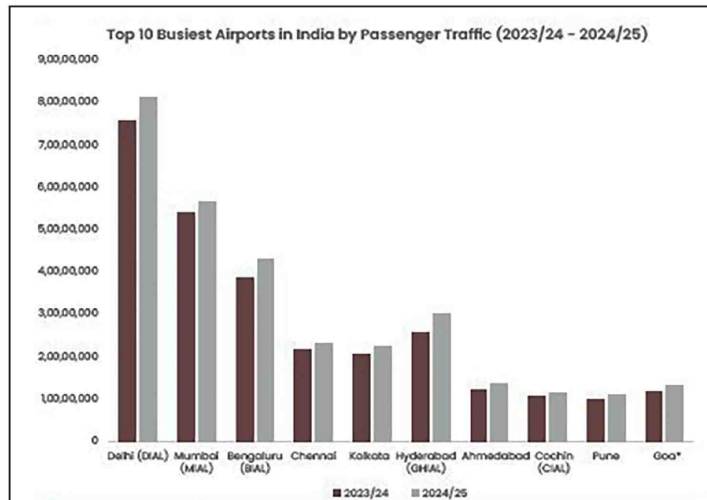
Rishikesh tops hotel price chart again as leisure travel drives India's hospitality boom: Report

HBI Staff | Hyderabad

Faith, leisure, and domestic demand continue to power India's hotel industry, with Rishikesh maintaining its position as the country's most expensive destination in terms of average room rates, according to the Hotelivate Trends & Opportunities 2025 report. The holy city in Uttarakhand remained at the top for the second consecutive year, with a revenue per available room (RevPAR) of INR 9,691 — a marginal decline of around 4 percent from INR 10,086 in FY24.

While business travel regained strength in FY25, driving Mumbai and Delhi into the second and third positions, leisure travel remained the dominant force. Out of the top 15 markets, 10 were leisure destinations: Rishikesh, Ranthambore, Udaipur, Srinagar, Goa, Varanasi, Jodhpur, Mussoorie, Lonavala, and Agra. The five business hubs were Mumbai, Delhi, Hyderabad, Bengaluru, and Gurgaon.

The report highlights that demand for leisure destinations, especially those with limited supply, has propelled them to the top of India's RevPAR rankings. Conversely, mature leisure markets such as Coorg and Srinagar saw a dip due to new mid-scale hotel openings, while established business destinations like Hyderabad and Gurgaon



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posted robust growth in room revenues.

India's hotel industry recorded a landmark year in FY25, supported by strong domestic travel and steady economic growth. The country's proposed supply crossed the 100,000-room mark for the first time in over a decade, while nationwide occupancy for April 2024 to March 2025 stood at 68.0 percent — the highest in recent years and well above pre-pandemic levels.

Existing hotels operational before March 2021 achieved 71.9 percent occupancy and an average daily rate (ADR) of INR 8,701, compared to the nationwide ADR of INR 8,432. Mumbai led in RevPAR and room revenue per key, followed by Bengaluru and Delhi.

With a branded supply pipeline of 114,151 rooms across 177 new markets, India's hospitality sector is entering FY26 on a strong footing. Despite geopolitical and economic challenges, the industry's domestic demand, sustained investment, and growing preference for leisure-driven experiences are set to define its next phase of growth. ■

