Choice
Institutional Equities

ITC Hotels. (ITCHOTEL)

Owning the Ecosystem, Scaling Dominance

Luxury Brands	Upper Upscale Brands	Up Scale Brands
ITC Hotels	EPIQ Collection	Fortune
Mementos	Storii	Welcomhotel
	WelcomHeritage	

Cash

INR	15.1 Bn
Sep-25	INR

Net Debt

INR	(15.1) Bn
Sep-25	INR

COMMUNITY CHEST

Luxury Residential RE for Sale in Colombo – 132 Apts.

Initiating Coverage | Sector: Consumer Discretionary - Hotels

ITC Hotels Ltd. (ITCHOTEL)

April 02, 2026 | CMP: INR 147 | Target Price: INR 190

Expected Share Price Return: 28.9% I Dividend Yield: 0.0% I Expected Total Return: 28.9%

Sector View: Positive

BUY

Choice Institutional Equities

Owner-operator

ITC HOTELS LIMITED

Company Description: ITCHOTEL, anchors a five-decade hospitality legacy with over 150 hotels and 14,070 keys across 90+ destinations, backed by a seven-brand portfolio spanning luxury to mid-scale. With 40% owned/licensed assets and the rest managed, the company blends scale with capital efficiency.

Company information

BB Code	**ITCHOTEL**
ISIN	INE379A01028
Face Value (INR)	1.0
52 Week High (INR)	261
52 Week Low (INR)	137
Mkt Cap (INR Bn)	307.0
Shares Outstanding (Mn)	2,081
Free Float (%)	60.2

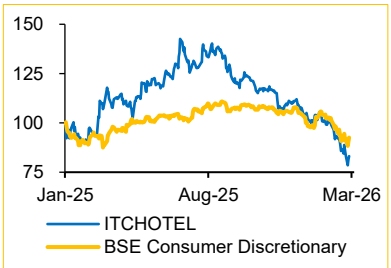
Shareholding pattern (%)

	Jun-25	Sep-25	Dec-25
Promoters	39.9	39.8	39.8
FIIs	25.4	25.5	16.1
DIIs	20.6	20.2	21.1
Government	0.02	0.02	0.02
Public	14.1	14.4	22.9

Relative performance (%)

	1Y	6M	3M
BSE Cons. Dis.	(3.3)	(15.3)	(15.2)
ITCHOTEL	(28.6)	(31.9)	(17.4)

Rebased price performance (%)



Click here to read Bull/Bear case

Click here to watch IC summary

Karan Kamdar
Email: karan.kamdar@choiceindia.com
Ph.: +91 22 6707 9451

Vinay Rawal
Email: vinay.rawal@choiceindia.com
Ph.: +91 22 6707 9443

Luxury Positioning and Accelerated Signings Drives Pipeline Visibility

By FY30E, ITCHOTEL is set to scale up a pipeline of over 6,100 keys across luxury, upper-upscale and experiential formats. Flagship properties continue to anchor elevated RevPAR, while the chain's increased signings in the last few years strengthens visibility of its upcoming pipeline. With owned assets maturing and strong key pipeline, 46% of which are in the upper-upscale segment, the portfolio mix is structurally shifting towards higher-yielding formats. **Accordingly, we expect ITCHOTEL to scale up its portfolio by over 400 owned keys and more than 3,700 managed keys by FY29E.**

Established Brand Equity and Prop-tech to Enable Managed Scalability

ITCHOTEL's multi-brand architecture covers luxury, upper-upscale and mid-market formats, anchoring its presence with over **150 hotels and over 90 destinations.** This diversified domestic platform is reinforced by the Marriott alliance and Club ITC, supporting higher ARRs, improved international mix and loyalty-led utilisation. Complementing these structural advantages, proprietary cloud-based **Platform-as-a-Service (PaaS)** enables lower-cost onboarding of managed hotels, **reducing setup cost by ~50% and accelerating asset-light expansion**. **As a result, managed keys are expected to increase to 66.8% of ITCHOTEL's total keys by FY29E, driving scalable network expansion and supporting revenue growth at 11.6% CAGR over FY26E–FY29E.**

Diversified Revenue Streams Poised for Margin Enhancement

ITCHOTEL is strengthening a capital-light growth engine, as managed keys are expected to scale up, from **60% to ~66.8% by FY29E**, supporting a targeted 2.5x rise in management fees. A robust **F&B platform**, contributing **40% of total revenue in FY25**, continues to deliver premium throughput through iconic dining brands and strong banqueting momentum. Adjacent revenue streams add further depth, to the topline, with memberships and experiential offerings set to grow 3x over the next five years, complemented by integrated developments, such as **Sapphire Residences**. We expect this integrated model to drive a **230 bps margin expansion over FY26E–FY29E.**

View and Valuation: We initiate coverage on ITCHOTEL with a **'BUY' rating** and a **target price of INR 190**, based on **FY28E EV/Adj. Hospitality EBITDA of 20x**, implying an upside of 28.9%. Driven by premium portfolio positioning, rising contribution from asset-light managed hotels and a visible pipeline, we expect **Hospitality Revenue / Adj. hospitality EBITDA / PAT to expand at CAGRs of 11.1% / 13.7% / 16.3%** respectively, over FY26E–29E. Rising managed mix and heightened operating leverage from maturing assets is likely to support margin expansion and compounding of sustained earnings.

Key Risks: Revenue concentration in hotels in metros, exposure to macro, seasonal and cyclical volatility. Heightened geopolitical tensions could discourage FTAs resulting in RevPar and occupancy declines.

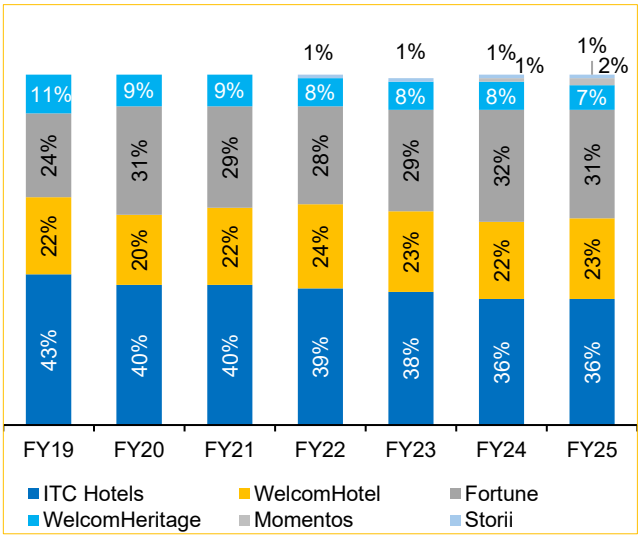
Click Here To Read our Hotel Industry Thematic Report

Key Financials - IND AS

INR Mn	FY25	FY26E	FY27E	FY28E	FY29E
# Keys (Total)	13,382	14,311	15,564	16,923	18,220
Keys Growth (%)	9.0%	6.9%	8.8%	8.7%	7.7%
RevPAR (Owned)	9,100	10,083	10,730	11,416	12,330
RevPAR Growth (%)	9.9%	10.8%	6.4%	6.4%	8.0%
Total Revenue	35,598	42,216	48,301	53,393	58,702
Revenue Growth (%)	60.0%	18.6%	14.4%	10.5%	9.9%
Adj. EBITDA	12,109	14,522	17,002	19,115	21,544
Adj. EBITDAM (%)	34.0%	34.4%	35.2%	35.8%	36.7%
Adj. EBITDA Growth (%)	61.5%	19.9%	17.1%	12.4%	12.7%
Profit after tax	6,376	9,114	10,906	12,506	14,343
Net Debt to Equity (x)	(0.2x)	(0.2x)	(0.3x)	(0.4x)	(0.5x)
ROE (%)	6.6%	8.1%	8.9%	9.4%	9.8%
ROCE (%)	7.9%	8.8%	9.9%	10.4%	11.0%
PE (x)	48.1x	33.7x	28.1x	24.5x	21.4x
EV/Adj. EBITDA (x)	24.0x	19.3x	16.4x	14.6x	13.0x

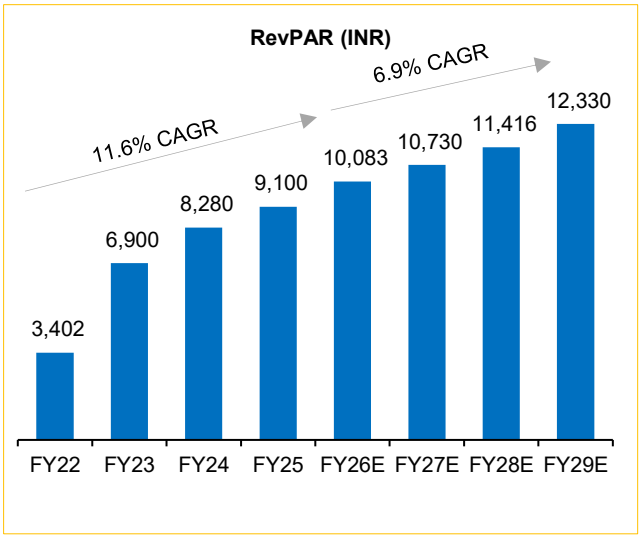
Source: ITCHOTEL, Choice Institutional Equities

36% Premium Concentration Sets ITCHOTEL Apart



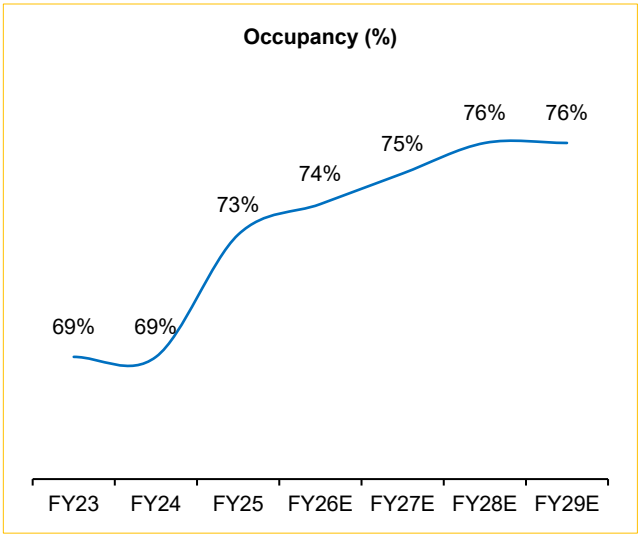
Source: ITCHOTEL, Choice Institutional Equities

Increased RevPAR Momentum Driven by Premium Mix



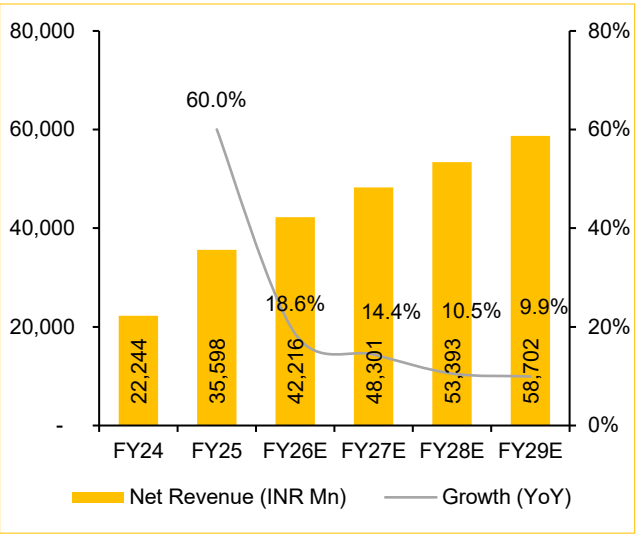
Source: ITCHOTEL, Choice Institutional Equities

Occupancy Stabilises at Structurally Higher Levels



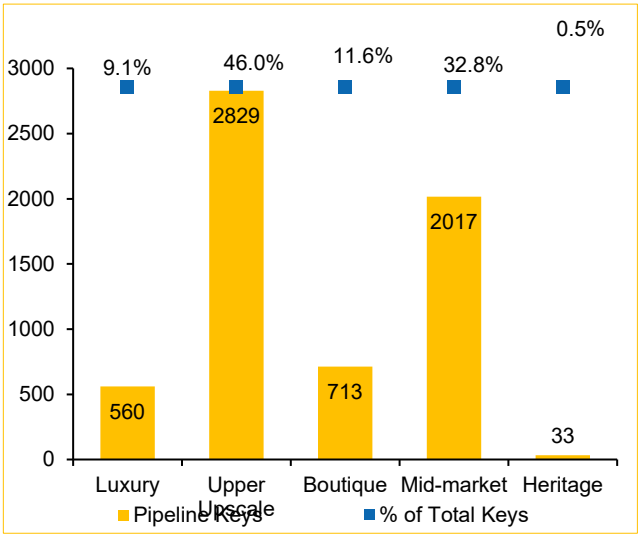
Source: ITCHOTEL, Choice Institutional Equities

Strong Topline Visibility Over FY26E–FY29E



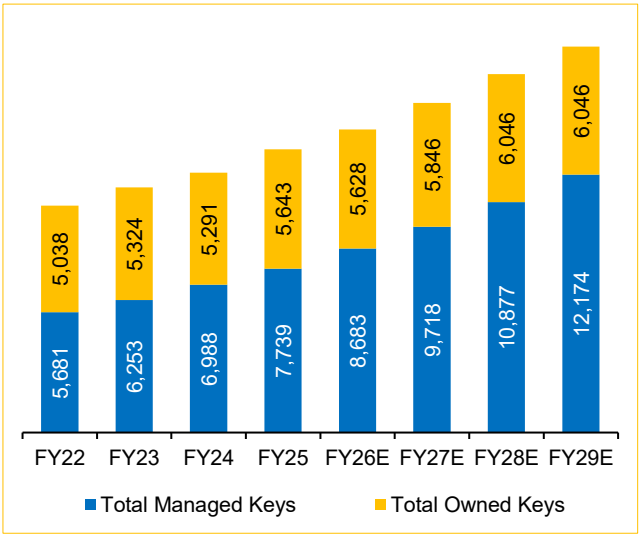
Source: ITCHOTEL, Choice Institutional Equities

Pipeline Heavily Skewed Towards Premium Assets



Source: ITCHOTEL, Choice Institutional Equities

Rising Managed Mix Enhances Capital Efficiency



Source: ITCHOTEL, Choice Institutional Equities

Report Structure

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Prisoner's Dilemma at Play in West Asia Conflict_Caution Advised until the Trap is Broken

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1.1 Luxury Positioning and Accelerated Signings Enhance Pipeline Visibility

By FY30E, ITCHOTEL is set to scale up a pipeline of over 6,100 keys across luxury, upper-upscale and experiential formats. Flagship properties continue to anchor elevated RevPAR, while the chain's increased signings in the last few years strengthens visibility of its upcoming pipeline. With owned assets maturing and strong key pipeline, 46% of which are in the upper-upscale segment, the portfolio mix is structurally shifting towards higher-yielding formats. **Accordingly, we expect ITCHOTEL to scale up its portfolio by over 400 owned keys and more than 3,700 managed keys by FY29E.**

ITCHOTEL's premium positioning establishes the foundation for structural pricing power

✓ Flagship Luxury Properties Command Premium Market Realisation

ITCHOTEL is a leading force in India's luxury hospitality market, with ~18% share and a strong presence across key destinations.

Its flagship assets, ITC Maurya, ITC Grand Bharat, and marquee heritage-inspired properties, exemplify architectural scale, culinary excellence, and personalised service.

The portfolio caters to high-end domestic and global travelers, reinforcing ITCHOTEL's reputation for premium experiential hospitality.

This premium foundation, anchored by flagship luxury assets, reinforces sustained demand strength

ITC Ratnadipa: ITCHOTEL's Architectural Masterpiece

Sustained demand strength, in turn, forms the base for future earnings expansion

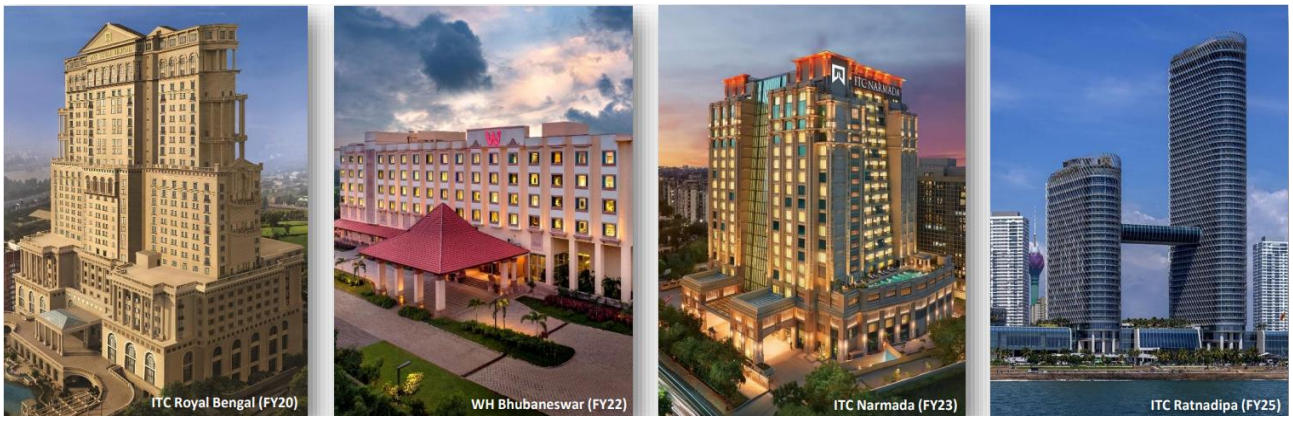
Source: ITCHOTEL, Choice Institutional Equities

ITC Grand Bharat — The Pinnacle of ITCHOTEL's Responsible Luxury

Source: ITCHOTEL, Choice Institutional Equities

1.1 Luxury Positioning and Accelerated Signings Enhance Pipeline Visibility

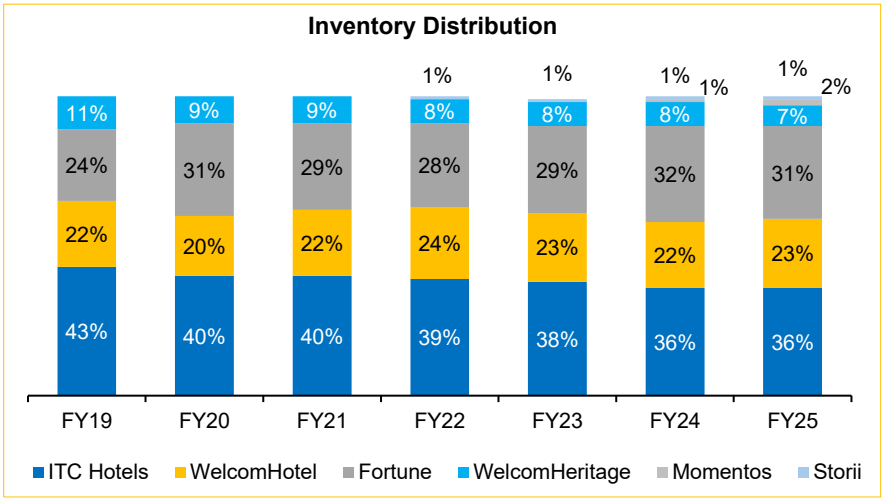
Snapshot of ITCHOTEL's Premium Property Portfolio



Source: ITCHOTEL, Choice Institutional Equities

Building on this earnings base, the portfolio continues to skew toward premium formats

Premium Concentration Sets ITCHOTEL Apart

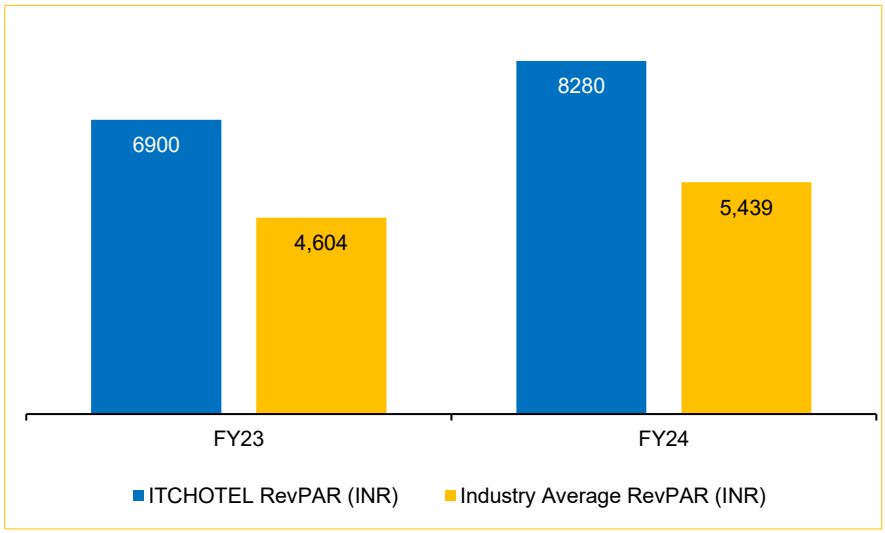


Source: ITCHOTEL, Choice Institutional Equities

This iconic luxury portfolio reinforce ITC's position as India's preeminent luxury hospitality brand, enabling ~60% of its keys in the luxury segment to drive higher RevPAR, stronger pricing power, and more stable earnings than mass-market peers.

This premium skew consistently translates into superior RevPAR realisation

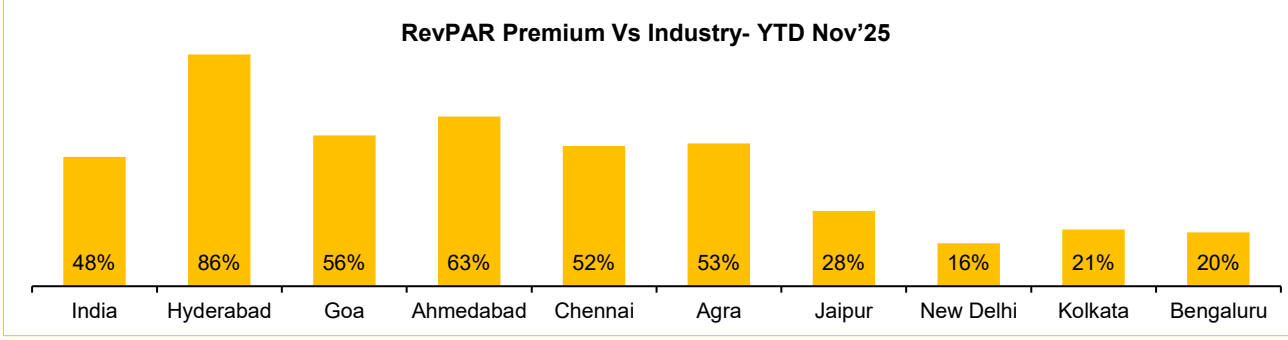
Industry-Beating RevPAR Validates Operational Moat



Source: ITCHOTEL, Choice Institutional Equities

1.1 Luxury Positioning and Accelerated Signings Enhance Pipeline Visibility

RevPAR Premiums Reinforcing Geographical Strength



Source: ITCHOTEL, Choice Institutional Equities

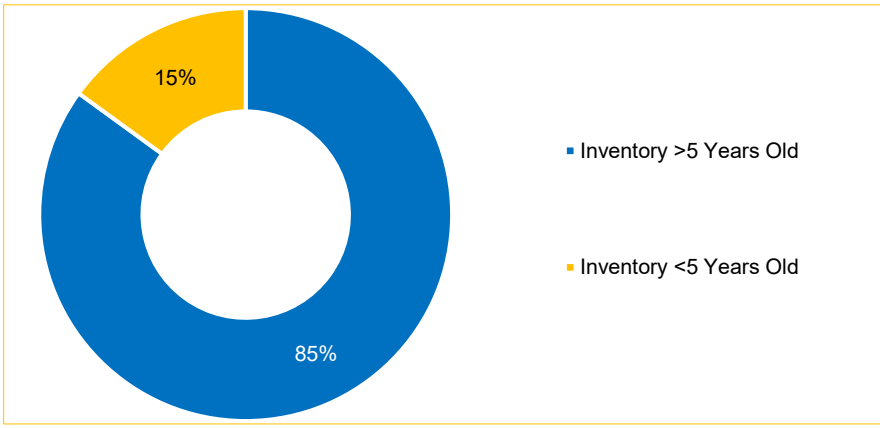
Strong city-wise premiums further validating ITCHOTEL's operational moat

As newly commissioned assets continue to ramp up and industry pricing outpaces ITCHOTEL in FY25, rate-led upside remains a key driver of growth.

✓ Maturing Owned Assets and Key Additions to Drive Growth

Maturity Curve Supports Rising Utilisation and Improving Flow-through

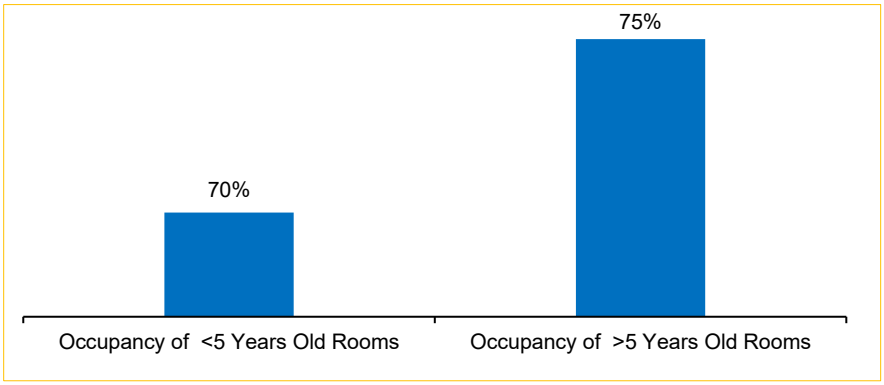
With pricing leadership established, younger assets now enter their stabilisation phase



Source: ITCHOTEL, Choice Institutional Equities

Occupancy Gap Shows Upside as New Assets Stabilise

As stabilisation progresses, rising utilisation unlocks operating leverage



Source: ITCHOTEL, Choice Institutional Equities

15% share of ITCHOTEL's owned inventory is still in the early phase of stabilisation, having occupancy of less than 70%.

As these assets ramp up occupancy and pricing over the next 2–4 years, they create a powerful internal engine of growth — without large capital outlays.

Additionally, ITCHOTEL's pricing growth has been trailing behind the industry, creating a clear opportunity for catch-up over the next few cycles. Together, these levers form a multi-year runway of organic value expansion.

1.1 Luxury Positioning and Accelerated Signings Enhance Pipeline Visibility

Long-dated Owned Pipeline Underpins Sustained Inventory Expansion

Hotel / Project Name	FY26E	FY27E	FY28E	FY29E	FY30E+
Welcomhotel Bhubaneshwar – Expansion Block		Target Completion (101 keys)			
Welcomhotel / Epiq Collection – Puri		Target Completion (118 keys)			
Premium 5 Star hotel in Yashobhoomi, Dwarka, New Delhi					Expected completion by FY30E
Greenfield Hotel – Visakhapatnam (Vizag)				Target Completion (200 keys)	
Greenfield Hotel		**Brownfield Hotel**			

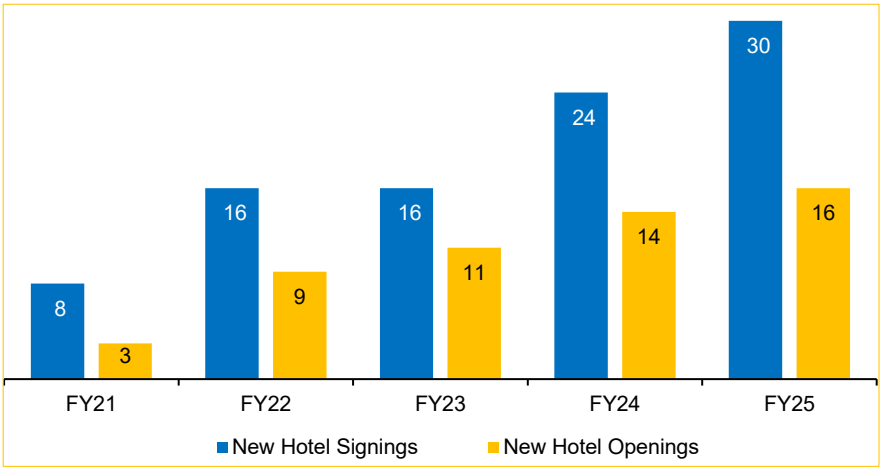
Source: ITCHOTEL, Choice Institutional Equities

Extending this young portfolio, the owned pipeline provides the next phase of owned asset growth

The next growth cycle is underpinned by maturation of the owned portfolio and 400+ owned keys across leisure and Tier-2 business destinations, forming the next 15–20% addition to the luxury footprint.

✓ **Accelerated Signings & Managed Keys Expansion to Drive Growth**

This premium platform has witnessed higher managed hotel signings and openings through FY21–FY25



Source: ITCHOTEL, Choice Institutional Equities

ITCHOTEL's asset-light strategy has gained traction, with all 54 hotels signed across FY24–FY25 under **management and franchise contracts.**

Building on this momentum, the company opened 30 hotels during the period, of which **29 were managed and franchised.**

Accordingly, the portfolio mix is structurally shifting, with managed and franchised keys expected to increase from ~60% historically to ~66.8% by 2029E, supporting improved capital efficiency and return ratios.

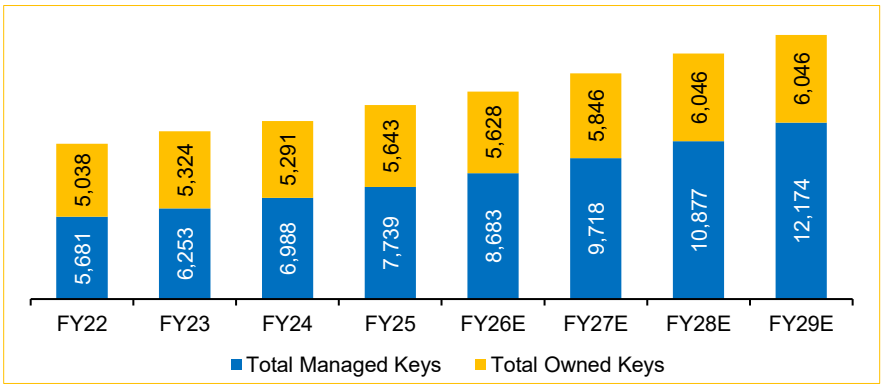
Pipeline of 59 Managed Hotels with 5,700+ Keys by FY30E

Source: ITCHOTEL, Choice Institutional Equities

1.1 Luxury Positioning and Accelerated Signings Enhance Pipeline Visibility

Asset-light trajectory is evident in the pipeline, which is heavily skewed toward managed keys

Managed-led Expansion Steadily Increases Share of Asset-light Keys

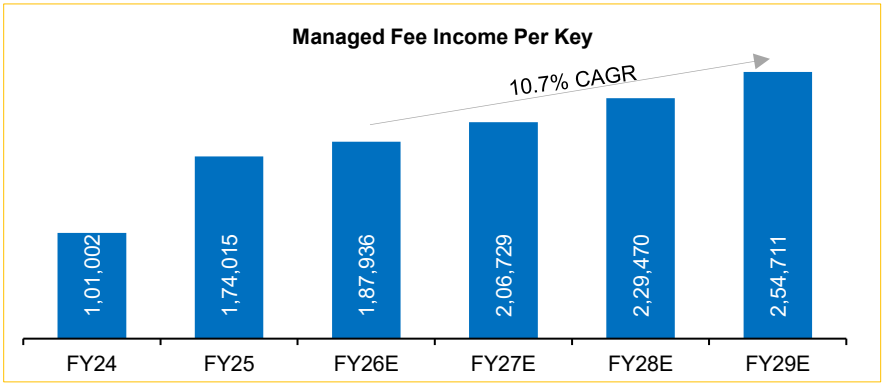


Source: ITCHOTEL, Choice Institutional Equities

The company's target is to maintain a launch velocity of **more than one hotel per month** over the next two years, driving toward a long-term goal of **220 hotels and 20,222 keys by 2030.**

This managed pipeline is further enhanced by increasing management fees over FY26E–FY29E

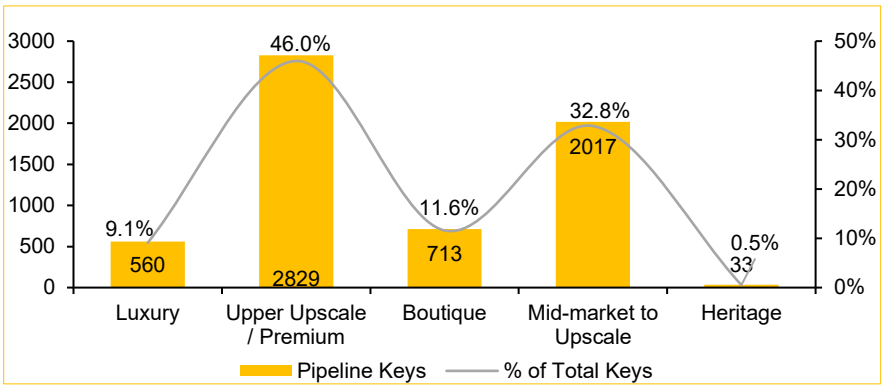
Managed Fees Projected to Increase By 10.7% CAGR over FY26E–FY29E



Source: ITCHOTEL, Choice Institutional Equities

Pipeline Heavily Skewed Toward Upper Upscale / Premium Assets

Pipeline skewed towards upper-upscale formats further strengthens ITCHOTEL's premium portfolio mix.



Source: ITCHOTEL, Choice Institutional Equities

Taken together, we believe ITCHOTEL will support portfolio expansion to 18,220 keys by FY29E

With luxury density driving mix upgrades, sustainability leadership strengthening brand trust, and consistent industry recognition validating experiential depth, ITCHOTEL's pricing fundamentals remain robust.

The combination of maturing assets and **forward pipeline** provides clear visibility on network expansion and flow-through.

Supported by premium mix expansion and asset-light growth, we believe ITCHOTEL is well positioned to expand its total key base (both managed and owned) to 18,220 keys by FY29E.

1.2 Established Brand Equity and Prop-tech to Enable Managed Scalability

ITCHOTEL's multi-brand architecture covers luxury, upper-upscale and mid-market formats, anchoring its presence with over **150 hotels and over 90 destinations.** This diversified domestic platform is reinforced by the Marriott alliance and Club ITC, supporting higher ARRs, improved international mix and loyalty-led utilisation. Complementing these structural advantages, proprietary cloud-based **Platform-as-a-Service (PaaS)** enables lower-cost onboarding of managed hotels, **reducing setup cost by ~50% and accelerating asset-light expansion**. **As a result, managed keys are expected to increase to 66.8% of ITCHOTEL's total keys by FY29E, driving scalable network expansion and supporting revenue growth at 11.6% CAGR over FY26E–FY29E.**

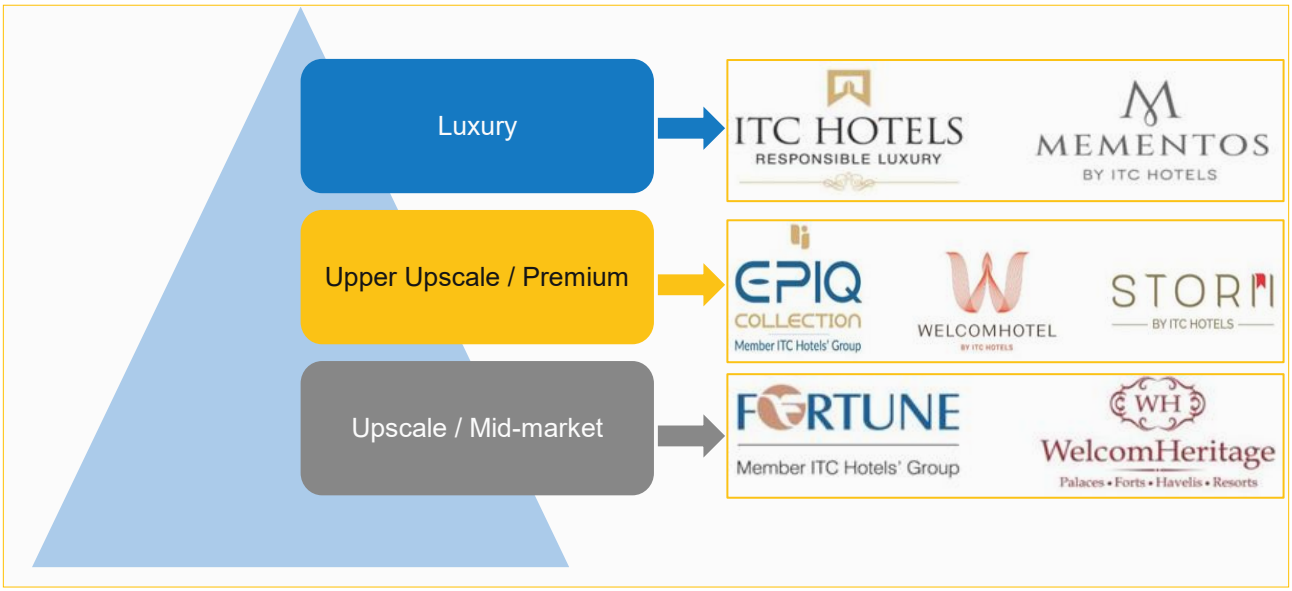
ITCHOTEL's diversified brand ladder strengthens its presence across multiple hospitality segments

✓ Diversified Brand Ladder Drives Balanced Growth Across Segments

ITCHOTEL leads India's luxury hospitality segment through a differentiated multi-brand portfolio and strategic partnerships with Marriott International.

The company operates seven brands covering luxury to mid-market segments, delivering exceptional customer experience while pursuing an asset-light expansion strategy.

ITCHOTEL – Brand Portfolio, by Segment



Source: ITCHOTEL, Choice Institutional Equities

This multi-segment presence broadens demand capture while reinforcing premium portfolio positioning

This portfolio enables ITCHOTEL to cater to multiple price points while maintaining brand differentiation and commanding premium pricing in luxury segments.

Segmented Propositions Support Revenue Optimisation Across Formats

Brand	Value Proposition
ITCHOTEL	Benchmark luxury hospitality with iconic marquee assets
Mementos	Immersive leisure & heritage experience
Welcomhotel	Scalable, high-quality footprint in growth markets
Storii	Boutique, design-forward stays; drives premium mix
Epiq Collection	Accelerates expansion via high-quality conversions
Fortune Hotels	Reliable, efficient stays for business travelers
WelcomHeritage	Authentic heritage accommodation

Source: ITCHOTEL, Choice Institutional Equities

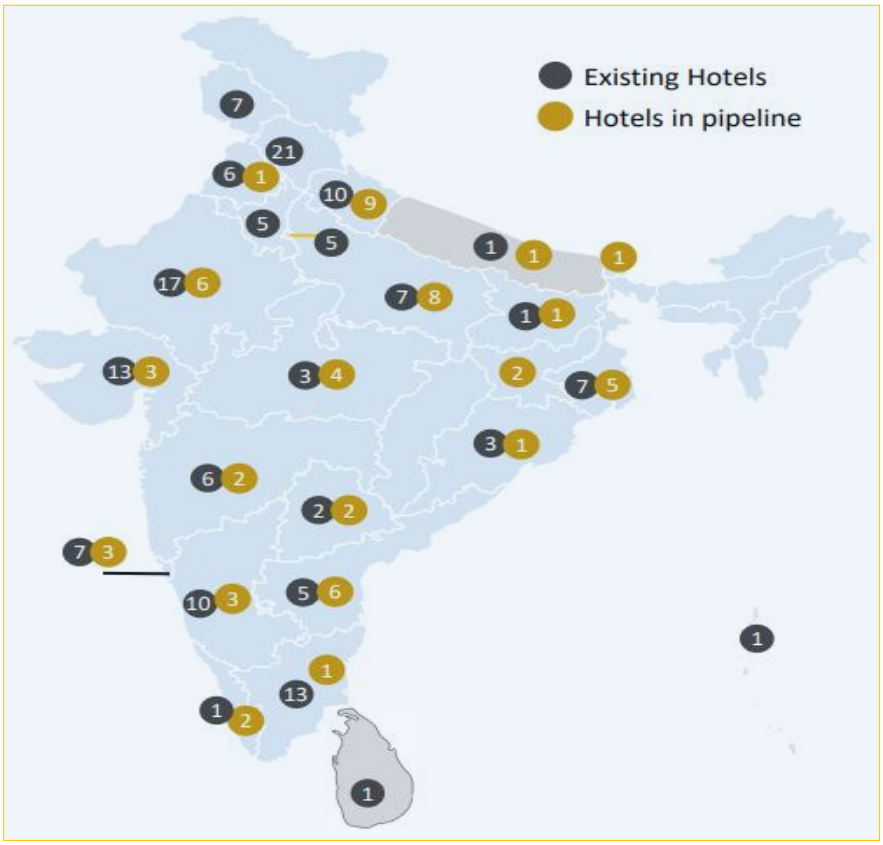
1.2 Established Brand Equity and Prop-tech to Enable Managed Scalability

Building on this scalable platform, geographic expansion diversifies ITCHOTEL's demand base

Building on its portfolio strength, ITCHOTEL has developed wide geographical diversification across India, enabling exposure to multiple demand pools and reducing dependence on a solitary market.

Geographic Spread Enhances Occupancy Stability and Market Resilience

This diversified footprint reduces concentration risk while improving network



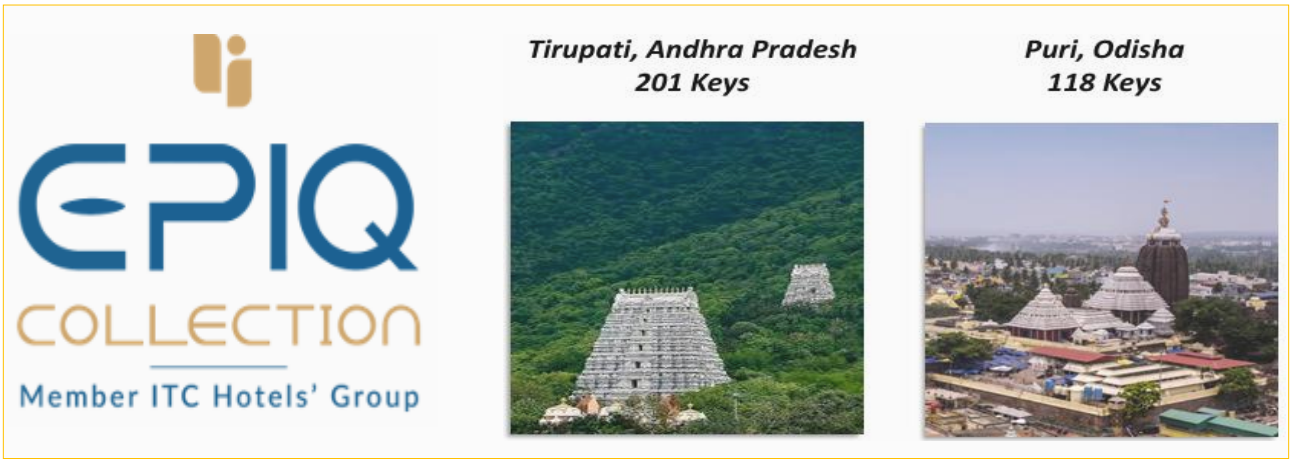
Source: ITCHOTEL, Choice Institutional Equities

Strengthening this expansion visibility, recent openings expand ITCHOTEL's high-quality inventory

To further deepen its geographical diversification, ITCHOTEL introduced Epiq Collection.

A conversion-driven upscale brand designed to strengthen the portfolio's premium density without adding balance-sheet load, accelerating scale in attractive micro-markets and enhancing RevPAR mix.

Epiq Strengthens ITCHOTEL's Premium Footprint And Regional Price Leadership



Source: ITCHOTEL, Choice Institutional Equities

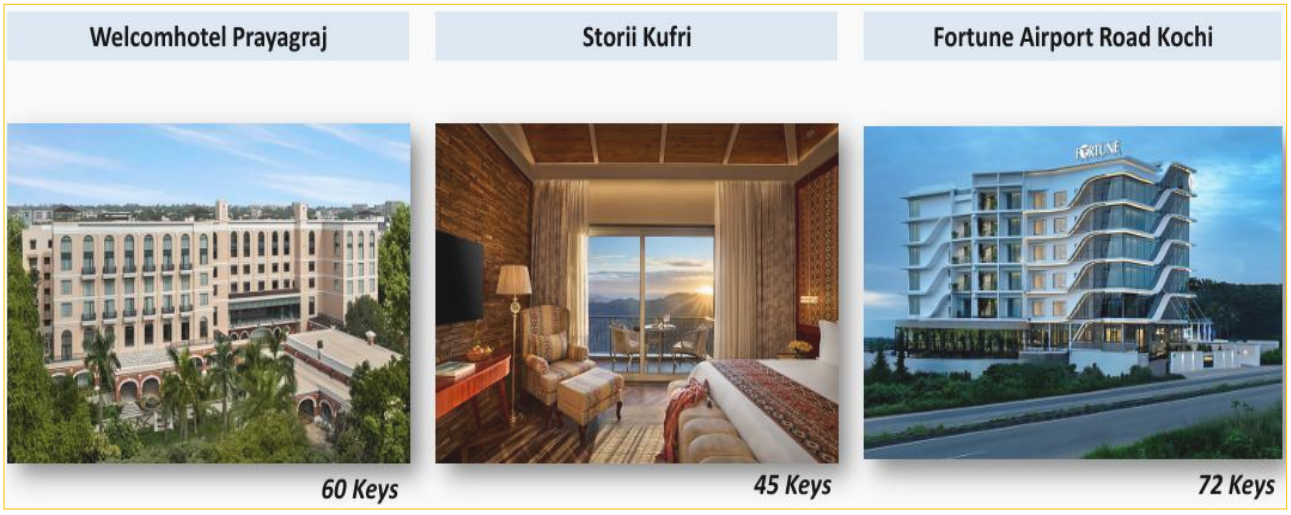
1.2 Established Brand Equity and Prop-tech to Enable Managed Scalability

This expanding inventory accelerates occupancy stabilisation and improves portfolio mix

This brand inflection aligns with strong execution in H1 FY26, highlighted by the openings of Welcomhotel Prayagraj (60 keys), Storii Kufri (45 keys) and Fortune Airport Road Kochi (72 keys).

Together, these additions and the launch of Epiq reinforce ITCHOTEL's brand equity and its efforts to enhance it further, while supporting a structurally lighter, more scalable earnings model.

Incremental Keys Bolster The Platform's Scale



Source: ITCHOTEL, Choice Institutional Equities

Global franchise alliances bolster pricing strength, foreign mix and loyalty-driven utilisation

✓ **Dual Levers of Demand: Marriott Distribution and Club ITC Loyalty**

Complementing this premium brand momentum is ITCHOTEL's most powerful external lever, the Marriott franchise, which significantly increases international demand and pricing strength.

Marriott Alliance Amplifies International Visibility

This expanded access improves utilisation and pricing consistency across premium assets

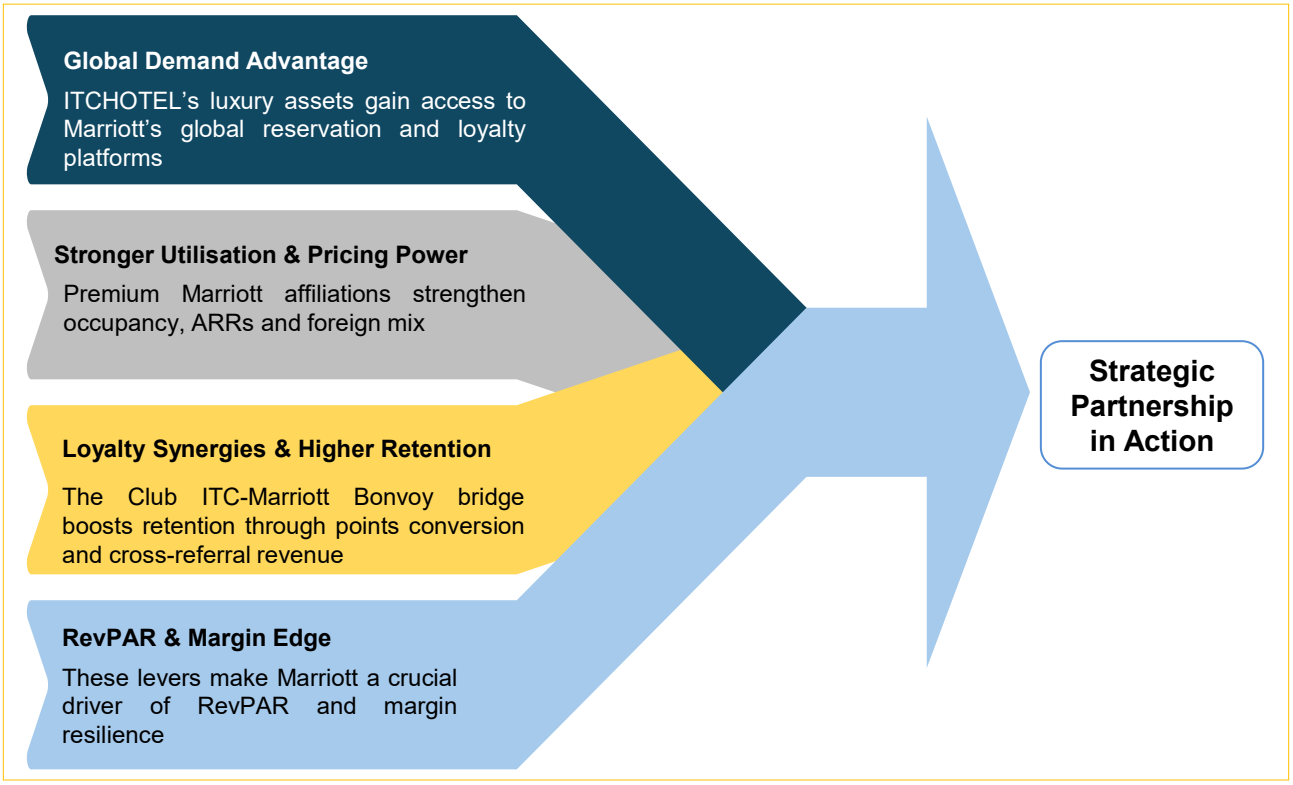
Source: ITCHOTEL, Choice Institutional Equities

ITCHOTEL's partnership with Marriott International integrates its flagship luxury assets into a global distribution and loyalty ecosystem.

This provides direct access to Marriott's reservation platform over 200 Mn Bonvoy members, driving higher visibility among international travelers.

1.2 Established Brand Equity and Prop-tech to Enable Managed Scalability

Marriott Synergies Strengthen Demand Quality, Utilisation And RevPAR Resilience

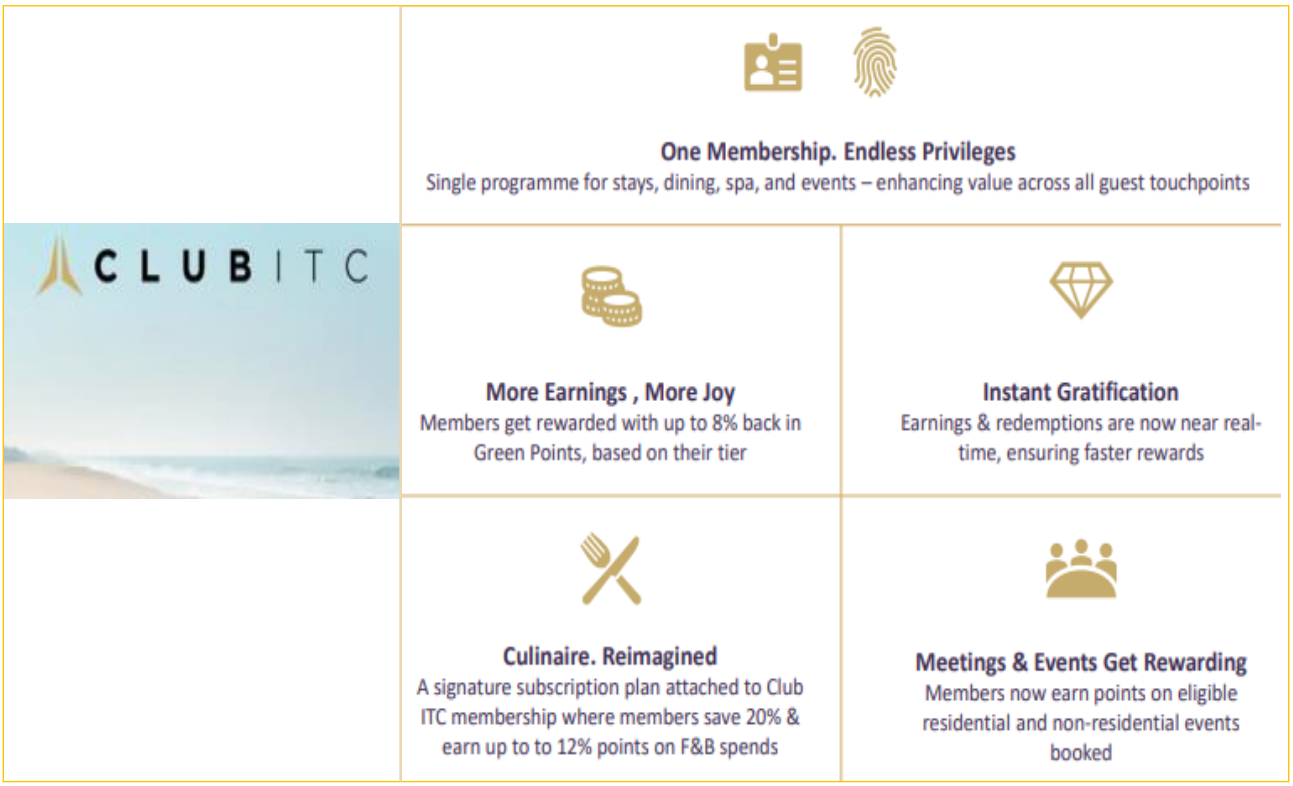


Source: ITCHOTEL, Choice Institutional Equities

Improved utilisation consistency, in turn, strengthens earnings visibility

Alongside ITC–Marriott Bonvoy, the Club ITC programme serves as ITCHOTEL's in-house loyalty platform, strengthening repeat demand, direct engagement and utilisation across its domestic portfolio.

Club ITC – Loyalty Economics Framework



Source: ITCHOTEL, Choice Institutional Equities

1.2 Established Brand Equity and Prop-tech to Enable Managed Scalability

✓ Proprietary Tech Stack Enables Managed Portfolio Scalability

Supporting earnings visibility, ITCHOTEL's proprietary platform enables efficient managed expansion

As demand visibility strengthens through loyalty ecosystems, ITCHOTEL has aligned its technology infrastructure to efficiently capture, service and monetise this expanding guest base.

Its unified cloud Platform-as-a-Service (PaaS) reduces 50% of cost for managed / franchised hotels, wherein owners get a 'plug-and-play' system already configured centrally.

Additionally, the Sabre SynXis Central Reservation System (CRS) integrates all frontline systems, enabling seamless, real-time distribution of the entire room inventory across global booking channels.

This shared platform drives direct bookings which boost profits by lowering commissions.

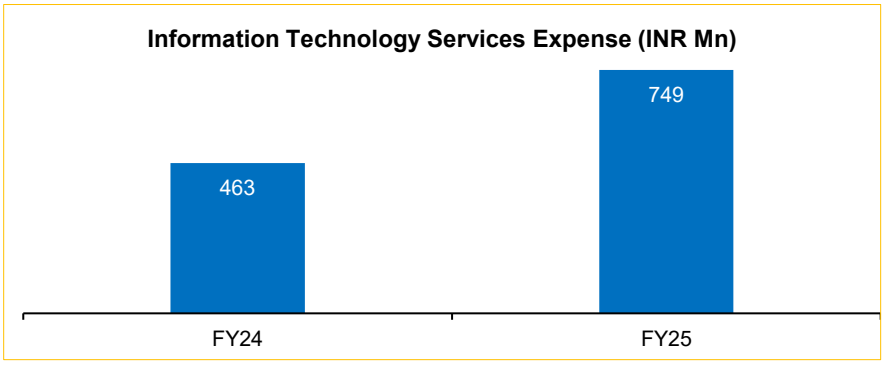
ITCHOTEL vs Peers: Technology Stack Comparison

Parameters	ITCHOTEL	Industry Peers
Architecture	Unified modular platform	Fragmented / operator-led systems
Automation	Enterprise RPA + GenAI	Limited AI / analytics tools
Distribution	Own GDS identity + **Sabre SynXis Central Reservation System** integration	Franchisor-driven distribution
Personalisation	AI-IoT command centre	Concierge / BI-led engagement
Scalability	Plug-and-play, capex-light	Standardised but less flexible

Source: ITCHOTEL, Choice Institutional Equities

ITCHOTEL's technology focus is evident in the rising technology spend

IT Services Spend Rose 62% YoY In FY25



Source: ITCHOTEL, Choice Institutional Equities

This diversified brand ladder, loyalty programs and tech-stack are expected to strengthen the topline by 11.6% CAGR over FY26E–FY29E

ITCHOTEL's technology stack supports its asset-light growth. This replaces separate property systems and cuts onboarding cost by 50-70% through plug-and-play setup.

It connects to global booking systems for higher RevPAR, adds loyalty and automation for better margin, and provides security tools which partners could not build independently.

This supports adding 61 hotels to the pipeline and reaching 220 hotels, which cumulatively holds over 20,222 keys by FY30E.

We believe ITCHOTEL's diversified brand ladder, combining Marriott Bonvoy, Club ITC, and proprietary tech stack, will facilitate revenue CAGR of 11.6% over FY26E–29E by enabling faster managed expansion.

1.3 Diversified Revenue Streams Poised for Margin Enhancement

ITCHOTEL is strengthening a capital-light growth engine, as managed keys are expected to scale up, from **60% to ~66.8% by FY29E**, supporting a targeted 2.5x rise in management fees. A robust **F&B platform**, contributing **40% of total revenue in FY25**, continues to deliver premium throughput through iconic dining brands and strong banqueting momentum. Adjacent revenue streams add further depth, to the topline, with memberships and experiential offerings set to grow 3x over the next five years, complemented by integrated developments, such as **Sapphire Residences**. We expect this integrated model to drive a **230 bps margin expansion over FY26E–FY29E.**

✓ Management Contracts: Scaling up Without Capital Intensity

ITCHOTEL enters a new phase with the pivot from asset-heavy hotels to a scalable, capital-light model

Historically, ITCHOTEL followed an ownership-heavy model, building landmark properties like ITC Maurya and ITC Grand Chola to establish its brand leadership.

With its brand now firmly established, the company is pivoting to a capital-efficient capex-light strategy, emphasising managed and franchise contracts for faster, scalable growth.

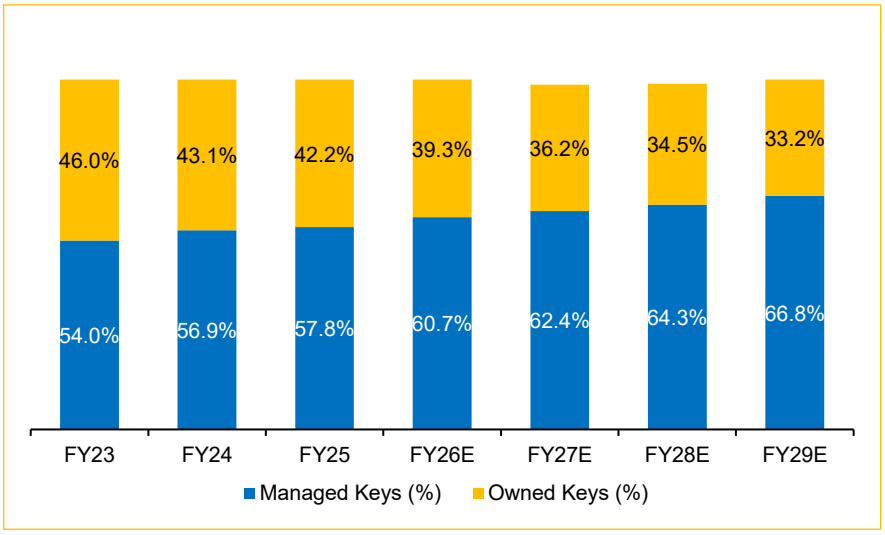
This capex-light approach reduces capital intensity and facilitates deeper geographic reach into Tier 2 and Tier 3 markets through management and franchise contracts.

From Owning Assets to Owning Growth: ITCHOTEL's Capex-light Pivot

Source: ITCHOTEL, Choice Institutional Equities

This transition accelerates as managed keys rise sharply…

Portfolio Mix Shifts Towards Managed Keys under Capex-light Strategy



Source: ITCHOTEL, Choice Institutional Equities

Creating structural operating leverage

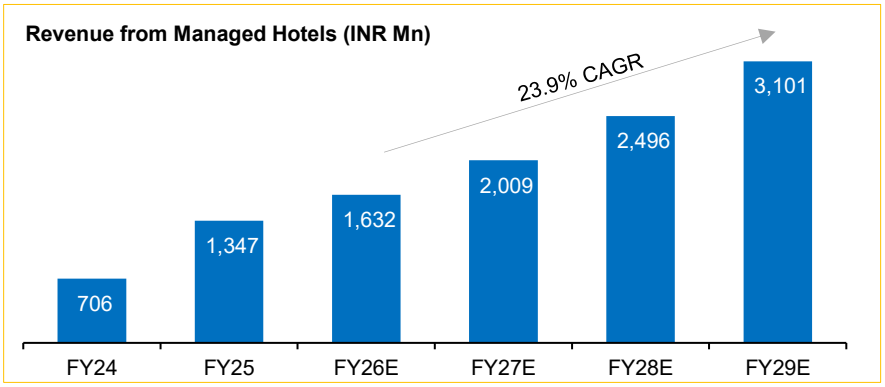
ITCHOTEL's portfolio expansion reflects its capex-light strategy, with managed hotels increasing by 48.6% from FY22 to Q3 FY26, underscoring a clear shift toward a more agile and capital-efficient operating model.

By prioritising management and franchise contracts, ITC is driving faster scalability and building an annuity-style revenue base.

1.3 Diversified Revenue Streams Poised for Margin Enhancement

As managed keys scale up, fee income becomes a structural earnings engine

Managed-hotel Revenues Scale up With Asset-light Expansion



Source: ITCHOTEL, Choice Institutional Equities

This higher-margin pool strengthens EBITDA quality and visibility

Management fees rose 91% YoY to INR 1.3 Bn in FY25, driven by the managed mix increasing to 57% of keys from 45% in FY20, underscoring strong progress through asset-light strategy.

The growing shift to management contracts enables faster, low-capex expansion, higher-margin fee income, and better asset turns.

With brownfield conversions and managed additions accelerating, ITCHOTEL is positioned for sustained margin accretion and structurally capital-efficient growth.

Managed Model: A Clear Path to Higher ROCE

Source: ITCHOTEL, Choice Institutional Equities

Managed-led Expansion: 59 Managed Hotels, ~5,700 Keys in Pipeline by FY30E

Source: ITCHOTEL, Choice Institutional Equities

Driving a clear pathway toward sustainable ROCE expansion

ITCHOTEL's 59-hotel, ~5,700-key managed pipeline, by FY30E, represents one of the deepest asset-light expansion runways in the industry.

This ensures that future scaling up will be driven by fee-based, high-margin revenue, allowing the company to compound EBITDA and ROCE without incremental strain on balance sheet.

We believe the managed mix can rise to 66.8% of total keys by FY29E, **expanding by CAGR of 11.9% over FY26E–29E CAGR**, reinforcing the structural scalability of the asset-light model.

1.3 Diversified Revenue Streams Poised for Margin Enhancement

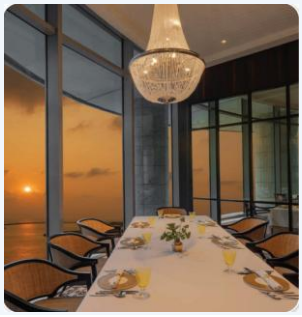
In parallel, ITCHOTEL fortifies its portfolio with India's strongest F&B platform

✓ Culinary Excellence Meets Premium Residences

ITCHOTEL operates India's most acclaimed F&B portfolio, which grew by 66% YoY and contributed to 40% of revenue in FY25.

With iconic culinary brands built over five decades, F&B serves as a strategic differentiator which strengthens pricing power and deepens guest loyalty.

The Signature Dining Brands Behind ITCHOTEL's F&B Strength.

Dum Pukht	Avartana	Bukhara	Yi Jing
			

Source: ITCHOTEL, Choice Institutional Equities

These engines deepen experiential differentiation and revenue intensity

ITCHOTEL's F&B portfolio spans Indian regional, Asian, Mediterranean, Italian and global cuisines, making it one of India's most comprehensive culinary destinations.

Complementing this is the Sapphire Residences, a super-premium branded residential tower in Colombo, Sri Lanka.

With investment outlay substantially complete and sales underway, the project benefits from mixed-use synergies with the adjacent 352-key luxury hotel.

Sapphire Residences — Super-premium Residential Asset

Source: ITCHOTEL, Choice Institutional Equities

Sapphire Residences — Key Asset Parameters

Parameter	Asset Detail
Location	Galle Face center road, Colombo, Sri Lanka
Project type	Mixed-use (hotel + residences)
Residential inventory	132 luxury units/penthouses
Total saleable area	0.73 Mn sq. Ft.
Operational status	Substantially complete / sales underway
Unique USP	180-degree panoramic Indian ocean views
Sustainability	LEED platinum® certified

Source: ITCHOTEL, Choice Institutional Equities

1.3 Diversified Revenue Streams Poised for Margin Enhancement

In tandem, F&B's ~40% revenue stability and Sapphire Residences' high-margin surplus potential over FY26E–FY30E fortify ITCHOTEL as a diversified growth engine.

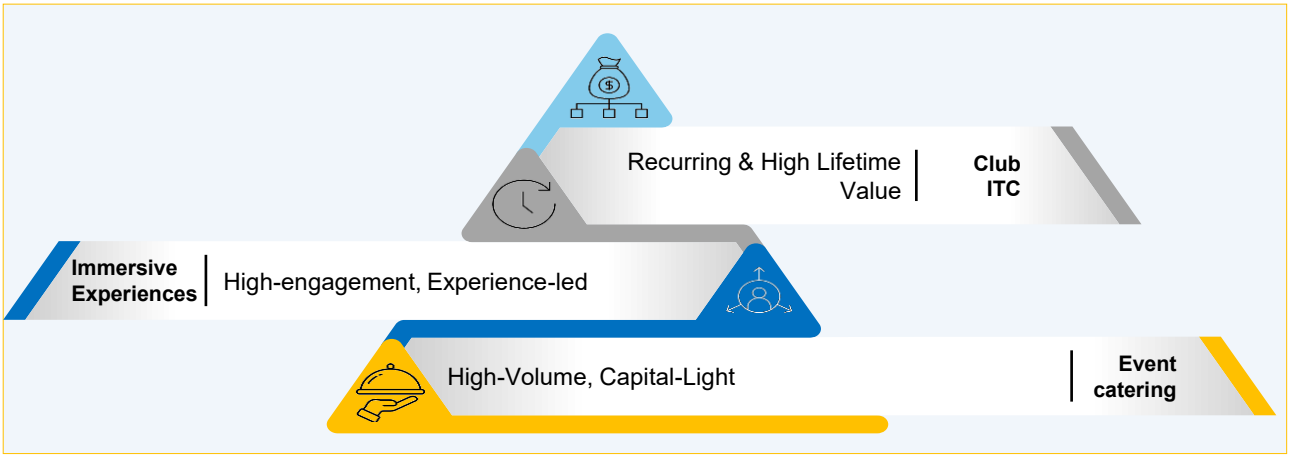
With Q3 FY26 delivering INR 820 Mn revenue and INR 26 Mn PBT from initial handovers, premium oceanfront moat, and ITC Ecosystem synergies position this duo to de-risk cyclicality while accelerating EBITDA expansion.

✓ Augmenting Revenue Streams: Beyond Traditional Models

As ITCHOTEL scales its core room and F&B businesses, the company is transitioning towards a more holistic hospitality ecosystem by scaling adjacent businesses that complement its core operations.

These initiatives enhance monetisation, capture incremental demand pools and build a more resilient, diversified revenue portfolio geared for long-term growth.

Adjacent Revenue Layers Driving Depth, Engagement And Scale



Source: ITCHOTEL, Choice Institutional Equities

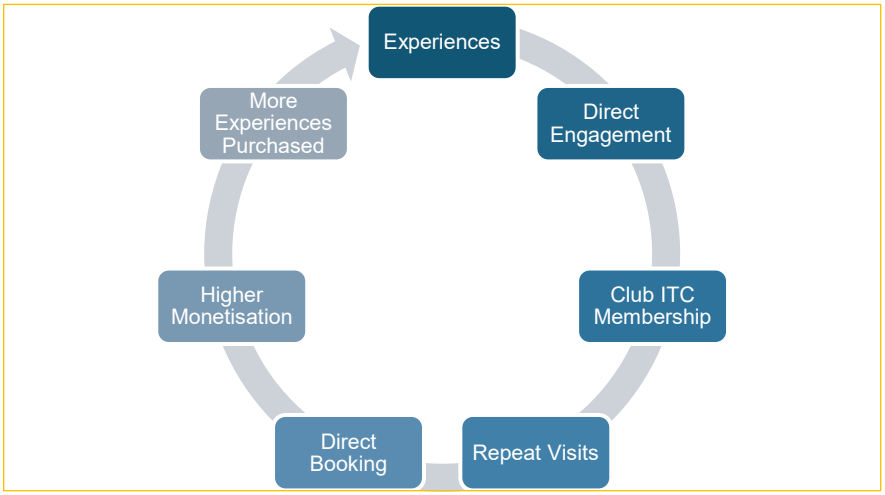
The model broadens further with memberships, experiences, and catering

Club ITC operates as a high-value subscription engine, generating predictable, recurring revenue while structurally lifting customer lifetime value.

By monetising premium dining demand through defined benefits and curated gastronomic experiences, the program deepens customer engagement. It drives higher visit frequency and improves overall mix quality.

Experience Flywheel Powering Stickiness and Revenue Growth

These capital-light adjacencies lift customer lifetime value, while creating recurring and high-engagement revenue layers



Source: ITCHOTEL, Choice Institutional Equities

1.3 Diversified Revenue Streams Poised for Margin Enhancement

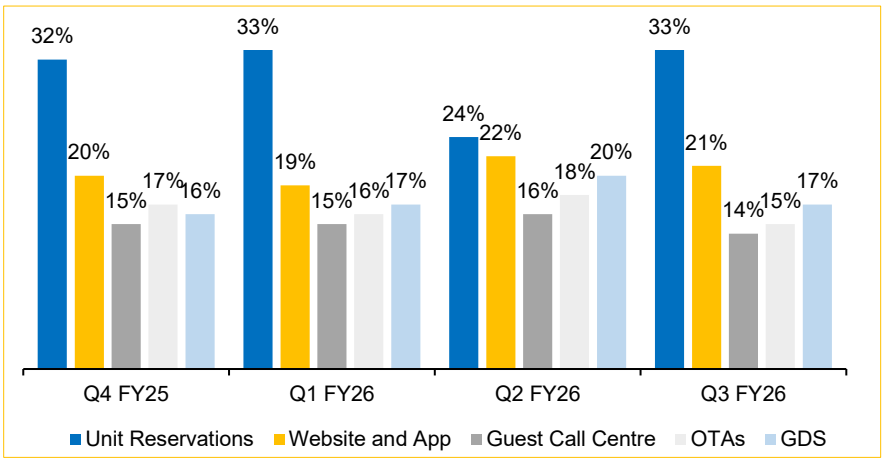
Curated experiences function as capital-light monetisation levers which convert ITCHOTEL's culinary expertise and heritage-rich assets into incremental revenue.

By formalising demand for heritage walks and wellness-led engagements, ITC lifts non-room spend.

It broadens participation beyond in-house guests and strengthens cross-sell into core F&B and membership products.

Balanced distribution ecosystem, ensuring that the company is not overly reliant on high-commission OTAs

Multi-channel Distribution Driving Consistent Demand Capture



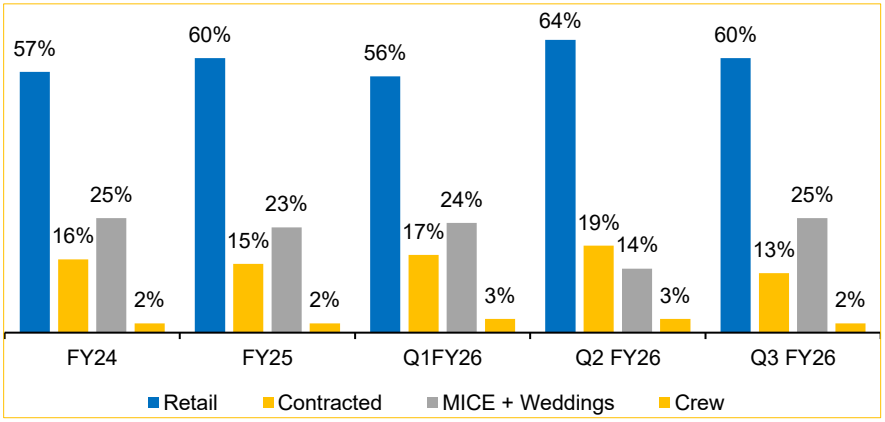
Source: ITCHOTEL, Choice Institutional Equities

ITCHOTEL's booking funnel demonstrates a well-balanced channel mix which supports both, occupancy stability and margin resilience.

This has helped increase the share of high-margin non-contracted business over the years

Unit reservations remain the largest contributor, while direct digital channels continue to scale it salience to 21-22%, reducing distribution costs and improving unit economics.

Retail and Contracted Share Rising; MICE Stable



Source: ITCHOTEL, Choice Institutional Equities

With diversified revenue streams, followed by multi-channel distribution system, ITCHOTEL is poised to grow margin by 230 bps, over FY26E–FY29E

These scalable revenue engines, including management fees, premium F&B, and experiential adjacencies — enhances revenue visibility, reduces cyclicality, and strengthens capital efficiency.

We expect this integrated model to drive 230 bps margin expansion over FY26E–FY29E, supported by a richer mix targeting 67% managed keys by FY30 and higher-margin contributions.

2.1 View & Valuation

- **We expect premium mix and higher signing momentum to improve execution visibility**. Total keys to rise by 6,152 by FY29E, with ~46% in upper-upscale, supporting structurally higher yields.
- **We expect asset-light scaling to drive growth.** Brand architecture, Marriott alliance, Club ITC and PaaS-enabled onboarding support managed keys rising to ~66.8% by FY29E.
- **We model margin expansion led by fee mix-up and non-room strength.** Management fees are targeted to double by FY29, while operating leverage from higher non-room revenue segments (such as F&B, memberships, etc.) to support 230 bps EBITDA margin expansion between FY26E–FY29E.

We believe ITCHOTEL is well positioned for sustained earnings compounding, driven by a premiumising portfolio mix and strong pipeline visibility, alongside an accelerating shift toward asset-light managed growth that lifts fee income, capital efficiency and margins.

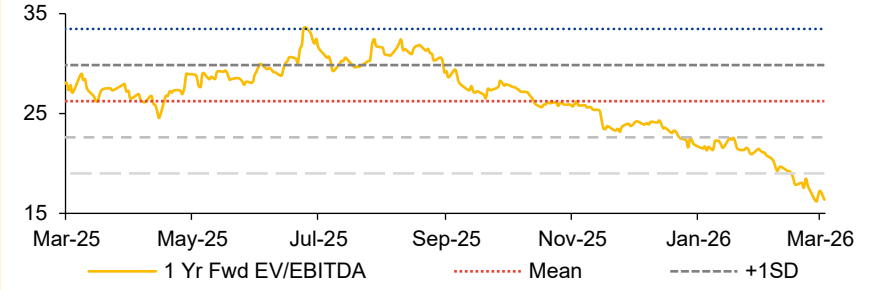
These structural drivers are expected to deliver robust financial performance, with Hospitality Revenue / Adj. hospitality EBITDA / PAT to grow at CAGRs of 11.1% / 13.7% / 16.3% over FY26E–29E. Applying a forward EV/Adj. EBITDA multiple of 20.0x on FY28E Adj. Hospitality EBITDA, we derive a target price of INR 190 and a "BUY" rating.

EV/ EBITDA Valuation

ITCHOTEL	FY2028E Adj. EBITDA	Target EV/Adj. EBITDA	Enterprise Value (INR Mn)	INR/share (rounded to nearest 10)
Hospitality Business	18,047	20.0x	3,60,946	170
Residential RE Sale	1,067	0.0x	0	0
Total	**19,115**	**18.9x**	**3,60,946**	**170**
Less: Net Debt			(27,543)	
Less: Minority Interest			363	
Attributable Equity Value			**3,88,126**	190

Source: ITCHOTEL, Choice Institutional Equities

1 year forward EV / EBITDA



Source: ITCHOTEL, Choice Institutional Equities

2.2 DCF Valuation

DCF Assumptions

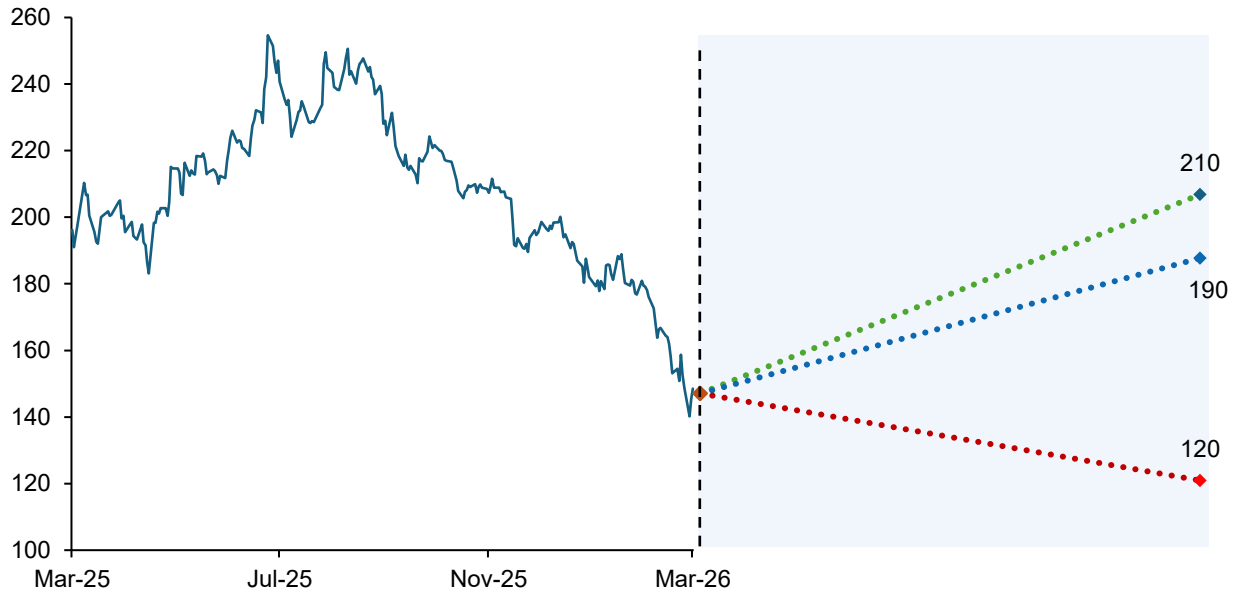
Particular *(INR Bn unless specified)*	
WACC (%) (CoE)	**13.3%**
Terminal Growth Rate (%)	5.0%
PV of FCFE	**136.2**
Terminal Value	907.2
PV of Terminal Value	**229.2**
Equity Value	365.0
Equity Value Per Share (INR)	**180**

Sensitivity Analysis

		Terminal Growth Rate %				
		3.0%	4.0%	5.0%	6.0%	7.0%
WACC	11.3%	210	230	250	290	340
	12.3%	180	190	210	230	260
	13.3%	150	160	**180**	190	210
	14.3%	130	140	150	160	180
	15.3%	120	120	130	140	150

Note: Beta set at 1.2x of Indian Hotels to account for recent listing and limited historical data
Source: ITCHOTEL, Choice Institutional Equities

2.3 Scenario Analysis – Bull, Bear & Base Case



Source: FactSet, Choice Institutional Equities

INR 210
42.5% Upside

BULL Assumptions

- Accelerated asset-light expansion, maturation of young owned assets, and sustained premium RevPAR positioning
- Yield-accretive utilisation of its huge cash & cash equivalents balances.
- Estimating Revenue CAGR of 18% FY26E–28E and EBITDA Margin expansion by ~240bps FY26E–FY28E

INR 190
28.9% Upside

BASE Assumptions

- Asset additions and ramp-ups broadly in line with guidance, with stable RevPAR growth across core markets
- Estimating Revenue CAGR of 14.7% FY26E-28E and EBITDA Margin expansion by ~140bps FY26E-FY28E

INR 120
18.6% Downside

BEAR Assumptions

- An extended West Asia conflict slows RevPAR and occupancy beyond Q2FY26E
- RevPAR de-grows if demand normalises and incremental branded supply ramps faster than absorption, pressuring occupancy and ARR
- Management contract signings slow, reducing visibility on asset-light growth
- Staff, utilities, brand investment inflation and ongoing West Asia war constrains EBITDA margin trajectory over FY26E–FY28E

2.4 Risks to Our Investment Thesis

Metro-heavy concentration, lease-linked fixed costs and cyclicality together heighten revenue and cash-flow volatility.

Revenue Concentration Risk: A large share of ITCHOTEL's revenue is generated from metro-heavy markets, such as New Delhi, Mumbai, Chennai, Kolkata, Hyderabad, and Bengaluru.

This concentration exposes the business to region-specific disruption, regulatory changes and competition intensity, which could materially impact revenue stability.

Lease & Licensing Risk: Several ITCHOTEL properties operate on leased land or under long-term licenses from government bodies and private owners.

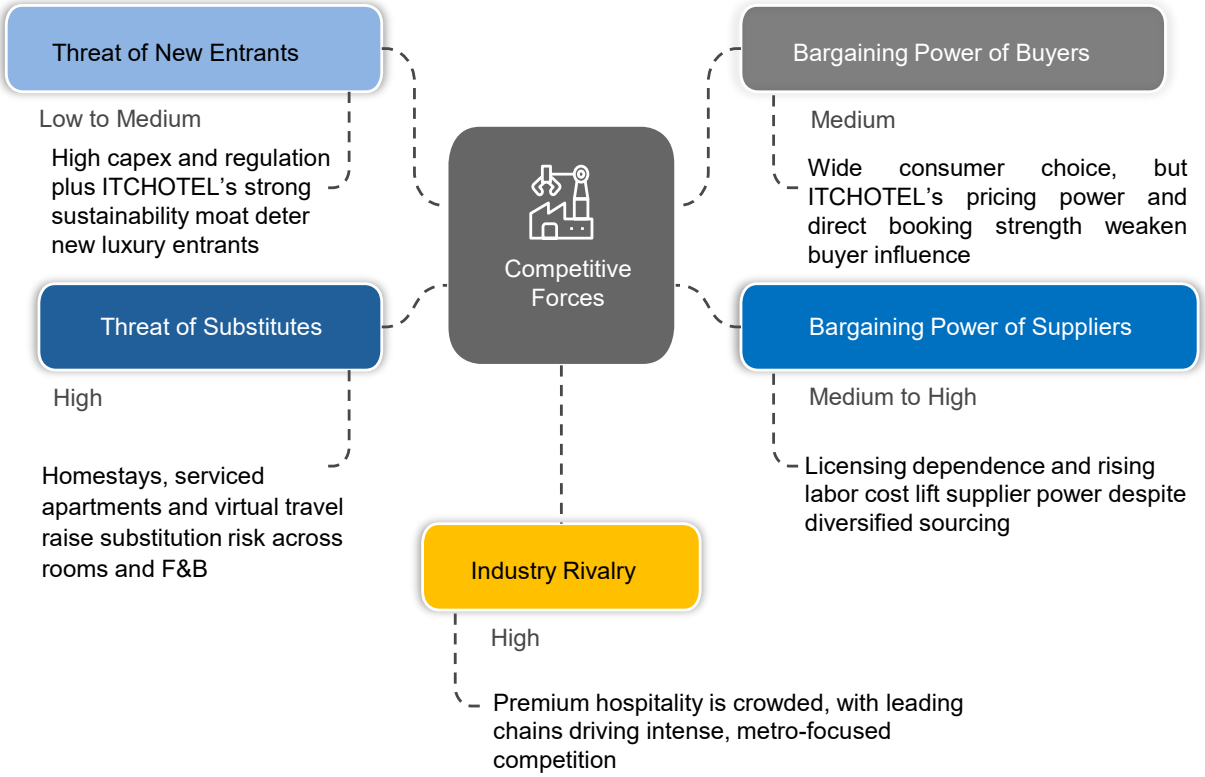
Any possible adverse renegotiation, non-renewal or litigation outcome related to these leases could disrupt operations or increase fixed cost.

Macro, Seasonal & Cyclical Volatility: Hotel performance is sensitive to economic cycles, seasonality, and demand swings. Probable economic slowdown, geopolitical events, or travel disruptions can reduce occupancy, weaken pricing, and impact cash flows.

Energy Supply Shortages: Instability in West Asia can lead to lower availability of gas supply and sharp hikes in fuel costs. This directly hampers F&B operations and increases the cost of maintaining premium kitchen standards across the luxury portfolio.

Occupancy & RevPAR Decline: Rising geopolitical tensions and increased international airfares may result in a sharp drop in foreign arrivals. This reduction in demand, particularly in metro hubs, consequently leads to reduced RevPAR and occupancy.

3.1 Michael Porter's Five Force Analysis



Source: ITCHOTEL, Choice Institutional Equities

ITCHOTEL maintains entry barriers stronger than VENTIVE, JUNIPER, SAMHI and CHALET owing to its globally unmatched ESG leadership and largest portfolio of LEED Platinum and Zero Carbon/Water hotels.

ITC Hotels is insulated from buyer pressure better than SAMHI, CHALET and JUNIPER owing to its ~40% RevPAR premium, superior NPS (85) and growing direct booking share supported by its proprietary Club ITC loyalty ecosystem.

Substitute pressure is the highest for ITCHOTEL and other luxury peers as premium travellers shift to villas, homestays and serviced apartments.

ITCHOTEL operates in the fiercest rivalry zone, competing directly with Indian Hotels, EIH, THELEELA and Marriott – far more intense than mid-scale peers, such as SAMHI.

Supplier leverage is higher for ITCHOTEL owing to dual brand-licensing dependence, whereas Indian Hotels/EIH benefit from owning their core brands.

3.2 SWOT Analysis

Strengths

- Iconic luxury properties & F&B brands driving RevPAR premiums
- Strong balance sheet with zero debt and high liquidity
- 80%+ direct bookings support pricing and margin control
- Multi-brand portfolio covering luxury to midscale segments

Weaknesses

- Metro-centric portfolio heightens regional risk
- Underperforming new inventory drags blended returns
- Large luxury formats carry high fixed cost
- New hotel launches carry gestation risk, weighing on near-term profitability

Opportunities

- Deep runway in managed-key expansion (target 70% by 2030)
- Tier II & III market expansion via Epiq, Storii and Fortune
- High-potential ancillary streams (loyalty, delivery & merchandise)
- Strong cash reserves enable opportunistic M&A

Threats

- Intense competition from global and domestic chains
- Geopolitical risk from overseas exposure (Sri Lanka and Nepal)
- Digital meetings reduce the need for business travel.
- Rising operating cost pressurise large luxury formats

Source: ITCHOTEL, Choice Institutional Equities

ITCHOTEL's Distinct Strengths Vs Competitors

ITCHOTEL has F&B differentiation stronger than THELEELA, VENTIVE and JUNIPER, driven by globally recognised brands, such as Bukhara, Dum Pukht and Avartana.

ITCHOTEL has a balance sheet stronger than THELEELA, VENTIVE and JUNIPER owing to its zero-debt status and robust cash reserves.

ITCHOTEL is more scalable than peers owing to its multi-brand presence across luxury to midscale segments.

ITCHOTEL's Distinct Weakness Vs Competitors

ITCHOTEL faces near-term gestation drag higher than THELEELA, VENTIVE, JUNIPER and CHALTE owing to its higher share of young owned assets, reflecting accelerated expansion rather than structural underperformance.

ITCHOTEL's Distinct Opportunities Vs Competitors

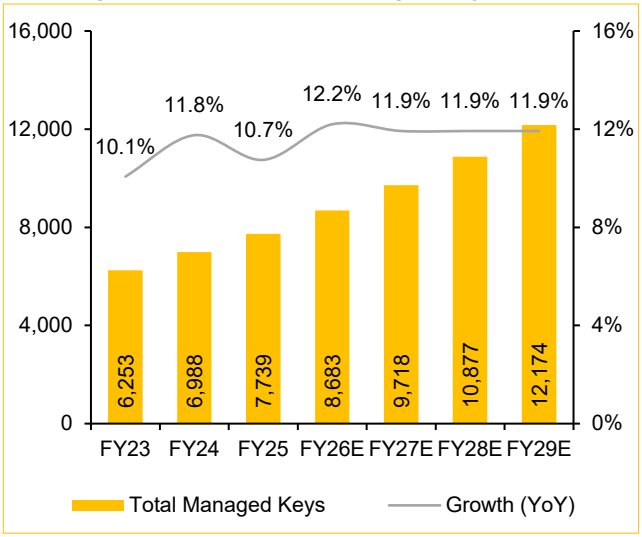
ITC Hotels has acquisition capacity stronger than peers owing to its zero-debt balance sheet and high liquidity due to increasing free cashflow.

ITCHOTEL's Threats Vs Competitors

Partial reliance on Marriott partnerships creates strategic dependence as compared to fully independent peers.

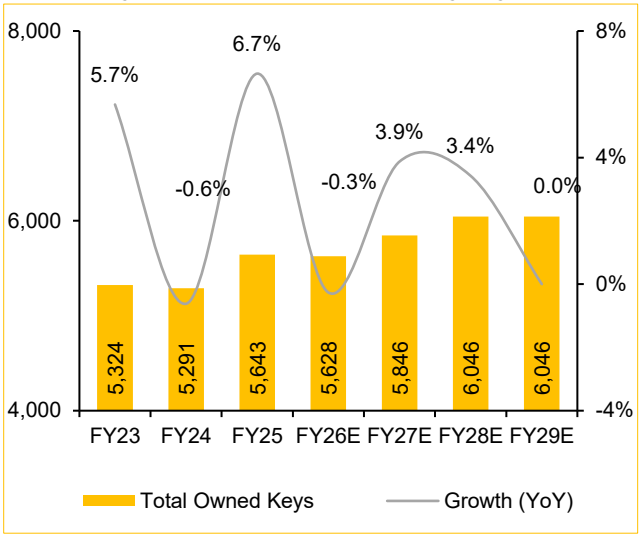
4.1 Key Operational Ratios

Asset-light Model Increases Managed Keys to 66.8%



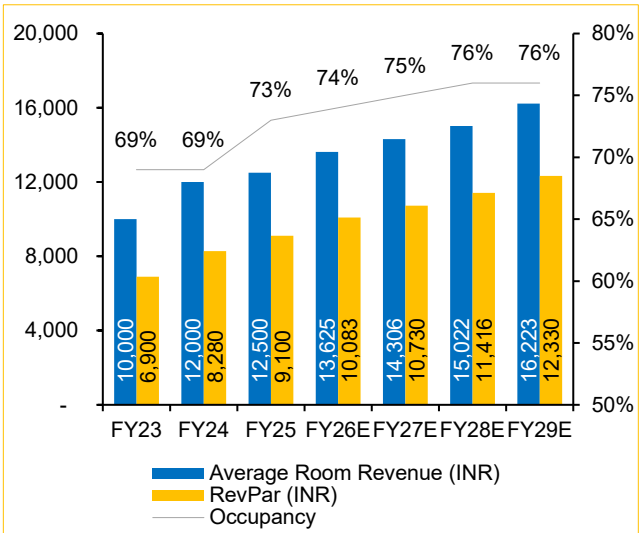
Source: ITCHOTEL, Choice Institutional Equities

Owned Keys to Form 33.2% of Total Keys by FY29E



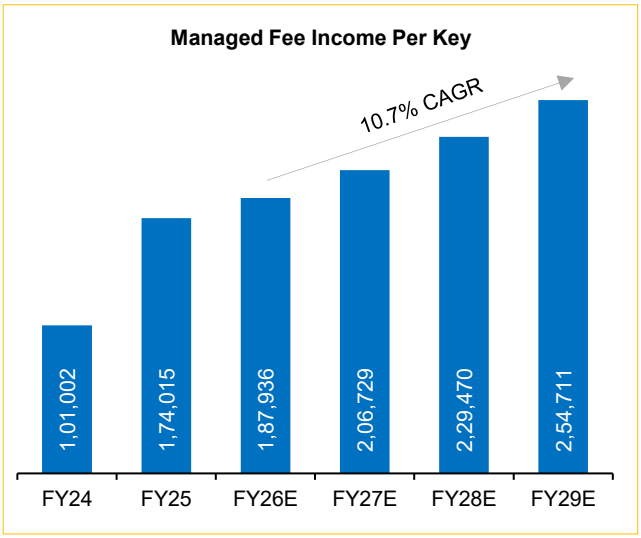
Source: ITCHOTEL, Choice Institutional Equities

RevPAR Reaches INR 12.3K on 76% Occupancy



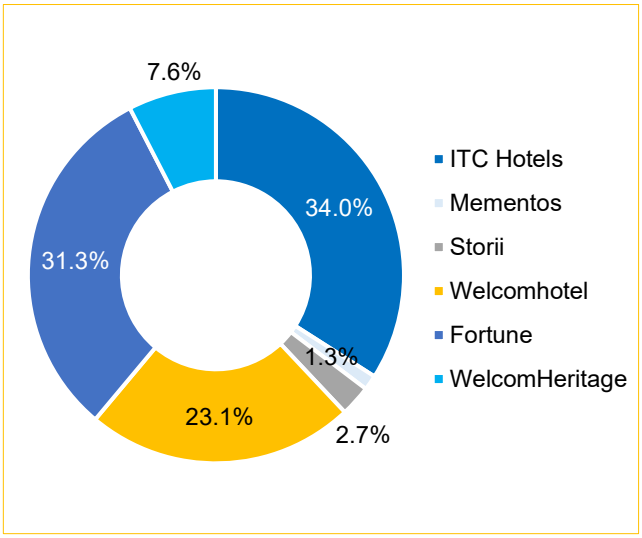
Source: ITCHOTEL, Choice Institutional Equities

Fee Realisation Expands through FY29E



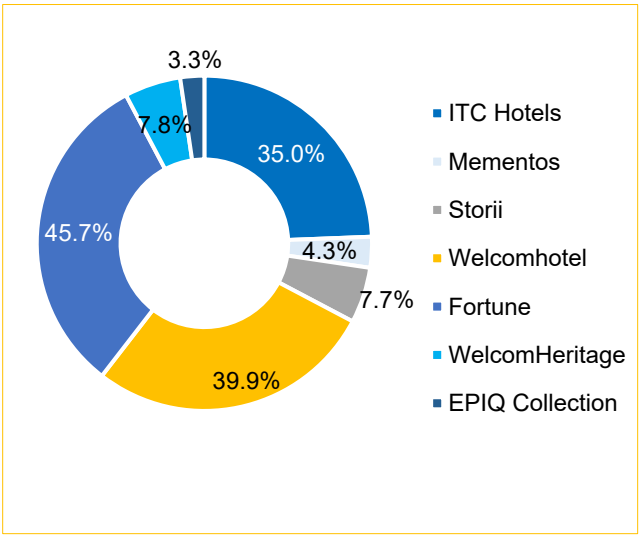
Source: ITCHOTEL, Choice Institutional Equities

ITC Hotels and Fortune Formed 65.4% of Mix in Q3 FY26



Source: ITCHOTEL, Choice Institutional Equities

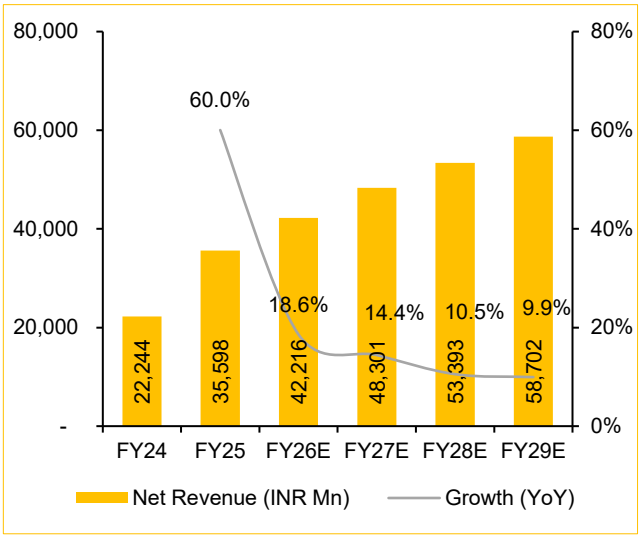
ITC Hotels and Fortune Mix Rises to 80.7% by FY30E



Source: ITCHOTEL, Choice Institutional Equities

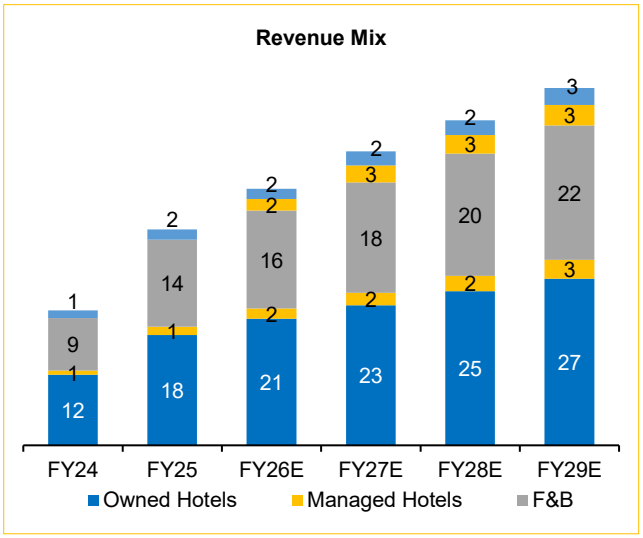
4.2 Key Financial Ratios

Asset Light Expansion to Drive Revenue CAGR of 11.6%



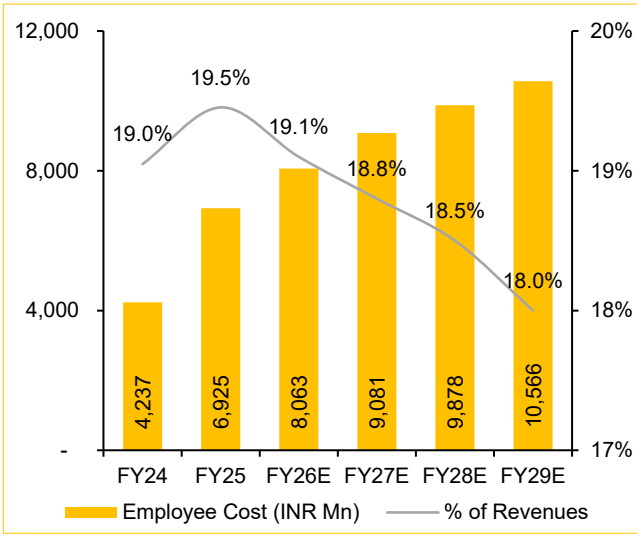
Source: ITCHOTEL, Choice Institutional Equities

F&B Revenue Mix Projected to rise to 37.6% by FY29E



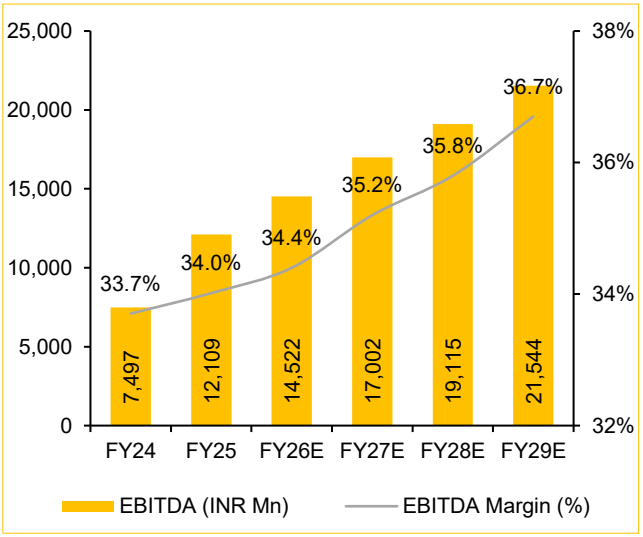
Source: ITCHOTEL, Choice Institutional Equities

Employee Cost Anticipated at 18% of Sales by FY29E



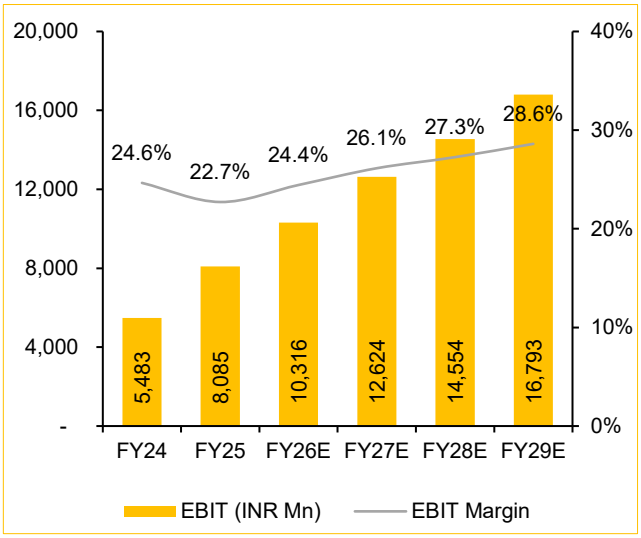
Source: ITCHOTEL, Choice Institutional Equities

EBITDA Margin to Expand by 230 bps by FY29E



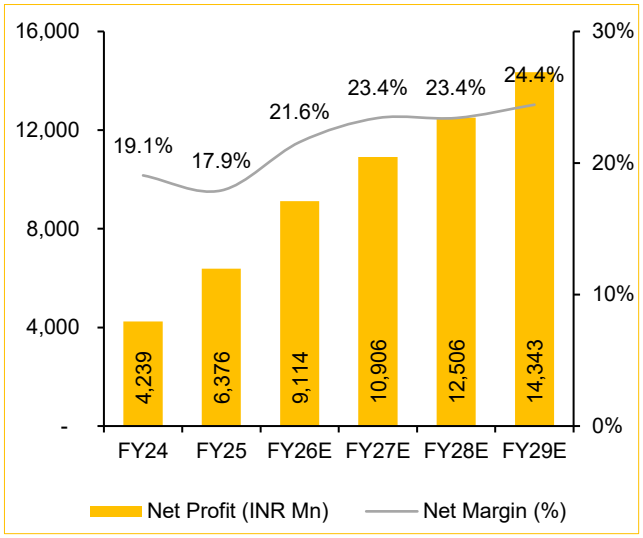
Source: ITCHOTEL, Choice Institutional Equities

EBIT Margin Growing to 28.6% by FY29E



Source: ITCHOTEL, Choice Institutional Equities

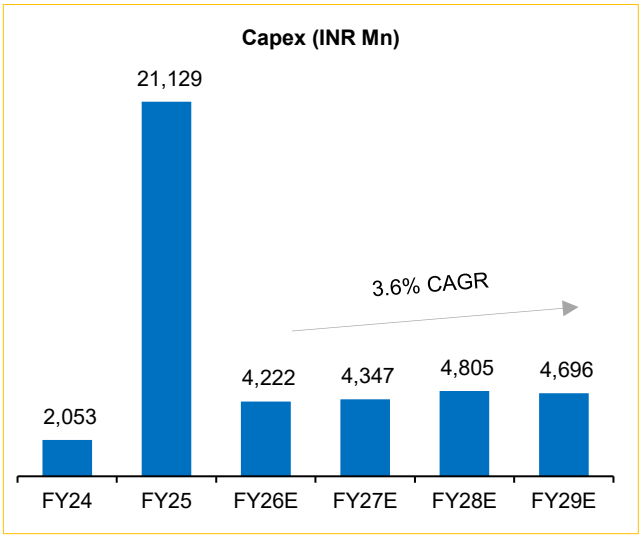
Net Profit is Projected to Rise to INR 14.3 Bn by FY29E



Source: ITCHOTEL, Choice Institutional Equities

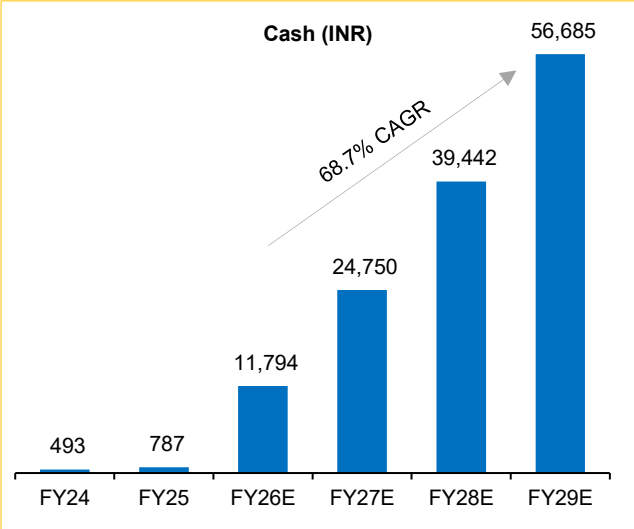
4.2 Key Financial Ratios

Capex Moderates after FY25 Peak



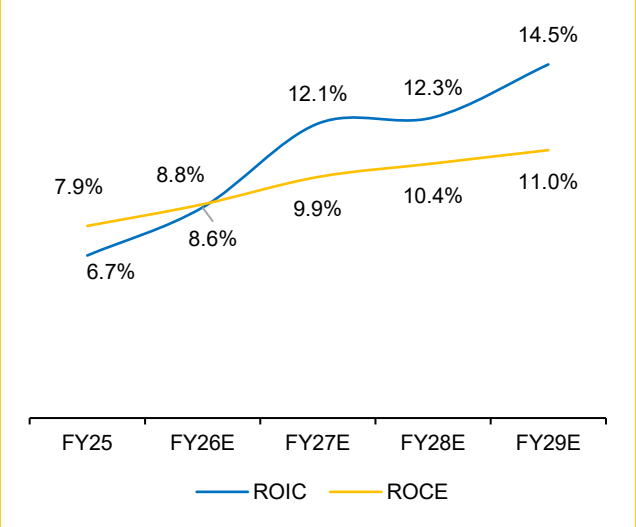
Source: ITCHOTEL, Choice Institutional Equities

Cash Projected to Expand 5x over FY26E–FY29E



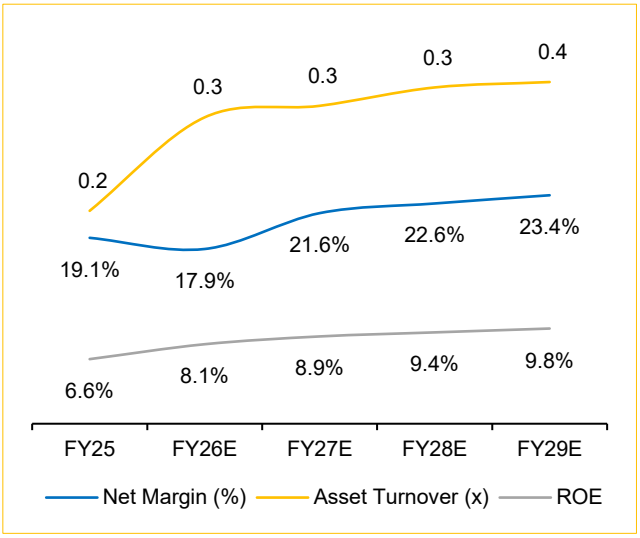
Source: ITCHOTEL, Choice Institutional Equities

ROIC Expands to 14.5%, ROCE to 11.0%



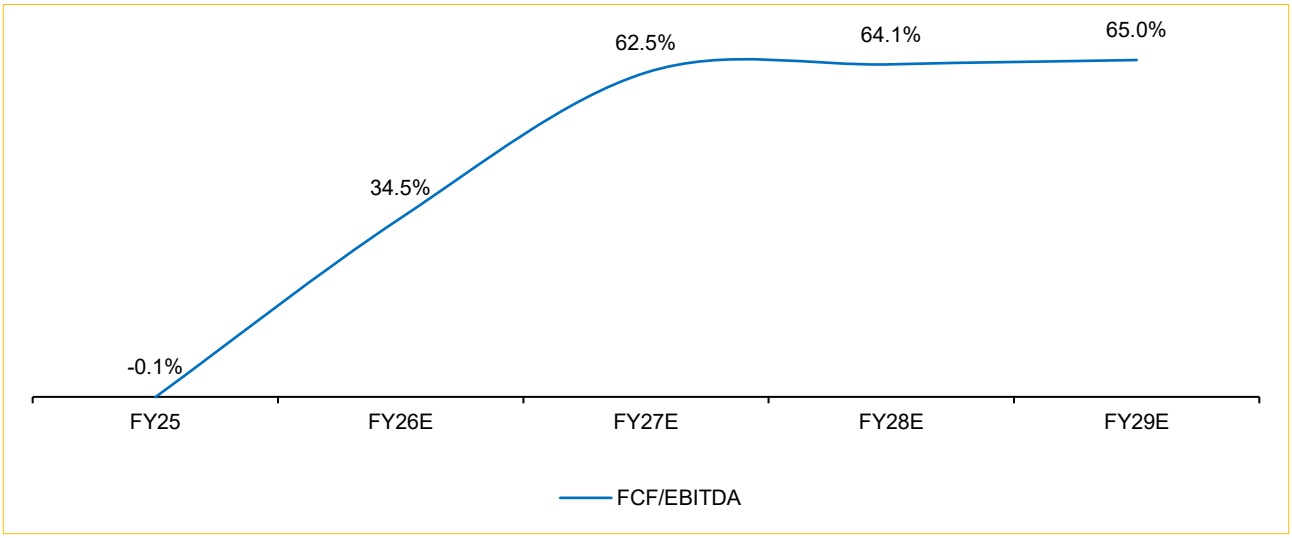
Source: ITCHOTEL, Choice Institutional Equities

ROE Expansion Driven by Net Margin Growth



Source: ITCHOTEL, Choice Institutional Equities

FCF Conversion Expected to Improve to ~65% By FY29E



Source: ITCHOTEL, Choice Institutional Equities

4.3 Financials

Income Statement (Consolidated in INR Mn)

Particulars	FY25	FY26E	FY27E	FY28E	FY29E
Net revenue	**35,598**	**42,216**	**48,301**	**53,393**	**58,702**
COGS	3,632	4,011	4,589	5,072	5,459
Gross Profit	31,967	38,205	43,712	48,320	53,243
EBITDA	**12,109**	**14,522**	**17,002**	**19,115**	**21,544**
Depreciation	4,024	4,206	4,378	4,561	4,751
EBIT	8,085	10,316	12,624	14,554	16,793
Other Income	663	1,859	1,932	2,136	2,348
Finance Cost	66	72	72	72	72
PBT	8,841	12,242	14,678	16,831	19,304
Net Income	**6,376**	**9,114**	**10,906**	**12,506**	**14,343**
EPS (INR)	3.1	4.4	5.2	6.0	6.9

Ratio Analysis	FY25	FY26E	FY27E	FY28E	FY29E
Growth Ratios (%)					
Revenues	60.0%	18.6%	14.4%	10.5%	9.9%
Gross Profit	58.6%	19.5%	14.4%	10.5%	10.2%
Adj. EBITDA	61.5%	19.9%	17.1%	12.4%	12.7%
PBT	56.5%	38.5%	19.9%	14.7%	14.7%
PAT	50.4%	42.9%	19.7%	14.7%	14.7%
Margin Ratios (%)					
Gross Profit Margin	89.8%	90.5%	90.5%	90.5%	90.7%
Adj. EBITDA Margin	34.0%	34.4%	35.2%	35.8%	36.7%
EBIT Margin	22.7%	24.4%	26.1%	27.3%	28.6%
PBT Margin	27.9%	25.5%	25.7%	25.7%	25.7%
PAT Margin	17.9%	21.6%	22.6%	23.4%	24.4%
Profitability (%)					
ROE	6.6%	8.1%	8.9%	9.4%	9.8%
ROCE	7.9%	8.8%	9.9%	10.4%	11.0%
ROIC	6.7%	8.6%	12.1%	12.3%	14.5%
Valuation					
P/BV	2.9x	2.6x	2.4x	2.2x	2.0x
P/E	48.1x	33.7x	28.1x	24.5x	21.4x
EV/Adj. EBITDA	24.0x	19.3x	16.4x	14.6x	13.0x

Source: ITCHOTEL & Choice Institutional Equities

Balance Sheet (Consolidated in INR Mn)

Particulars	FY25	FY26E	FY27E	FY28E	FY29E
Net Worth	1,07,284	1,16,399	1,27,304	1,39,810	1,54,153
Trade Payables	4,214	4,654	5,325	5,886	6,335
Lease Liabilities	5	5	5	5	5
Other Non-current Liabilities	5,871	5,871	5,871	5,871	5,871
Other Current Liabilities	7,388	7,388	7,388	7,388	7,388
Total Net Worth & Liabilities	**1,24,763**	**1,34,317**	**1,45,893**	**1,58,960**	**1,73,752**
Net Block	77,917	78,004	78,045	78,362	78,379
Right of Use Assets	3,666	3,594	3,522	3,450	3,379
Capital WIP	1,560	1,560	1,560	1,560	1,560
Investments	1,737	1,737	1,737	1,737	1,737
Investment Property	1,190	1,190	1,190	1,190	1,190
Goodwill & Intangible Assets	170	170	170	170	170
Trade Receivables	2,018	2,393	2,738	3,026	3,327
Cash & Cash Equivalents	787	11,794	24,750	39,442	56,685
Inventories	12,412	10,568	8,874	6,716	4,018
Other Non-current Assets	5,691	5,691	5,691	5,691	5,691
Other Current Assets	17,616	17,616	17,616	17,616	17,616
Total Assets	**1,24,763**	**1,34,317**	**1,45,893**	**1,58,960**	**1,73,752**

Cash Flows (INR Mn)	FY25	FY26E	FY27E	FY28E	FY29E
Cash Flows from Operations	8,035	13,303	15,249	17,220	19,428
Cash Flows from Investing	(22,057)	(2,224)	(2,222)	(2,456)	(2,113)
Cash Flows from Financing	14,297	(72)	(72)	(72)	(72)

DuPont Analysis (INR Mn)	FY25	FY26E	FY27E	FY28E	FY29E
Tax Burden	72.1%	74.5%	74.3%	74.3%	74.3%
Interest Burden	109.3%	118.7%	116.3%	115.6%	115.0%
EBIT Margin	22.7%	24.4%	26.1%	27.3%	28.6%
Asset Turnover	0.3	0.3	0.3	0.4	0.4
Equity Multiplier	1.2	1.2	1.1	1.1	1.1
ROE	**6.6%**	**8.1%**	**8.9%**	**9.4%**	**9.8%**

5.1 Introduction

ITCHOTEL: Business Overview

ITCHOTEL, incorporated in 2023, houses a distinguished hotels business legacy spanning over five decades since its inception in 1975.

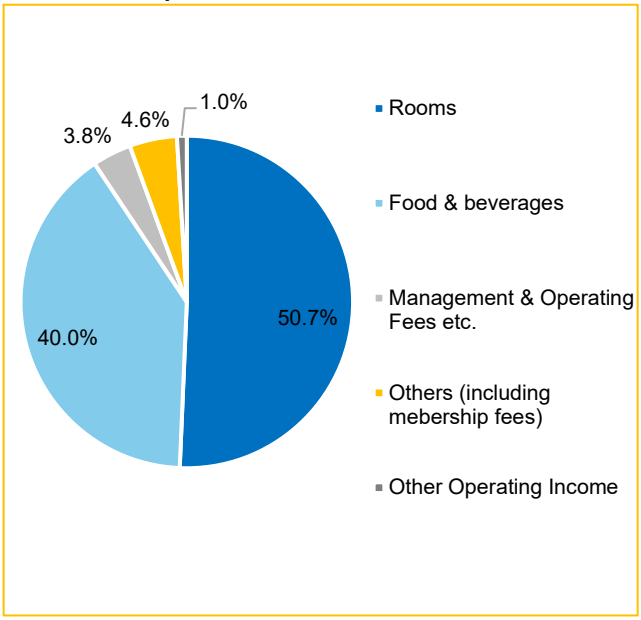
A key player in India's hospitality sector, the company operates 150+ hotels across 90+ destinations, comprising 14,070 operational keys.

ITCHOTEL's portfolio is anchored by seven distinct brands—ITC Hotels, Mementos, Epiq Collection, Welcomhotel, Storii, Fortune, and WelcomHeritage—designed to serve diverse customer segments.

Approximately 42% of its keys are owned or licensed properties, while the remainder is managed or franchised, balancing scale with capital efficiency.

Furthering its strategic expansion, ITCHOTEL marked its international debut in FY25 with the opening of ITC Ratnadipa, Colombo (352 keys), now EBITDA-positive and leading RevPAR in-market.

Revenue Composition: Rooms, F&B & Others – FY25



Source: ITCHOTEL, Choice Institutional Equities

ITCHOTEL: Distinctive Hospitality Ecosystem

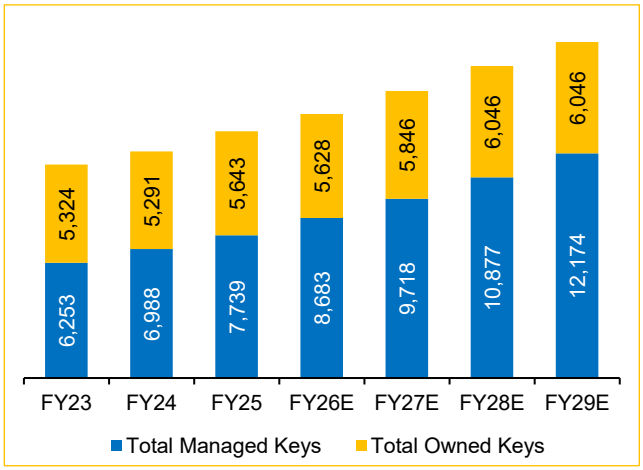
Source: ITCHOTEL, Choice Institutional Equities

5.1 Introduction

Comprehensive Brand Portfolio: 150+ Hotels | 14,070 Keys | 7 Brands

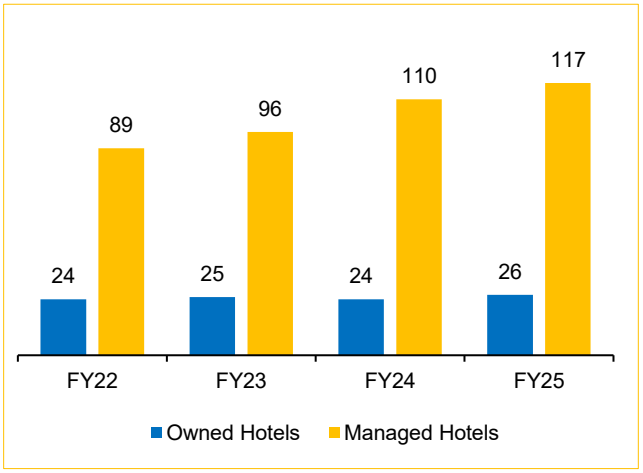
Source: ITCHOTEL, Choice Institutional Equities

Asset-light Keys Drive Majority of Growth



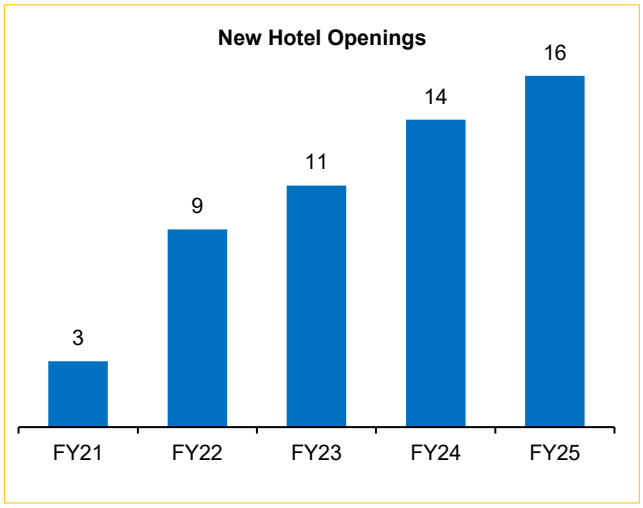
Source: ITCHOTEL, Choice Institutional Equities

Asset-light Model Leads Growth of Footprint



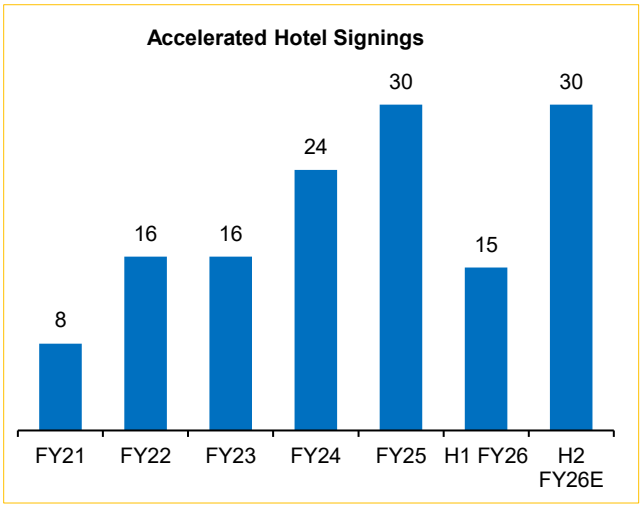
Source: ITCHOTEL, Choice Institutional Equities

Increase In New Hotel Openings Over FY21–FY25



Source: ITCHOTEL, Choice Institutional Equities

FY25 Signings Nearly Double FY23 Level



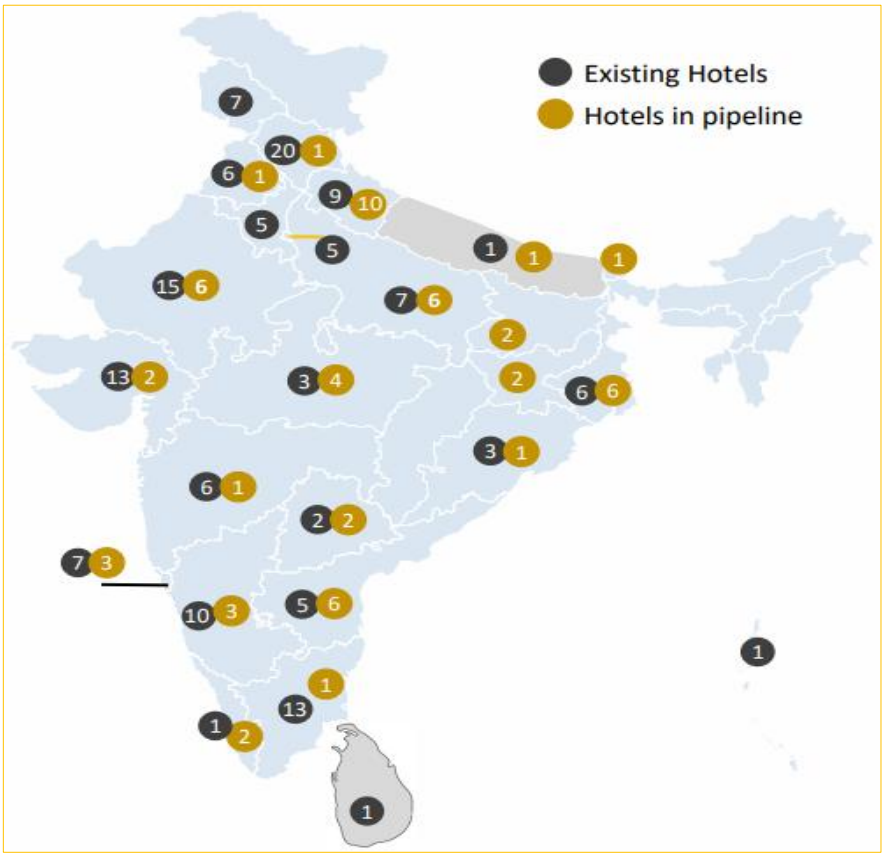
Source: ITCHOTEL, Choice Institutional Equities

5.1 Introduction

Pan-India presence with over 150 operational hotels across 90+ destinations, spanning key business, leisure and emerging travel hubs

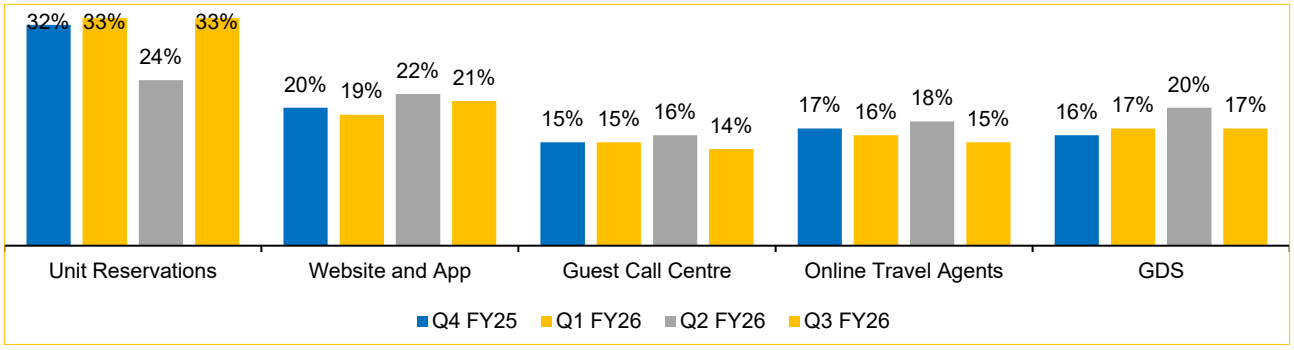
Its network extends beyond India through owned and managed properties in Sri Lanka and Nepal, reinforcing a growing South Asian footprint

Nationwide footprint across key markets



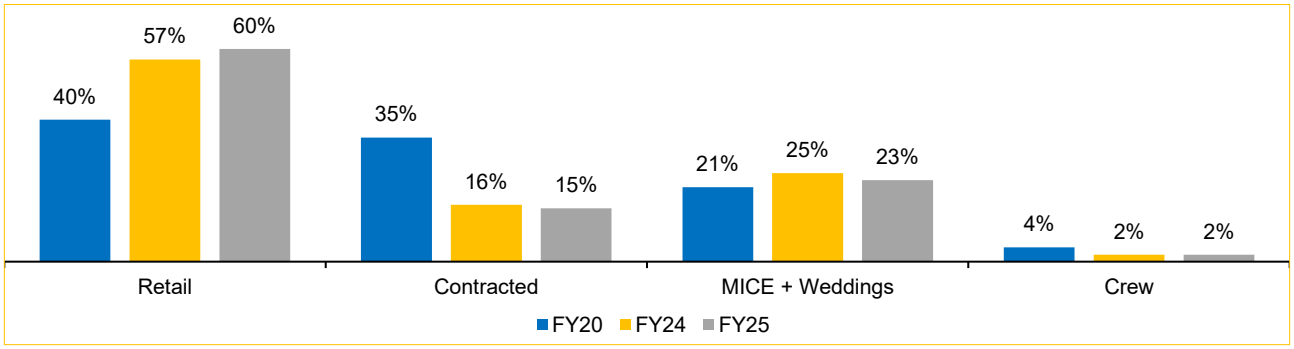
Source: ITCHOTEL, Choice Institutional Equities

Balanced Multi-channel Sales Network Drives Bookings for Domestic Owned Hotels



Source: ITCHOTEL, Choice Institutional Equities

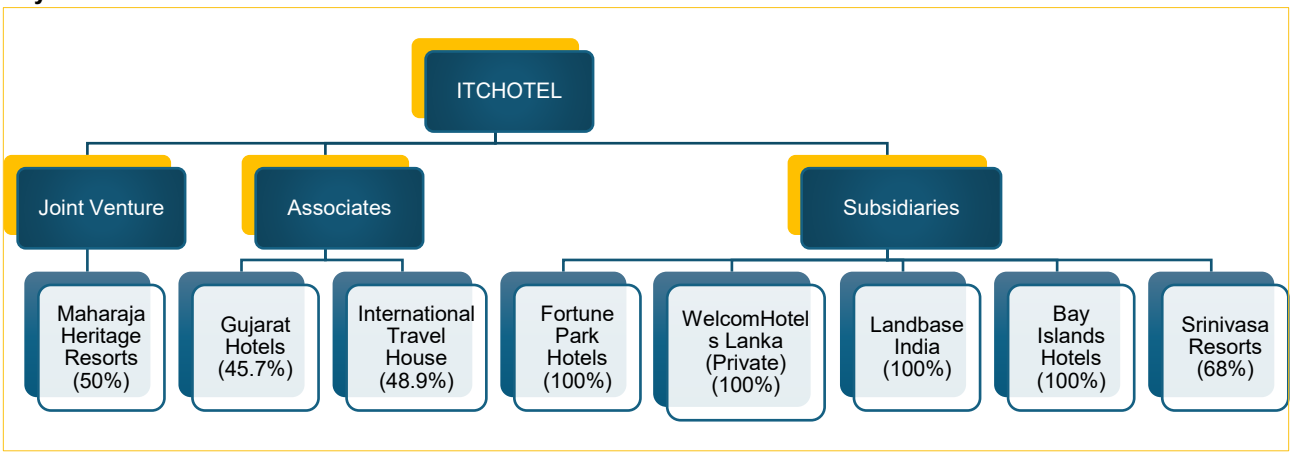
Higher Retail Contribution and Stable MICE Share Reflect Resilient Demand Base for Domestic Owned Hotels



Source: ITCHOTEL, Choice Institutional Equities

5.2 Organisational Structure

Key Subsidiaries and Associates



5.3 Key Milestones

1975
- The Hotels Business was established with the launch of its first premium hotel in Chennai

1978
- The globally acclaimed North-West Frontier cuisine restaurant, Bukhara, was established at ITC Maurya, New Delhi

1979
- Alliance with affiliates of Marriott International Inc. was established (starting with the Sheraton brand)

2018
- The Hotels Business pivoted to an 'capex-light' strategy to drive capital-efficient, scalable growth by focusing on managed and franchised properties

2020
- ITC Royal Bengal, Kolkata, and Welcomhotel, Amritsar were launched

2023
- ITCHOTEL Limited was incorporated as a wholly-owned subsidiary of ITC Limited

2023
- The Boards of ITCHOTEL approved the Scheme of Arrangement for the demerger of the Hotels Business

2024
- The National Company Law Tribunal (NCLT) approved (sanctioned) the Scheme of Arrangement for demerger

2024
- ITC Ratnadipa, Colombo, Sri Lanka, commenced operations as the company's first international owned property

2025
- The Hotels Business of ITC was transferred and vested into ITCHOTEL Limited as a going concern.

2025
- Record Date set for determining ITC Limited shareholders entitled to receive new Equity Shares of ITCHOTEL Limited

2025
- The Equity Shares of ITCHOTEL Limited were successfully listed on the NSE and BSE

Source: ITCHOTEL, Choice Institutional Equities

5.4 Key Managerial Personnel

Key Managerial Personnel	Designation	About the Board
Mr. Sanjiv Puri	Chairman & Non-Executive Director	An IIT Kanpur and Wharton alumnus, Mr. Puri brings 40+ years of ITC leadership, driving diversification, digital transformation, and the group's sustainability-led capex-light strategy
Mr. Anil Chadha	Non-Executive Director	At ITC since 1992, Mr. Chadha has led key properties and now heads the Hotels Division, while actively contributing to industry bodies such as Hotel Association of India and Confederation of Indian Industry
Mr. Ashish Thakar	CFO	A chartered accountant and an MBA, Mr. Thakar has spent over three decades at ITC, leading finance, strategy, and commercial functions across the hotels and foods divisions, including roles in Corporate Planning, M&A, and Investments
Mr. Diwaker Dinesh	Company Secretary and Compliance Officer	Mr. Dinesh, Company Secretary and Compliance Officer since September 2023, brings 17+ years of expertise in corporate governance, regulatory compliance, and securities law
Mr. Kamal Bali	Independent Director	Appointed in December 2024, Mr. Bali is an IIT graduate with over 40 years of automotive leadership. At present he is presently MD of Volvo Group India, who has been honoured with Sweden's Royal Order of the Polar Star
Dr. Indu Bhushan	Independent Director	Appointed in December 2024, Dr. Bhushan is a former IAS officer and health economist with 40+ years of global experience across the World Bank, ADB and Ayushman Bharat
Mr. Supratim Dutta	Non-Executive Director	Over 30 years ITC veteran, Mr. Dutta serves as Executive Director & CFO with deep expertise in finance, strategy and M&A, and sits on CII's Financial Reporting Committee
Mr. Mukesh Gupta	Independent Director	A former LIC Managing Director, Mr. Gupta brings over 37 years of experience across insurance, marketing and leadership roles, including senior positions as Executive Director (Personnel) and Executive Director (Bancassurance)

Institutional Research Team			
Utsav Verma, CFA	Head of Institutional Research	utsav.verma@choiceindia.com	+91 22 6707 9440
Ashutosh Murarka	Analyst – Building Materials	ashutosh.murarka@choiceindia.com	+91 22 6707 9521
Bhavik Shah, CFA	Analyst – Metals & Mining	Bhavik.shah@choiceindia.com	+91 22 6707 9521
Deepika Murarka	Analyst – Healthcare	deepika.murarka@choiceindia.com	+91 22 6707 9513
Dhanshree Jadhav	Analyst – Technology	dhanshree.jadhav@choiceindia.com	+91 22 6707 9535
Dhaval Popat	Analyst – Energy	dhaval.popat@choiceindia.com	+91 22 6707 9949
Fenil Brahmbhatt	Analyst – Realty & Building Materials	fenil.brahmbhatt@choiceindia.com	+91 22 6707 9930
Ishank Gupta	Analyst – NBFCs	ishank.gupta@choiceindia.com	+91 22 6707 9867
Karan Kamdar	Analyst – Consumer Discretionary, Small and Midcaps	karan.kamdar@choiceindia.com	+91 22 6707 9451
Kunal Bajaj	Analyst – Technology	kunal.bajaj@choiceindia.com	+91 22 6707 9901
Maitri Sheth	Analyst – Pharmaceuticals	maitri.sheth@choiceindia.com	+91 22 6707 9511
Putta Ravi Kumar	Analyst – Defence	ravi.putta@choiceindia.com	+91 22 6707 9908
Preeyam Tolia	Analyst – FMCG & Retail	preeyam.tolia@choiceindia.com	+91 22 6707 9987
Aayush Saboo	Sr. Associate– Realty	aayush.saboo@choiceindia.com	+91 22 6707 9930
Avi Jhaveri	Sr. Associate – Technology	avi.jhaveri@choiceindia.com	+91 22 6707 9901
Bharat Kumar Kudikyala	Sr. Associate – Building Materials	bharat.kudikyala@choiceindia.com	+91 22 6707 9521
Samarth Goel	Sr. Associate– Small and Midcaps	samarth.goel@choiceindia.com	+91 22 6707 9451
Subhash Gate	Sr. Associate – Autos	subhash.gate@choiceindia.com	+91 22 6707 9233
Heer Gogri	Associate – Small and Midcaps	heer.gogri@choiceindia.com	+91 22 6707 9433
Heet Chheda	Associate – Autos	heet.chheda@choiceindia.com	+91 22 6707 9233
Rushil Katiyar	Associate – Technology	rushil.katiyar@choiceindia.com	+91 22 6707 9901
Shreya Mehra	Associate – Technology	shreya.mehra@choiceindia.com	+91 22 6707 9535
Stuti Bagadia	Associate – Pharmaceuticals	stuti.bagadia@choiceindia.com	+91 22 6707 9511
Vinay Rawal	Associate – Small and Midcaps	vinay.rawal@choiceindia.com	+91 22 6707 9433

CHOICE RATING DISTRIBUTION & METHODOLOGY	
Large Cap*	
BUY	The security is expected to generate upside of 15% or more over the next 12 months
ADD	The security is expected to show upside returns from 5% to less than 15% over the next 12 months
REDUCE	The security is expected to show upside or downside returns by 5% to -5% over the next 12 months
SELL	The security is expected to show downside of 5% or more over the next 12 months
Mid & Small Cap*	
BUY	The security is expected to generate upside of 20% or more over the next 12 months
ADD	The security is expected to show upside returns from 5% to less than 20% over the next 12 months
REDUCE	The security is expected to show upside or downside returns by 5% to -10% over the next 12 months
SELL	The security is expected to show downside of 10% or more over the next 12 months
Other Ratings	
NOT RATED (NR)	The stock has no recommendation from the Analyst
UNDER REVIEW (UR)	The stock is under review by the Analyst and rating may change
Sector View	
POSITIVE (P)	Fundamentals of the sector look attractive over the next 12 months
NEUTRAL (N)	Fundamentals of the sector are expected to be in stasis over the next 12 months
CAUTIOUS (C)	Fundamentals of the sector are expected to be challenging over the next 12 months

***Large Cap: More Than INR 20,000 Cr Market Cap**
***Mid & Small Cap: Less Than INR 20,000 Cr Market Cap**

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Email- ig@choiceindia.com

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