

Price Band: ₹ 769-808

June 22, 2026

India's first ocean cruise operator...

About the Company: Waterways Leisure Tourism Ltd. (Waterways) is India's only domestic ocean cruise operator and the market leader in the Indian cruise tourism industry. The company offers premium cruise vacations across 7 domestic and 7 international destinations with an Indian-centric onboard experience.

Key triggers/Highlights:

- The company currently operates one cruise vessel with capacity of 2,005 guests and has entered into lease agreements for two additional vessels Norwegian Sky (2,004 guests) and Norwegian Sun (1,936 guests), expected to commence operations in FY27 and FY28, respectively.
- As of FY26, its revenue mix stood at 91.2% from Cruise Ticket sales and 8.7% from Onboard Revenues. Further, Domestic Routes formed ~97% of Cruise ticket sales while international routes contributed ~3% of Cruise ticket sales. The company intends to introduce 5 new domestic and 7 new international destinations over the coming years.
- Direct bookings accounted for 62.3% of cabin sales in FY26, improving by ~200 bps over the last two years. A higher share of direct bookings reduces dependence on travel agents leading to lower commission thereby supporting margin expansion.
- Revenue grew at a 14.3% CAGR over FY24-26 to Rs.580cr, despite a marginal 2% decline in FY26 due to macroeconomic uncertainties and geopolitical headwinds impacting the travel industry.
- In FY26, the company's operating EBITDA margins stood at 19%. Margins have witnessed decline from 23% in FY24 to 19% in FY26 due to higher operating cost. Employee Expenses grew at CAGR of ~50% over FY24-26 while operating cost grew at CAGR of 11% over the same period. With revenues scaling at lower rate compared to overall operating expenses, margins have witnessed decline over the last 2 years.
- Operating cash flows have moderated over the last two years due to advance lease rental payments for new vessels. The company is raising Rs.480cr through the IPO primarily towards lease deposits and advance rentals for the acquisition of the two additional cruise vessels.

Our View & Rating: Waterways Leisure Tourism is only operator of ocean cruise in India. The Indian cruise industry is expected to grow at 20-25% CAGR over the next 5 years. Consistent addition to fleet coupled with better occupancy will help the company to consistently improve its operating performance ahead. **We assign UNRATED rating to Waterways Leisure Tourism Ltd.**

Key risk & concerns

- The company currently operates through a single vessel 'MV Empress'. Any operational disruptions to the vessel can lead to cancellation of cruise which can have adverse impact on the revenues of the business.
- Adverse weather conditions, macroeconomic conditions and geopolitical instability can have adverse impact on the travel and tourism industry. Lower spends and less adoption of travel by consumers can have adverse impact on the business of the company.

Key Financial Summary

Key Financials (₹ Crore)	FY24	FY25	FY26
Revenues	444.1	590.6	579.7
EBIDTA	103.1	208.4	110.2
EBIDTA Margins(%)	23.2%	35.3%	19.0%
Reported PAT	-122.7	92.6	52.1
EPS (Rs.)	-19.0	26.0	8.0
PE (x)	-42.6	31.1	100.7
EV to EBIDTA (x)	54.5	25.4	48.8
RoE (%)	104.0	-394.4	92.3

Source: RHP, ICICI Direct Research;

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IPO Details

Issue Details	
Issue opens	23rd June, 2026
Issue closes	25th June, 2026
Issue size	Rs.585cr
QIB (Institutional) Share	Not less than 75% of the Offer
Non Institutional Share	Not more than 15% of the Offer
Retail share	Not more than 10% of the Offer
Issue Type	Fresh Issue
Price band (₹/share)	Rs.769-Rs.808
Market Lot	18 shares
Face value	Rs.10
Bid lot	18 shares
Listing Market Cap @ Upper Price Band	Rs.5850cr

Shareholding pattern

	Pre-Issue (%)	Post-Issue (%)
Promoters	99.3	89.3
Public	0.7	10.7
Total	100	100

Objects of the issue

Objects of this issue

The company has opted for a fresh issue of Rs.585cr.

Out the 585cr raised, the company intends to use Rs.480cr towards payment of deposit/advance lease rental and monthly lease payment to step down subsidiary, Baycruise Shipping and Leasing (IFSC) Pvt. Ltd. This is for charter hire charges for acquisition of new vessels "Norwegian Sky" and "Norwegian Sun"

Research Analyst

Kaustubh Pawaskar
kaustubh.pawaskar@icicisecurities.com

Abhishek Shankar
abhishek.shankar@icicisecurities.com

Sonal Rajpal
sonal.rajpal@icicisecurities.com

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Subscribe: Apply for the IPO

Avoid: Do not apply for the IPO

Unrated: No view on applying for the IPO

Subscribe only for long term: Apply for the IPO only from a long term investment perspective (>two years)

Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,
ICICI Securities Limited,
Third Floor, Brillanto House,
Road No 13, MIDC,
Andheri (East)
Mumbai – 400 093
research@icicidirect.com

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Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal

Contact number: 022-40701000 E-mail Address: complianceofficer@icicisecurities.com

For any queries or grievances: Mr. Jeetu Jawrani Email address: headservicequality@icicidirect.com Contact Number: 18601231122

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