# ITC Hotels Ltd. (ITCHOT)

ICICI Direct

CMP: ₹ 222 | Target: ₹ 282(27%) | Target Period: 12 months | **BUY**

October 27, 2025

## Steady performance in lean business quarter

**About the stock:** ITC Hotels, established in 1975, is the second largest hotel company in India with 13,469 keys in 90+ destinations. Post its demerger into separate entity, the company got listed on bourses in Feb,25

**Q2FY26 performance:** Consolidated revenues grew by 8% YoY to Rs.839.5cr in Q2FY26 driven by 7% growth in the standalone revenues and 14% YoY growth in the subsidiaries revenues. Domestic RevPar grew by 9.5% YoY to Rs.8,100/night while ITC Ratnadipa – Sri Lanka RevPar grew by 1.6x YoY, witnessing a fast scale-up since its launch in Apr,24. Consolidated EBIDTA margins improved by 200bps YoY to 29.3%; operating EBIDTA grew by 16% YoY to Rs245.8cr. Higher other income at Rs.45.3cr resulted in 72% YoY growth in the reported PAT to Rs.133.3cr.

**Investment Rationale**:

- **Steady RevPar growth in seasonally weak quarter; momentum to improve in H2:** ITC Hotels' domestic RevPAR grew by 9.5% YoY to Rs.8,100/night driven by 6.4% YoY growth in ADR which stood at Rs.11,250 while occupancy improved by 200bps YoY to 72% in Q2FY26 from 70% last year. The company continued to command RevPAR premium of 40% over the industry. Standalone room revenue grew by ~8% in Q2FY26. ITC Ratnadipa – Sri Lanka RevPar grew by 1.6x in Q2FY26. Overall consolidated RevPar grew by 11% in Q2FY26. Standalone RevPar grew by 11% to Rs8,000/night in H1FY26. In view of strong room demand driven by buoyancy tourism and good momentum in the foreign tourist arrival, RevPar growth will be much better in H2FY26. Overall, we expect consolidated room revenue to grow by 15% in FY26 with standalone room revenues grew by 10-11%, while ITC Ratnadipa to incrementally add to the topline.
- **EBIDTA margins to consistently improve in the near term:** ITC Hotels consolidated EBIDTA margins improved by 200bps yoy to 29.3% in Q2FY26 and by 150bps YoY to 29% in H1FY26. Despite lean business period and lower growth in F&B segment, standalone EBIDTA margins improved by 62bps YoY to 30.8% in Q2FY26 driven by better operating efficiencies. ITC Ratnadipa remained EBIDTA positive with improved profitability. Double digit RevPar growth in the domestic operations and scale-up in ITC Ratnadipa, Sri Lanka will help the EBIDTA margins to consistently improve in H2FY26. Higher contribution from F&B business will further add to the profitability in H2.
- **Focus on room expansion through capital efficient model:** As of Q2FY26, the company has 207 hotels with 19,535 keys. 146 hotels with 13,646 keys are operational while 61 hotels with 5,889 keys are in pipeline. During the quarter, it signed 7 hotels with ~800 keys across key cities in India, which are largely under the management contract. It has 2 ongoing greenfield projects in Puri (118 Keys) and Vishakhapatnam (200 Keys) which are expected to completed in FY28 and FY30 respectively. The company launched a new premium brand to its portfolio "EPIQ", aligning with its premiumisation strategy (to add 1,000 rooms under the brand).

**Rating and Target Price:** ITC Hotels registered resilient performance in H1FY26 despite geopolitical headwinds and high rainfall putting break on the business. We expect momentum to be much better in H2FY26 in view buoyant industry outlook. Recent correction in the stock price provides good entry opportunity. **We maintain Buy with an unchanged price target of Rs282 (valued at 32x FY27E EV/EBIDTA).**

### Key Financial Summary

| Key Financials ( ₹ Crore) | FY24 | FY25 | YoY % | FY26E | FY27E | FY28E | 3 year CAGR (FY25-28E) |
|---|---|---|---|---|---|---|---|
| Revenues | 3034.0 | 3559.8 | 17.3 | 4093.2 | 4744.2 | 5357.5 | 14.6 |
| EBITDA | 1005.0 | 1210.9 | 20.5 | 1464.4 | 1789.1 | 2088.0 | 19.9 |
| EBITDA Margins(%) | 33.1 | 34.0 | | 35.8 | 37.7 | 39.0 | |
| Adjusted PAT | 550.0 | 634.6 | 15.4 | 874.8 | 1137.9 | 1375.9 | 29.4 |
| EPS (Rs.) | 2.6 | 3.0 | | 4.2 | 5.5 | 6.6 | |
| PE (x) | 84.0 | 72.8 | | 52.8 | 40.6 | 33.6 | |
| EV to EBITDA (x) | 46.1 | 37.0 | | 30.0 | 24.1 | 20.3 | |
| RoE (%) | 12.9 | 6.5 | | 7.9 | 9.7 | 11.1 | |
| RoCE (%) | 16.2 | 8.6 | | 10.1 | 12.5 | 14.2 | |
| RoIC(%) | 9.5 | 8.7 | | 11.9 | 15.7 | 18.7 | |

Source: Company, ICICI Direct Research

ITC HOTELS
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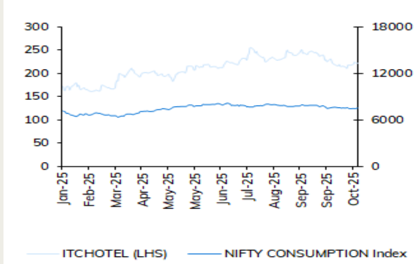
### Particulars

| Particular | Amount |
|---|---|
| Market Capitalisation (₹ crore) | 46,203 |
| Debt (FY25) -₹ crore | 261 |
| Cash (FY25) - ₹ crore | 1827 |
| EV (Rs crore) | 44,637 |
| 52 week H/L (₹) | 261 / 158 |
| Equity capital (₹ crore) | 208.1 |
| Face value (₹) | 1.0 |

### Shareholding pattern

| | Dec-24 | Mar-25 | Jun-25 | Sep-25 |
|---|---|---|---|---|
| Promoters | - | 39.9 | 39.9 | 39.9 |
| FII | - | 25.4 | 25.4 | 25.5 |
| DII | - | 21.6 | 20.6 | 20.2 |
| Others | - | 13.2 | 14.2 | 14.4 |

### Price Chart




### Key risks

(i) Any adverse event such as terrorist attack or pandemic might affect room demand.

(ii) Disruption in the performance of the international properties.

(iii) Delay in launch of new hotels.

### Research Analyst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Result Update

ICICI Securities – Retail Equity Research

## Q2FY26 Key Performance Highlights

- Consolidated revenues grew by 8% YoY to Rs.839.5cr in Q2FY26. Standalone revenues (India business) grew by 7.3% YoY to Rs.760.9cr driven by retail, corporate and MICE segments. Subsidiaries reported 14% YoY growth in revenues to Rs.78.6cr in Q2FY26.
- Domestic RevPAR grew by 9.5% YoY to Rs.8,100/night driven by 6.8% YoY growth in ADR which stood at Rs.11,129 while occupancy improved by 200bps YoY to 72% in Q2FY26 from 70% last year. The company continued to command RevPAR premium of 40% over the industry.
- Based on our calculations, standalone room revenues grew by 9.9% YoY to Rs.385.5cr in Q2FY26 on the back of low double-digit RevPAR growth. This is despite higher rainfall affecting the travel business during the month of July and August during the quarter. High base and lower number of wedding days during the quarter led to softening in F&B revenues growth to 5% YoY to Rs.368.6cr compared to double-digit growth for the same period in the previous 2 years.
- ITC Ratnadipa – Sri Lanka continues to witness rapid scale-up since its launch in April 2024 and has witnessed 1.6x YoY RevPAR growth. The hotel now is the RevPAR leader in Colombo and has turned EBITDA positive in Q2FY26. Growth is being aided by improving macro conditions in Sri Lanka with Foreign tourist arrivals scaling back to 7-year high.
- The operating EBITDA grew by 15.8% YoY to Rs.245.8cr while margins witnessed 200bps improvement to 29.3% driven by revenue growth, higher management fees and better operating leverage.
- Higher other income led to 72% YoY growth in PAT which stood at Rs.133.3cr in Q2FY26.

## H1FY26 Key Performance Highlights

- Consolidated revenues recorded 12% YoY growth to Rs.1,641cr in H1FY26. Standalone revenues (India business) grew by 11% YoY to Rs.1,492cr. Subsidiaries reported 21% YoY growth in revenues to Rs.150cr in H1FY26.
- Domestic RevPAR grew by 11.1% YoY to Rs.8,000/night driven by 9% YoY growth in ADR which stood at Rs.10,880 while occupancy improved by 200bps YoY to 72% in H1FY26 from 70% last year.
- Based on our calculation, standalone room revenues reported 12% YoY growth to Rs.754cr and F&B revenues reported 10% YoY growth to Rs.737.2cr.
- Operating EBITDA reported 29% YoY growth to Rs.476.4cr while margins witnessed 158bps YoY growth to 29% in H1FY26.
- Higher other income aided 69% YoY growth in PAT to Rs.253cr in H1FY26.

**Room expansion plan focusing on capital efficient model**

- As of Q2FY26, the company has 207 hotels with 19,535 keys. 146 hotels with 13,646 keys are operational while 61 hotels with 5,889 keys are in pipeline. During the quarter, it signed 7 hotels with ~800 keys across key cities in India. The company is targeting 220 hotels and 20000 keys in the next 5 years largely through brownfield expansions.
- The company during the quarter announced its entry in Kerala with the opening of Fortune, Kochi. Storii, Wayanad and Fortune, Kakkanad are part of the current pipeline of the company in Kerala. It has also announced its entry in Bihar with opening of Welcomhotel, Bodhgaya and has signed an agreement for new luxury hotel in Patna under the ITC hotels brand.
- On expansion of owned portfolio, the company has 2 ongoing greenfield projects in Puri (118 Keys) and Vishakhapatnam (200 Keys) which are expected to completed in FY28 and FY30 respectively. It is also expanding

its Bhubaneshwar property by 100 rooms and is expected to be completed by FY28.

- The company has announced addition of a new premium brand to its portfolio "EPIQ". The brand will align with the company's strategy to premiumize its portfolio by focusing on conversion of high-quality hotels with new owned and managed properties. The initial developments in the portfolio includes 201-key hotel in Tirupati and 118-key hotel in Puri marking the brand's debut amongst high footfall spiritual locations. In the medium-term, the company aims to add 1000 keys in the "EPIQ" brand.

## Revision in earnings estimates

We have broadly maintained our earnings estimates for FY26 and FY27. We expect H2FY26 operating performance to be much better considering the buoyancy in the domestic tourism and expected better growth in foreign tourist arrivals.

Exhibit 1: Changes in headline estimates

| (₹ crore) | FY26E | | | FY27E | | |
|---|---|---|---|---|---|---|
| | Old | New | % Chg | Old | New | % Chg |
| Net Revenues | 4163.7 | 4093.2 | -1.7 | 4796.3 | 4744.2 | -1.1 |
| EBIDTA | 1477.6 | 1464.4 | -0.9 | 1784.6 | 1789.1 | 0.2 |
| EBIDTA margin (%) | 35.5 | 35.8 | | 37.2 | 37.7 | |
| PAT | 884.7 | 874.8 | -1.1 | 1134.3 | 1137.9 | 0.3 |
| EPS (Rs.) | 4.3 | 4.3 | 0.0 | 5.5 | 5.5 | 0.0 |

Source: Company, ICICI Direct Research

Exhibit 2: Segment-wise performance (Standalone)

| **Particulars** | **Q2FY26** | **Q2FY25** | **y-o-y %** | **Q1FY26** | **q-o-q %** |
|---|---|---|---|---|---|
| Room revenue* | 385.8 | 351.1 | 9.9 | 368.5 | 4.7 |
| F&B revenue* | 368.6 | 351.1 | 5.0 | 368.5 | 0.0 |
| **Total revenue (Rs. crore)** | **754.4** | **702.1** | **7.4** | **737.1** | **2.4** |
| **Particulars** | **Q2FY26** | **Q2FY25** | **y-o-y (%/bps)** | **Q1FY26** | **q-o-q (%/bps)** |
| ADR (Rs.)* | 11129 | 10416 | 6.8 | 10522 | -5.5 |
| Occupancy (%) | 72% | 70% | 200bps | 73% | (100)bps |
| RevPAR (Rs.) | 8100 | 7400 | 9.5 | 7900 | -2.5 |

Source: Company, ICICI Direct Research

*Calculated figures

Exhibit 3: Q2FY26 consolidated result overview (₹ crore)

| Particulars | Q2FY26 | Q2FY25 | y-o-y (%) | Q1FY26 | q-o-q (%) |
|---|---|---|---|---|---|
| **Net revenue** | **839.5** | **778.0** | **7.9** | **815.5** | **2.9** |
| Food and beverages cons. | 86.5 | 85.4 | 1.3 | 81.5 | 6.1 |
| Employee cost | 186.6 | 173.1 | 7.8 | 190.0 | -1.8 |
| Other expenditure | 320.6 | 307.3 | 4.3 | 299.3 | 7.1 |
| Total expenditure | 593.7 | 565.7 | 4.9 | 570.9 | 4.0 |
| **EBITDA** | **245.8** | **212.2** | **15.8** | **244.7** | **0.4** |
| Other income | 45.4 | 3.0 | | 44.2 | 2.8 |
| Interest expenses | 1.9 | 1.7 | 15.1 | 1.7 | 15.1 |
| Depreciation | 104.1 | 103.9 | 0.2 | 102.4 | 1.6 |
| Profit Before Tax | 185.2 | 109.6 | 68.9 | 184.8 | 0.2 |
| Tax | 55.4 | 37.0 | 49.9 | 55.1 | - |
| **Adjusted PAT** | **129.8** | **72.7** | **78.6** | **129.7** | **0.1** |
| Minority Interest | 3.5 | 5.0 | -29.5 | 4.1 | -13.1 |
| **Reported PAT** | **133.3** | **77.7** | **71.6** | **133.7** | **-0.3** |
| Adjusted EPS (Rs.) | 0.6 | 0.9 | -28.8 | 0.6 | 0.0 |
| **Margins** | **Q2FY26** | **Q2FY25** | **bps** | **Q1FY26** | **bps** |
| GPM (%) | 89.7 | 89.0 | 67 | 90.0 | -30 |
| EBITDA Margin (%) | 29.3 | 27.3 | 200 | 30.0 | -73 |
| NPM (%) | 15.5 | 9.3 | 612 | 15.9 | -44 |
| Tax rate (%) | 29.9 | 33.7 | -380 | 29.8 | - |

Source: Company, ICICI Direct Research

Exhibit 4: Q2FY26 standalone result snapshot (₹ crore)

| Particulars | Q2FY26 | Q2FY25 | y-o-y (%/bps) | Q1FY26 | q-o-q (%/bps) |
|---|---|---|---|---|---|
| **Net revenue** | 760.9 | 708.9 | 7.3 | 743.6 | 2.3 |
| **EBITDA** | 234.4 | 214.0 | 9.5 | 237.4 | -1.3 |
| EBITDA Margin (%) | 30.8 | 30.2 | 62 | 31.9 | -112 |
| **Reported PAT** | 151.6 | 104.9 | 44.6 | 149.7 | 1.3 |
| NPM (%) | 20.1 | 14.9 | 516 | 20.3 | -22 |

Source: Company, ICICI Direct Research

Exhibit 5: Q2FY26 subsidiary result snapshot (₹ crore) (derived)

| Particulars | Q2FY26 | Q2FY25 | y-o-y (%/bps) | Q1FY26 | q-o-q (%/bps) |
|---|---|---|---|---|---|
| **Net revenue** | 78.6 | 69.1 | 13.8 | 71.9 | 9.2 |
| **EBITDA** | 11.4 | -1.8 | - | 7.3 | 56.3 |
| EBITDA Margin (%) | 14.4 | -2.6 | - | 10.1 | - |

Source: Company, ICICI Direct Research

# Financial summary

Exhibit 6: Profit and loss statement ₹ crore

| (Year-end March) | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| **Total Operating Income** | **3,034.0** | **3,559.8** | **4,093.2** | **4,744.2** | **5,357.5** |
| *Growth (%)* | - | *17.3* | *15.0* | *15.9* | *12.9* |
| Cost of food and beverages cons | 296.0 | 363.2 | 410.3 | 484.8 | 554.5 |
| Gross Profit | 2,738.0 | 3,196.7 | 3,682.8 | 4,259.4 | 4,803.0 |
| Employee Expenses | 586.0 | 692.5 | 782.8 | 876.8 | 960.7 |
| Operating Supplies Consumed | | | | | |
| Other Expenditure | 1,147.0 | 1,293.3 | 1,435.6 | 1,593.5 | 1,754.3 |
| Total Operating Expenditure | 2,029.0 | 2,348.9 | 2,628.8 | 2,955.1 | 3,269.5 |
| **EBITDA** | **1005.0** | **1210.9** | **1464.4** | **1789.1** | **2088.0** |
| *Growth (%)* | - | *20.5* | *20.9* | *22.2* | *16.7* |
| Interest | 7.0 | 6.6 | 6.2 | 6.3 | 6.3 |
| Depreciation | 298.0 | 402.4 | 415.0 | 431.3 | 449.9 |
| Other Income | 35.0 | 66.3 | 111.2 | 150.0 | 183.8 |
| PBT | 735.0 | 868.2 | 1154.3 | 1501.5 | 1815.6 |
| Less Tax | 185 | 246 | 297 | 386 | 467 |
| **Adjusted PAT (before exceptional item)** | **550.0** | **621.8** | **857.7** | **1115.6** | **1349.0** |
| Growth (%) | - | *13.0* | *37.9* | *30.1* | *20.9* |
| Minority Interest | 0 | 13 | 17 | 22 | 27 |
| **Reported PAT** | **550.0** | **634.6** | **874.8** | **1137.9** | **1375.9** |
| Growth (%) | - | *15.4* | *37.9* | *30.1* | *20.9* |
| EPS (Adjusted) | 2.6 | 3.0 | 4.2 | 5.5 | 6.6 |

Source: Company, ICICI Direct Research

Exhibit 7: Cash flow statement ₹ crore

| (Year-end March) | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| Profit/(Loss) after taxation | 515.0 | 555.5 | 746.5 | 965.6 | 1165.2 |
| Add: Depreciation & Amortizatior | 298.0 | 402.4 | 415.0 | 431.3 | 449.9 |
| Other income | 35.0 | 66.3 | 111.2 | 150.0 | 183.8 |
| Changes in the working capital | -900.1 | -471.4 | 176.7 | 56.7 | -207.9 |
| **CF from Operating activities** | **-52.1** | **552.7** | **1449.4** | **1603.6** | **1590.9** |
| | | | | | |
| (Purchase)/Sale of Fixed Assets | -8501.7 | -546.0 | -269.5 | -379.5 | -428.6 |
| Investments | -128.5 | -374.0 | 0.0 | 0.0 | 0.0 |
| Bank balance | -148.1 | -1426.7 | -875.2 | -600.0 | -650.0 |
| Others | -312.8 | 143.3 | -8.5 | -8.9 | -9.3 |
| **CF from Investing activities** | **-9091.2** | **-2203.4** | **-1153.2** | **-988.4** | **-1087.9** |
| | | | | | |
| (inc)/Dec in Loan | 790.4 | 72.1 | 57.6 | 67.4 | 74.0 |
| Change in equity & reserves | 7981.1 | 1575.6 | 17.2 | 22.3 | 27.0 |
| Dividend paid | 0.0 | 0.0 | -416.2 | -520.3 | -520.3 |
| Other | 421.1 | 32.4 | 22.0 | 23.9 | 23.5 |
| **CF from Financing activities** | **9192.6** | **1680.1** | **-319.5** | **-406.7** | **-395.9** |
| | | | | | |
| Net Cash Flow | 49.3 | 29.4 | -23.3 | 208.5 | 107.1 |
| Cash and Cash Equivalent (open | 0.0 | 49.3 | 78.7 | 55.4 | 263.9 |
| **Cash** | **49.3** | **78.7** | **55.4** | **263.9** | **371.0** |
| **Free Cash Flow** | **NA** | **6.7** | **1179.9** | **1224.1** | **1162.3** |

Source: Company, ICICI Direct Research

Exhibit 8: Balance sheet ₹ crore

| (Year-end March) | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| Equity Capital | 83.0 | 208.1 | 208.1 | 208.1 | 208.1 |
| Reserve and Surplus | 8,414.9 | 10,484.1 | 10,942.6 | 11,560.3 | 12,415.9 |
| Total Shareholders funds | 8,497.9 | 10,692.2 | 11,150.7 | 11,768.4 | 12,624.0 |
| Minority Interest | 33.3 | 36.3 | 36.3 | 36.3 | 36.3 |
| Total Debt | 301.0 | 261.3 | 259.6 | 261.8 | 264.1 |
| Deferred Tax Liability | 399.7 | 425.7 | 447.0 | 469.4 | 492.8 |
| Other Non Current Liabilities | 143.9 | 16.7 | 17.5 | 18.4 | 19.3 |
| Provisions | 21.4 | 27.8 | 28.5 | 30.0 | 30.0 |
| **Total Liabilities** | **9397.1** | **11459.9** | **11939.6** | **12584.2** | **13466.6** |
| Gross Block - Fixed Assets | 6702.6 | 8858.6 | 9186.1 | 9565.6 | 9994.2 |
| Accumulated Depreciation | 298.0 | 700.4 | 1115.4 | 1546.7 | 1996.5 |
| Net Block | 6404.6 | 8158.3 | 8070.7 | 8018.9 | 7997.7 |
| Capital WIP | 1767.6 | 157.9 | 100.0 | 100.0 | 100.0 |
| Fixed Assets | 8172.2 | 8316.2 | 8170.7 | 8118.9 | 8097.7 |
| Goodwill & Other intangible asse | 31.5 | 31.2 | 31.2 | 31.2 | 31.2 |
| Investments | 128.46 | 502.48 | 502.48 | 502.48 | 502.48 |
| Other non-Current Assets | 312.8 | 169.5 | 177.9 | 186.8 | 196.2 |
| Inventory | 1036.6 | 1241.2 | 1009.3 | 974.8 | 1100.9 |
| Debtors | 144.5 | 201.8 | 224.3 | 260.0 | 293.6 |
| Other Current Assets | 91.9 | 186.6 | 205.2 | 225.8 | 248.3 |
| Loans & Advances | 0.4 | 0.2 | 0.2 | 0.3 | 0.3 |
| Cash | 49.3 | 78.7 | 55.4 | 263.9 | 371.0 |
| Bank balance | 148.1 | 1574.9 | 2450.0 | 3050.0 | 3700.0 |
| Investments | 75.9 | 173.7 | 250.0 | 250.0 | 350.0 |
| Total Current Assets | 1546.8 | 3457.0 | 4194.5 | 5024.7 | 6064.1 |
| Creditors | 433.3 | 421.4 | 482.2 | 558.9 | 631.2 |
| Provisions | 15.9 | 10.4 | 12.0 | 13.8 | 15.8 |
| Other Current Liabilities | 345.5 | 584.5 | 643.0 | 707.3 | 778.0 |
| Total Current Liabilities | 794.8 | 1016.4 | 1137.1 | 1279.9 | 1425.0 |
| Net Current Assets | 752.1 | 2440.6 | 3057.3 | 3744.8 | 4639.1 |
| **Application of Funds** | **9397.1** | **11459.9** | **11939.6** | **12584.2** | **13466.6** |

Source: Company, ICICI Direct Research

Exhibit 9: Key ratios

| (Year-end March) | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|---|---|---|---|---|
| **Per share data (₹)** | | | | | |
| Adjusted EPS | 2.6 | 3.0 | 4.2 | 5.5 | 6.6 |
| Cash EPS | 10.2 | 4.9 | 6.1 | 7.4 | 8.6 |
| BV per share | 102.4 | 51.4 | 53.6 | 56.5 | 60.7 |
| Dividend per share | 0 | 0 | 2.0 | 2.5 | 2.5 |
| **Operating Ratios (%)** | | | | | |
| Operating EBITDA margins (%) | 33.1 | 34.0 | 35.8 | 37.7 | 39.0 |
| PAT Margins | 18.1 | 17.5 | 21.0 | 23.5 | 25.2 |
| **Return Ratios (%)** | | | | | |
| RoE | 12.9 | 6.5 | 7.9 | 9.7 | 11.1 |
| RoCE | 16.2 | 8.6 | 10.1 | 12.5 | 14.2 |
| RoIC | 9.5 | 8.7 | 11.9 | 15.7 | 18.7 |
| **Valuation Ratios (x)** | | | | | |
| P/E | 84.0 | 72.8 | 52.8 | 40.6 | 33.6 |
| EV / EBITDA | 46.1 | 37.0 | 30.0 | 24.1 | 20.3 |
| EV / Sales | 15.3 | 12.6 | 10.7 | 9.1 | 7.9 |
| Market Cap / Sales | 15.2 | 13.0 | 11.3 | 9.7 | 8.6 |
| Price to Book Value | 2.2 | 4.3 | 4.1 | 3.9 | 3.7 |
| **Solvency Ratios (x)** | | | | | |
| Net Debt / EBITDA | 0.0 | -1.3 | -1.7 | -1.8 | -2.0 |
| Debt / Equity | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Source: Company, ICICI Direct Research

## RATING RATIONALE

ICICI Direct endeavours to provide objective opinions and recommendations. ICICI Direct assigns ratings to its stocks according to their notional target price vs. current market price and then categorizes them as Buy, Hold, Reduce and Sell. The performance horizon is two years unless specified and the notional target price is defined as the analysts' valuation for a stock

Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%

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## ANALYST CERTIFICATION

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