Chalet Hotels Ltd. (CHAHOT)

ICICI Direct

CMP: ₹805 | Target ₹ 980(23%) | Target Period: 12 months | BUY

July 31, 2026

Result Update

Room additions to narrate growth ahead...

About the stock: Chalet Hotels Ltd (Chalet) is an owner, developer and operator of premium hotels, commercial office spaces and residential properties in India. The Company's portfolio comprises 11 fully operational hotels representing 3389 keys, and commercial spaces of~2.4 mn sq.ft. in close vicinity to its hospitality assets.

Q1FY27 performance: Chalet's core business (ex-residential) reported 9.5% YoY growth in revenues to Rs.514cr with hotel segment growing by 8.5% YoY and annuity business reporting 18.2% YoY growth. EBITDA margins reported 229bps YoY expansion to 46.7% driven by annuity business (+191bps YoY) and better performance in resort business in hotel segment. EBITDA grew by 15.1% YoY to Rs.240cr. Adjusted PAT (incl. residential income) stood at Rs.93.5cr in Q1FY27.

Investment Rationale:

Domestic leisure demand leads performance; Q2FY27 witnesses steady start: Hospitality segment revenues grew 10% YoY to Rs.418.5 crore in Q1FY27. RevPAR increased 6.5% YoY to Rs.8,582/night, driven by 8.5% YoY growth in ADR, while occupancy declined 120bps YoY. Management highlighted that domestic hospitality demand remained healthy despite geopolitical disruptions impacting inbound FTAs, supported by robust domestic leisure demand, reflected in the 19% YoY growth in resort RevPAR, aided by 540bps occupancy expansion and 6.5% YoY ADR growth. Q2FY27 has started on a steady note, with airline traffic recovering and booking trends for August improving gradually. The refurbishment at Four Points by Sheraton, Vashi is largely complete, with rebranding to be announced shortly, while Westin, Powai has regained access to its wedding and banquet facilities, which is expected to improve occupancies and ADRs. Among the resort portfolio, Westin Rishikesh continued to deliver strong growth through higher occupancies while maintaining stable ADRs, whereas Athiva, Khandala continued to witness healthy traction, with ADRs sustaining above Rs.15,000/night alongside an encouraging response to its wedding proposition, 'Vivaah by Athiva'. Management believes that completion of ongoing refurbishments, continued ramp-up of leisure assets and sustained domestic leisure demand should mitigate temporary weakness in FTAs and support RevPAR growth ahead.

Resort stabilisation and operating efficiencies to support margin expansion: Chalet's hospitality EBITDA margin expanded 92bps YoY to 42.6% in Q1FY27, supported by a favourable pricing mix led by higher contribution from the resort portfolio and continued operating efficiencies. Management highlighted that the drag from newer assets is receding, with Westin Rishikesh ramping up ahead of plan and Athiva, Khandala witnessing improving occupancies while sustaining premium ADRs. Going forward, hospitality margins are expected to benefit from the completion of rebranding at Four Points by Sheraton, Vashi, normalisation of operations at Westin, Powai, higher operating leverage as occupancies improve, continued cost optimisation initiatives and an increasing contribution from the resort portfolio. Additionally, monthly commercial rental run-rate is expected to increase to Rs.30–32 crore from the current Rs.29 crore, providing further support to the high-margin commercial business. We believe improving hospitality margins, along with the increasing contribution from the commercial portfolio, should support sustained consolidated EBITDA margin expansion over the medium term.

Rating and Target Price: We recommend **Buy** with a **SOTP based price target of Rs.980.**

CHALET HOTELS

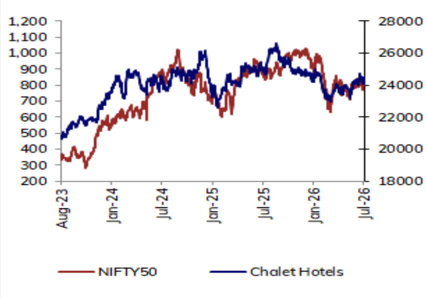
Particulars

Particular	Amount
Market Capitalisation (₹ crore)	17,629
Debt (FY26) -₹ crore	2,368
Cash (FY26) - ₹ crore	309
EV (Rs crore)	19,688
52-week H/L (₹)	1080 / 691
Equity capital (₹ crore)	219.0
Face value (₹)	10.0

Shareholding pattern

Particular	Sep-25	Dec-25	Mar-26	Jun-26
Promoters	67.3	67.3	67.3	67.3
FII	5.7	5.1	4.7	4.3
DII	23.4	24.0	24.6	25.0
Others	3.5	3.5	3.5	3.5

Price Chart



Key risks

- Any adverse event such as terrorist attack or geopolitical tension will affect the near-term business.
- Delay in operationalisation of new hotels.
- Delay in repayment of debt.

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ICICI Securities – Retail Equity Research

Key Financial Summary

Key Financials (₹ Crore)	FY24	FY25	FY26*	3-year CAGR (FY23-26)	FY27E*	FY28E	2-year CAGR (FY26-28E)
Revenues	1417.3	1717.7	2769.8	39.8	2893.1	2670.0	15.8
EBITDA	584.6	735.8	1187.4	42.5	1227.1	1177.9	17.0
EBITDA Margins (%)	41.2	42.8	42.9		42.4	44.1	
Adjusted PAT	213.5	382.3	645.8	73.9	664.2	636.7	18.5
EPS (Rs.)	9.8	17.5	29.5		30.3	29.1	
PE (x)	82.4	46.0	27.3		26.5	27.7	
EV to EBITDA (x)	35.0	27.2	16.6		15.8	16.1	
RoE (%)	12.6	15.6	19.2		16.5	13.6	
RoIC(%)	9.8	10.8	16.6		16.3	14.9	

Source: Company, ICICI Direct Research   ** FY26/FY27E includes revenues and EBITDA of residential business*

Exhibit 1: SOTP Valuation

Particulars	Method	Multiple (x)	Rev/EBITDA (FY28E)	EV/NAV (₹ cr.)
Hotels	EV/EBITDA	19	975	18531
Commercial	Capitalisation rate	8	355	4443
Residential property	NAV			293
Enterprise value (A)				23266
Total Debt				2368
Cash				309
Net Debt (B)				2059
Equity value (A-B)				21207
Number of shares (cr.)				21.9
Target price				**980**

Source: Company, ICICI Direct Research

Upcoming Assets: The management expects to initially launch 70-rooms in the Taj, Delhi International Airport project by Q4FY27. The balance inventory (310 rooms) is expected to open in Q1FY28 and in a phased manner ahead. The excavation work has completed for the Hyderabad Ritz Carlton hotel and Mindspace has begun the foundation work. The 280-rooms Hyatt Hotel in Airoli, Navi Mumbai is also progressing well with excavation work competed. The disruption in Westin Powai is expected to end soon with majority of the CIGNUS II construction being completed. In Westin Powai, the company has added further offering such as gaming area, F&B offerings and has expanded its banqueting facilities. The management highlighted that South Goa hotel construction is expected to start in Q2FY27. Overall the company plans to add 1655 rooms to its inventory taking total keys to 5044 by FY30.

Exhibit 2: Pipeline of assets

	Commercial Real-Estate – Under construction	Leasable area	Location	Progress update
CRE	CIGNUS Powai® Tower II	0.9 msf	Mumbai	Q4 FY27
	Hospitality – Under construction	**New Rooms**	**Location**	**Progress update**
Hospitality	Taj Delhi International Airport, New Delhi	~380 rooms	New Delhi	Q4 FY27*
	Athiva Resort & Spa at Varca, South Goa	205 rooms	Goa	FY28
	Ritz Carlton at Hyderabad	330 rooms	Hyderabad	Q4 FY29
	Hyatt Regency at Airoli, Navi Mumbai	276 rooms	Mumbai	Q4 FY29
	Hospitality – Under Construction	**~1,190 rooms**		
	Hospitality – In planning	**New Rooms**	**Location**	**Progress update**
	Premium Resort at Udaipur	~144# rooms	Udaipur	To be updated**
	Athiva Resort & Spa at Bambolim, North Goa	~170 rooms	Goa	~36 months post approval^
	Athiva Resort & Convention Centre, Thiruvananthapuram	~150 rooms	Kerala	-
	Hospitality – In-planning	**~464 rooms**		
	Hospitality – Grand Total	**~1,655 rooms**		

** 70-rooms to be operational by Q4 FY27; balance in Q1 FY28; # Exploring expansion potential; ** Approvals to be attained post closure of the acquisition*

Source: Company, ICICI Direct Research

Q1FY27 – Key Performance highlights

- Chalet's performance is not comparable on YoY basis due to one-off impact of residential business last year.
- Chalet's consolidated revenues (ex-residential) reported 9.5% YoY growth to Rs.514cr in Q1FY27. Growth was largely aided by high-teens revenues growth of 18.2% in the annuity business while hospitality business reported 9% YoY growth in Q1FY27.

- Hospitality segment reported 8.5% YoY growth to Rs.418.5cr aided by 6.5% YoY growth in RevPAR to Rs.8582/night. RevPAR growth was aided largely by 8.5% YoY growth in ADR. Occupancy declined 120bps YoY to 64.8% in Q1FY27.
- Annuity business revenues reported 18.2% YoY growth to Rs.86.5cr in Q1FY27. Occupancy stood at 88% in Q1FY27 (excl. the LOI signed in Bengaluru) vs 77% in Q1FY26.
- Consolidated EBITDA (ex-residential) stood at Rs.240cr witnessing 15.1% YoY growth while margins expanded 229bps YoY to 46.8% driven by strong annuity and resort business performance.
- Adjusted PAT (incl. residential) stood at Rs.93.5cr in Q1FY27. Reported PAT stood at Rs.86.1cr in Q1FY27.

Exhibit 3: Q1FY27 Consolidated result (incl. residential) (₹ crore)

Particulars	Q1FY27	Q1FY26	y-o-y (%)	Q4FY26	q-o-q (%)
Net revenue	**512.3**	**894.6**	**-42.7**	**558.2**	**-8.2**
Food and beverages cons.	31.6	30.4	3.8	31.7	-0.3
Employee cost	74.0	69.5	6.5	75.8	-2.5
Operating Supplies Cons.	8.6	10.2	-16.4	10.0	-14.4
Real Estate Development Cost	3.3	265.2	-	0.0	-
Other expenditure	160.8	161.9	-0.7	174.9	-8.0
Total expenditure	278.3	537.3	-48.2	292.4	-4.8
EBITDA	**234.0**	**357.3**	**-34.5**	**265.8**	**-12.0**
Other income	9.0	13.8	-34.5	12.8	-29.6
Interest expenses	39.5	48.5	-18.7	40.6	-2.8
Depreciation	61.2	53.9	13.6	60.2	1.7
Profit Before Tax	142.4	268.6	-47.0	177.9	-19.9
Tax	48.9	65.5	-25.4	14.9	228.9
Adjusted PAT	**93.5**	**203.1**	**-54.0**	**163.0**	**-42.6**
Extra-ordinary gain / loss	-7.4	0.0	-	0.0	-
Reported PAT	**86.1**	**203.1**	**-57.6**	**163.0**	**-47.2**
Adjusted EPS (Rs.)	4.3	9.3	-54.0	7.5	-42.6
Margins	**Q1FY27**	**Q1FY26**	**bps**	**Q4FY26**	**bps**
GPM (%)	93.8	96.6	-277	94.3	-49
EBITDA Margin (%)	45.7	39.9	574	47.6	-193
NPM (%)	18.3	22.7	-445	29.2	-1095
Tax rate (%)	34.3	24.4	-	8.4	-

Source: Company, ICICI Direct Research

Exhibit 4: Q1FY27 Consolidated result (ex. residential) (₹ crore)

Particulars	Q1FY27	Q1FY26	y-o-y (%)	Q4FY26	q-o-q (%)
Total Income	**514.0**	**469.4**	**9.5%**	**570.6**	**-9.9%**
Total Expenditure	274.0	261.0	5.0%	290.6	-5.7%
EBITDA	**240.0**	**208.4**	**15.1%**	**280.0**	**-14.3%**
EBITDA Margin (%)	**46.7%**	**44.4%**	**229**	**46.9%**	**-238**

Source: Company, ICICI Direct Research

Exhibit 5: Q1FY27 Segmental revenues and results (₹ crore)

Particulars	Q1FY27	Q1FY26	y-o-y %	Q4FY26	q-o-q %
Hospitality business					
Room revenue	260.3	235.6	10.5	313.8	-17.0
F&B revenue	127.8	117.7	8.6	129.2	-1.1
Other	30.4	32.3	-5.9	31.0	-1.9
Total Hospitality revenue (Rs. crore)	**418.5**	**385.6**	**8.5**	**474.0**	**-11.7**
EBITDA (Rs. crore)	178.4	160.8	10.9	224.8	-20.6
EBITDA Margin (%)	42.6	41.7	93	47.4	-480
Annuity business					
Revenue (Rs. crore)	**86.5**	**73.2**	**18.2**	**84.7**	**2.1**
EBITDA (Rs. crore)	73.5	60.8	20.9	70.8	3.8
EBITDA Margin (%)	85.0	83.1	191	83.6	137

Source: Company, ICICI Direct Research

Exhibit 6: Q1FY27 Operational Performance (₹ crore)

Particulars	Q1FY27	Q1FY26	y-o-y (%/bps)	Q4FY26	q-o-q (%/bps)
ADR (Rs.)	13247	12207	8.5	15456	-14.3
Occupancy (%)	64.8	66.0	-120	68.2	-340
RevPAR (Rs.)	8582	8059	6.5	10544	-18.6

Source: Company, ICICI Direct Research

Business wise highlights

- **Hospitality:** Hospitality revenues reported 9% YoY growth to Rs.418.5cr in Q1FY27 supported by strong growth in the resorts business. Room revenues reported 10% YoY growth to Rs.260.3cr while F&B revenues grew by 9% YoY to Rs.127.8cr. RevPAR grew by 6.5% YoY to Rs.8582/night in Q1FY27. RevPAR was led by 8.5% YoY growth in ADR which stood at Rs.13247/night. Occupancy declined 120bps YoY to 64.8% largely impacted by lower foreign tourist arrivals, refurbishment in Four Points by Sheraton, Vashi and operational disruptions in Westin Powai. Though business hotels RevPAR remained largely muted reporting just 4.7% YoY growth, Resort RevPAR grew strongly by 19% YoY led by strong domestic leisure demand. Hospitality EBITDA stood at Rs.178.9cr growing by 10.9% YoY while margins expanded 93bps YoY to 42.6% led by better pricing mix.

- **Annuity:** Annuity business continued its strong growth journey reporting 18.2% YoY growth to Rs.86.5cr in Q1FY27. The company's monthly rentals stood at Rs.29cr during the quarter which is expected to improve to Rs.30-32cr over the quarters ahead. As per our calculations (excluding the recent LOI signed in Bengaluru) the occupancy stood at 88%. Overall, including the LOI signed for 66000 sqft in Bengaluru, occupancy stood at 91% with occupied area inching up to 2.2mn sqft out of 2.4mn sqft of available space. Increasing monthly rentals is further aiding operating leverage supporting margin expansion. EBITDA margins improved 191bps YoY to 85% in Q1FY27.

Q1FY27 Earnings call highlights

- **Demand Trends**
    - Domestic demand remained resilient despite geopolitical disruptions impacting inbound FTAs. Strong domestic leisure demand, healthy MICE activity, rising affluence and higher discretionary spending continued to support demand, while international business (excluding airline crew) remained largely flat due to the West Asia conflict.
    - Leisure portfolio continued to outperform with Resort RevPAR growth of 19% YoY, aided by 540bps occupancy expansion and 6.5% YoY ADR growth.
    - Q2FY27 has commenced on a steady note with airline traffic recovering and encouraging August bookings, although geopolitical uncertainty persists.
    - The management expects domestic demand to continue offsetting temporary weakness in FTAs.
- **RevPAR trends/Business Outlook**
    - RevPAR growth is expected to improve as refurbishment at Four Points Sheraton, Vashi concludes, Westin Powai normalises and resort assets continue to ramp up. Domestic leisure and MICE demand are expected to mitigate lower inbound FTAs
    - Resort portfolio is expected to remain an important growth driver. Westin Rishikesh has been able to maintain premium and stable ADRs despite ramp up in occupancy sustaining its premiuming positioning in the market. The hotel revenues have scaled ahead of the company's internal targets. Mariott, Delhi is expected to pick up once the newer additions such as additional meeting rooms start contributing.
    - Athiva, Khandala continues to sustain Rs.15000+ ADR while witnessing occupancy ramp up. Vivaah by Athiva has witnessed positive response. The management expects the hotel to witness further growth with more wedding scheduled for H2FY27 and also led by healthy leisure demand.
- **Hotel-wise impact**
    - Westin Powai: Construction-related disruptions continued to impact occupancies. The porch and connectivity to the banquet area are expected to be operational by end-Q2FY27, enabling the hotel to capitalise on the upcoming wedding season. Management expects occupancies to recover as major construction activities conclude. Extension of approach road, addition of banqueting facilities and recent addition such as restaurant and other public areas to attract more interest ahead.
    - Four Points by Sheraton, Vashi: Renovation has been completed and rebranding is expected over the coming weeks. Management expects the refreshed asset to improve occupancies and operating performance.
    - JW Marriott Sahar: Continued to outperform its competitive set through healthy ADR growth while maintaining strong occupancies despite increasing competition.
    - Westin Rishikesh: Continued to report strong growth through improving occupancies while maintaining room rates. Management indicated that the property remains on track versus its original feasibility assumptions.
    - Athiva, Khandala: ADRs continued to sustain above Rs.15,000/night, while occupancies improved steadily. The 'Vivaah

by Athiva' wedding proposition has received encouraging response, with weekday MICE demand also witnessing gradual improvement.

  - Marriott Aravalli: Repositioning initiatives, including new meeting spaces, clubhouse, upgraded F&B and leisure facilities, are expected to support premium positioning and higher room rates.
  - Taj Delhi Airport: Management expects to operationalise a minimum of 70 rooms in Q4FY27, with the balance inventory to be launched in phases by Q1FY28.
  - Udaipur resort: Expansion plans are progressing, with design work underway while statutory approvals are awaited. Management expects attractive returns from the expanded asset.

- **Geography wise highlights**
  - Mumbai (MMR): Demand remained moderate due to fewer city-wide events, while Powai and Vashi continued to be impacted by construction and renovation activities. Management expects a meaningful recovery once these temporary disruptions subside.
  - Pune: Continued to witness strong double-digit RevPAR growth, supported by resilient domestic corporate demand.
  - Hyderabad: Occupancies remained largely flat due to lower FTAs, although ADRs continued to remain resilient.
  - Bengaluru: Occupancies were impacted by lower group bookings and weaker relocation demand during Q1FY27, while pricing remained healthy.
  - MMR supply outlook remains favourable: Management believes recent supply additions have largely been absorbed, with no major incremental supply expected over the next 1–2 years, supporting future pricing and occupancies.

- **Commercial Assets outlook**
  - Signed LOI for additional 66,000 sq. ft. at Bengaluru: The agreement increased overall commercial portfolio occupancy to 91%, strengthening rental visibility.
  - Rental run-rate continues to improve: June'26 exit rental run-rate increased to Rs.29 crore/month, with management guiding for Rs.30–32 crore/month during FY27.
  - CIGNUS 2 remains on track: Construction at Powai is progressing well, with substantial completion expected during FY27. The project is expected to provide a meaningful step-up in rental income from FY28 onwards.
  - Commercial portfolio continues to provide stable cash flows: The existing rental base provides ~Rs.2,000 crore of LRD eligibility and is sufficient to service the company's current interest cost, allowing hotel cash flows to be redeployed towards acquisitions and growth capex.
  - Koramangala commercial project remains on track: The 1.6 lakh sq. ft. commercial development is under construction and is expected to be leased by FY28.

- **Capex Plans**
  - Rs.3000cr capex planned across FY27–FY29: The planned investment covers key hospitality and commercial projects, including CIGNUS II, Powai, Taj Delhi Airport, Hyderabad, Airoli and other announced developments.
  - Expansion to be largely funded through internal accruals: Management reiterated that the planned capex will primarily be funded through operating cash flows while maintaining balance sheet discipline and financial flexibility.

Revision in earnings estimates

We have fine-tuned our earnings estimates for FY27E and FY28E. Considering volatile geopolitical situation, we will monitor the performance ahead before material revisions to estimates.

Exhibit 7: Changes in headline estimates

(₹ crore)	FY27E			FY28E		
	Old	New	% Chg	Old	New	% Chg
Net Revenues	2941.8	2893.1	-1.7	2697.5	2670.0	-1.0
EBITDA	1253.1	1227.1	-2.1	1193.9	1177.9	-1.3
EBITDA margin (%)	42.6	42.4		44.3	44.1	
PAT	683.8	668.9	-2.2	653.3	641.4	-1.8
EPS (Rs.)	31.2	30.5	-2.2	29.8	29.3	-1.8

Source: Company, ICICI Direct Research

Exhibit 8: Key Operating Assumptions

Particulars	FY25	FY26	FY27E	FY28E	CAGR%
Hotel business (existing and upcoming properties)					
Rooms	3314	3389	3459	3,769	5.5
Revenues (Rs. Cr)	1521.0	1731.1	1906.6	2236.9	13.7
EBITDA (Rs. Cr)	680.3	760.3	823.7	975.3	13.3
EBITDA margins (%)	44.7	43.9	43.2	43.6	
Annuity & Rental business					
Revenues (Rs. Cr)	196.4	306.1	370.3	433.0	18.9
EBITDA (Rs. Cr)	154.0	254.4	316.7	355.4	18.2
EBITDA margins (%)	78.4	83.1	85.5	82.1	
-					
Residential business					
Revenues (Rs. Cr)		738.3	616.1	-	
EBITDA (Rs. Cr)		272.8	234.1	-	
EBITDA margins (%)		36.9	38.0	-	

Source: Company, ICICI Direct Research

Financial summary

Exhibit 9: Profit and loss statement ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Total Operating Income	**1717.7**	**2769.8**	**2893.1**	**2670.0**
Growth (%)	21.2	61.2	4.5	-7.7
Cost of food and beverages cons.	116.8	129.8	163.9	188.2
Gross Profit	1600.9	2640.0	2729.1	2481.7
Employee Expenses	234.5	287.9	331.0	377.4
Operating Supplies Consumed	42.5	43.6	59.2	69.4
Other Expenditure	588.1	1121.1	729.8	857.1
Total Operating Expenditure	981.9	1582.3	1283.9	1492.1
EBITDA	**735.8**	**1187.4**	**1227.1**	**1177.9**
Growth (%)	25.9	61.4	3.3	-4.0
Interest	159.1	180.5	137.8	114.7
Depreciation	178.8	230.0	228.4	243.4
Other Income	36.3	42.7	39.4	43.4
PBT	434.2	819.7	900.3	863.2
Less Tax	51.9	173.9	231.4	221.8
Adjusted PAT (before exceptional item)	**382.3**	**645.8**	**668.9**	**641.4**
Growth (%)	79.1	68.9	3.6	-4.1
Exceptional item	-240	-1	0	0
Reported PAT	**142.4**	**645.0**	**668.9**	**641.4**
Growth (%)	-43.9	352.9	3.7	-4.1
EPS (Adjusted)	17.5	29.5	30.5	29.3

Source: Company, ICICI Direct Research

Exhibit 10: Cash flow statement ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Profit/(Loss) after taxation	346.0	603.1	624.8	593.3
Add: Depreciation & Amortization	178.8	230.0	234.7	249.7
Other income	36.3	42.7	39.4	43.4
Changes in the working capital	155.4	27.7	-124.8	84.1
CF from Operating activities	**716.5**	**903.4**	**774.2**	**970.5**
(Purchase)/Sale of Fixed Assets	-1129.7	-662.3	-500.3	-500.0
Investments	0.0	0.0	0.0	0.0
Bank balance	-27.0	-67.5	-55.5	0.0
Others	-79.9	-74.8	-29.0	-30.4
CF from Investing activities	**-1236.7**	**-804.7**	**-584.8**	**-530.4**
(inc)/Dec in Loan	-350.9	-184.0	-234.4	-479.4
Change in equity & reserves	812.5	5.7	0.0	0.0
Dividend paid	0.0	0.0	0.0	0.0
Other	85.461	134.399	0	0
CF from Financing activities	**547.1**	**-44.0**	**-234.4**	**-479.4**
Net Cash Flow	27.0	54.8	-45.1	-39.4
Cash and Cash Equivalent (opening)	82.3	109.2	164.0	118.9
Cash	**109.2**	**164.0**	**118.9**	**79.5**
Free Cash Flow	**-413.2**	**241.1**	**273.8**	**470.5**

Source: Company, ICICI Direct Research

Exhibit 11: Balance sheet ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Equity Capital	218.5	219.0	219.0	219.0
Reserve and Surplus	2827.2	3478.2	4142.4	4779.1
Total Shareholders' funds	3045.7	3697.2	4361.4	4998.1
Minority Interest	0.0	0.0	0.0	0.0
Total Debt	2604.0	2367.7	2114.8	1615.2
Deferred Tax Liability	85.5	219.9	219.9	219.9
Other Non-Current Liabilities	131.7	184.0	202.5	222.7
Total Liabilities	**5866.9**	**6468.7**	**6898.6**	**7055.8**
Gross Block - Fixed Assets	6520.2	7440.8	7823.3	8323.3
Accumulated Depreciation	1602.6	1832.5	2067.2	2316.9
Net Block	5124.8	5608.3	5756.1	6006.4
Capital WIP	183.2	132.5	250.0	250.0
Fixed Assets	5307.9	5740.8	6006.1	6256.4
Goodwill & Other intangible assets	85.6	85.1	85.4	85.4
Other non-Current Assets	504.8	579.7	608.6	639.1
Inventory	632.5	269.3	656.8	643.8
Debtors	78.2	68.7	103.7	101.6
Other Current Assets	268.2	256.6	264.3	272.2
Loans & Advances	0.0	0.0	0.0	0.0
Cash	109.2	164.0	118.9	79.5
Bank balance	77.0	144.5	200.0	200.0
Total Current Assets	1165.1	903.1	1343.6	1297.1
Creditors	171.3	164.9	392.6	380.3
Provisions	8.7	10.2	8.0	8.0
Other Current Liabilities	1016.5	664.8	744.6	833.9
Total Current Liabilities	1196.5	839.9	1145.2	1222.2
Net Current Assets	-31.4	63.2	198.4	75.0
Application of Funds	**5866.9**	**6468.7**	**6898.6**	**7055.8**

Source: Company, ICICI Direct Research

Exhibit 12: Key ratios

(Year-end March)	FY25	FY26	FY27E	FY28E
Per share data (₹)				
Adjusted EPS	17.5	29.5	30.3	29.1
Cash EPS	25.7	40.0	41.0	40.5
BV per share	139.4	168.9	199.2	228.3
Dividend per share	0	0	0	0
Operating Ratios (%)				
Operating EBITDA margins (%)	42.8	42.9	42.4	44.1
PAT Margins	8.3	23.3	29.2	23.8
Return Ratios (%)				
RoE	15.6	19.2	16.5	13.6
RoCE	11.0	16.2	15.4	13.9
RoIC	10.8	16.6	16.3	14.9
Valuation Ratios (x)				
P/E	46.0	27.3	26.5	27.7
EV / EBITDA	27.2	16.6	15.8	16.1
EV / Sales	11.6	7.1	8.5	7.1
Market Cap / Sales	10.2	6.4	7.7	6.6
Price to Book Value	5.8	4.8	4.0	3.5
Solvency Ratios (x)				
Net Debt / EBITDA	3.3	1.7	1.5	1.1
Debt / Equity	0.9	0.6	0.5	0.3

Source: Company, ICICI Direct Research

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Reduce: -15% to -5%;

Sell: <-15%

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