

Hotel chains plan expansion in Kashmir, hope for tourism revival



GREEN SHOOTS. Hotel chains say there has been a steady revival in demand over the last few months

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Hotel chains are seeing signs of recovery in their business in Jammu & Kashmir and are expanding their portfolios in the State.

While overall traffic is still lower compared to last summer, there is a positive growth trajectory, hotels and travel firms said.

While Lemon Tree Hotels signed a 60-room hotel under the Keys Prima brand in Srinagar in April, Sarovar Hotels is opening a property in Pahalgam in Q1 FY27, its sixth in the State.

STEADY RECOVERY

The terror attack in Pahalgam last April had a deep impact on customer travel sentiments but we have seen a steady revival in demand over the last few months, said Akshay Thusoo, Senior Vice-President (commercial), Sarovar Hotels.

Domestic leisure travel and group business, including meeting, conference and social events, are leading the recovery, supported by government-led initiatives to promote the region.

RENEWED INTEREST

“While demand is still around 35-40 per cent below typical seasonal levels, the

overall trajectory remains encouraging,” said Nikhil Sharma, Managing Director and COO (South Asia), Radisson Hotel group.

An ITC Hotels spokesperson said occupancies at group hotels in Kashmir, including those in Pahalgam, had improved, indicating business resilience.

“The entire region has seen a gradual recovery and we are confident that this trajectory will see further growth,” she said.

Air traffic between last April-February is still 24 per cent lower on a year-on-year basis as airlines are operating fewer flights. Travel portals ixigo and Yatra Online are seeing 15-20 per cent growth in bookings indicating renewed customer interest.

“While overall visitor numbers have not yet returned to previous highs, the recent winter season showed a rebound. During this period, accommodation bookings approached near-normal levels, especially in Srinagar, with Gulmarg, Sonmarg, and Patnitop also showing strong recovery in select months. This indicates that while there is still some ground to cover, traveller confidence in the region is returning,” said Rajesh Magow, Co-founder and Group CEO, MakeMyTrip.