



April 9, 2025

#### Exhibit 1: PL Universe

Companies	Rating	CMP (Rs)	TP (Rs)
Chalet Hotels	BUY	825	1,108
InterGlobe Aviation	BUY	5,157	5,875
IRCTC	BUY	715	850
Lemon Tree Hotels	BUY	139	173
Safari Industries (India)	BUY	1,989	2,557
V.I.P. Industries	BUY	265	433

Source: PL

### Maha Kumbh to churn nectar for tourism sector

4QFY25E is likely to be an eventful quarter for hotels, aviation and OTAs aided by Maha Kumbh. Pricing power of the hospitality sector got a boost from Maha Kumbh with pan-India ARR breaching the Rs10K mark in Feb-25. Even occupancy levels surged to 72-74% in Feb'25, reflecting robust demand. The aviation sector also witnessed strong tailwinds during the quarter, with Jan/Feb registering double digit growth in monthly traffic to 14.6mn/14.0mn respectively. OTAs also benefitted amid the travel frenzy, and we expect IRCTC to report strong growth in catering and tourism revenues. As for the luggage sector, given price environment continues to remain competitive, growth is likely to be driven by volumes. Overall, aviation and hospitality are key beneficiaries of Maha Kumbh. Within our hospitality coverage universe, we expect RevPAR growth to be in mid-teens for Chalet and Lemon Tree. As for Indigo, we expect yields to remain flat with a top-line of Rs218bn and EBITDAR margin of 28.5% (excluding FX loss/gain). We prefer Indigo and VIP at current levels and have upgraded IRCTC to a BUY.

**Luggage – GM to improve sequentially:** We expect VIP/Safari to report revenue of Rs5.0bn (down 2.8% YoY)/Rs4.3bn (up 17.9% YoY) aided by healthy growth in volumes as pricing environment continues to remain competitive. Despite the ongoing price war, both the players are expected to report highest GM for the year in this quarter. VIP is expected to report GM of 48.0% aided by rising contribution from Bangladesh while Safari's GM of 46.3% is expected to get a boost from rising capacity utilization at Jaipur.

For VIP, we cut our FY26E/FY27E EPS estimates by 19.9%/6.4%, as we fine-tune our top-line growth assumptions. We retain 'BUY' on the stock with a revised TP of Rs433 (30x FY27E EPS, no change in target multiple). For Safari, we cut our FY26E/FY27E EPS estimates by 1.7%/8.1% given the increase in competitive intensity at mass end given Samsonite India's renewed focus on Kamiliant. We maintain 'BUY' on the stock with a revised TP of Rs2,557 (45x FY27E EPS, no change in target multiple).

**Hotels – Pricing environment continues to remain healthy:** For Chalet, we expect ARR to increase 15.5% YoY to Rs13,696 with an occupancy of 75.1%. Overall, we expect Chalet to report 20.2% YoY growth in revenue with an EBITDA margin of 44.9%. We have incorporated the acquisition of West-In Resort & Spa, situated in Hrishikesh, into our estimates and have increased our FY26E/FY27E EPS estimates 9.0%/7.4% respectively. We maintain 'BUY' with a revised SOTP-based TP of Rs1,108 valuing the hotel business at EV/EBITDA multiple of 24x over FY27E (no change in target multiple).

For Lemon Tree, we expect ARR to increase 8.0% YoY to Rs7,128 with an occupancy of 76.9%. We expect Lemon Tree to report 15.1% YoY growth in revenue with an EBITDA margin of 53.0%. We maintain 'BUY' on the stock with a SOTP-based TP of Rs173 valuing the stock at an EV/EBITDA multiple of 24x over FY27E (no change in target multiple).

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**Aviation – Yields remain steady on YoY basis:** We expect IndiGo to report a load factor of 88.4% with yield of Rs5.19 (flat on YoY basis). IndiGo is expected to report revenues of Rs218bn (up 22.2% YoY) with an EBITDAR margin of 28.5% (excluding FX adjustments) supported by capacity addition.

We expect ASKM/RPKM to increase by 20.3%/23.0% YoY to 41.8bn/36.9bn. We expect RASK of Rs5.20 and gross spread (RASK less fuel CASK) of Rs3.54. We retain 'BUY' with a revised TP of Rs5,875 after assigning an EV/EBITDA multiple of 11.0x (no change in target multiple).

**IRCTC – Maha Kumbh to aid catering & tourism business:** We expect online ticketing volumes of ~122mn, resulting in ticketing revenue of Rs3.5bn in 4QFY25E. Catering revenue is expected to increase 17.0% YoY to Rs6.2bn, while tourism business is expected to grow by 23.7% YoY to Rs2.5bn aided by Maha Kumbh. Overall, we expect IRCTC's revenue to increase 14.2% YoY to Rs13.2bn with an EBITDA margin of 32.6%. Given the recent correction in stock price, we upgrade our rating to BUY (earlier HOLD) with a revised TP of Rs850 (44x FY27E; no change in target multiple but we roll forward our valuation to FY27E).

**Exhibit 2: Q4FY25 Result Preview (Rs mn)**

Company Name		Q4FY25E	Q4FY24	YoY gr. (%)	Q3FY25	QoQ gr. (%)	Remark
<b>Chalet Hotels</b>	Sales	5,029	4,183	20.2	4,578	9.9	For Chalet, we expect ARR's to increase 15.5% YoY to Rs13,696 with an occupancy of 75%. Hotel revenue is likely to be at Rs4.4bn with an EBITDA margin of 47.5% while annuity income is expected to rise 65.4% YoY to Rs585mn with an EBITDA margin of 78.0%. Overall, we expect Chalet to report 20.2% YoY growth in revenue with EBITDA margin of 44.9%.
	EBITDA	2,258	1,829	23.5	2,047	10.3	
	Margin (%)	44.9	43.7	117 bps	44.7	18 bps	
	PBT	1,413	990	42.6	1,184	19.4	
	Adj. PAT	1,059	824	28.4	965	9.7	
<b>InterGlobe Aviation</b>	Sales	2,17,839	1,78,253	22.2	2,21,107	(1.5)	We expect Indigo to report revenues of Rs218bn (up 22.2% YoY) with a load factor of 88.4% and yield of Rs5.19. We expect RASK of Rs5.20 and gross spread (RASK less fuel CASK) of Rs3.54 with EBITDAR margin of 28.5% for the quarter. Given stable exchange rate we do not expect any material FX re-adjustments in this quarter.
	EBITDAR	62,113	43,795	41.8	59,371	4.6	
	Margin (%)	28.5	24.6	394 bps	26.9	166 bps	
	PBT	28,418	17,710	60.5	25,271	12.5	
	Adj. PAT	28,933	18,948	52.7	39,052	(25.9)	
<b>Indian Railway Catering and Tourism Corporation</b>	Sales	13,193	11,548	14.2	12,247	7.7	We expect 14.2% YoY growth in top-line to Rs13.2bn. We expect ticketing volumes of ~122mn for the quarter with internet ticketing revenues of Rs3.5bn. Catering revenue is expected to increase 17.0% YoY to Rs6.2bn. Overall, EBITDA margin is expected to be at 32.6%.
	EBITDA	4,300	3,627	18.6	4,166	3.2	
	Margin (%)	32.6	31.4	119 bps	34.0	-142 bps	
	PBT	4,572	3,743	22.1	4,566	0.1	
	Adj. PAT	3,388	2,765	22.6	3,411	(0.7)	
<b>Lemon Tree Hotels</b>	Sales	3,768	3,273	15.1	3,552	6.1	For Lemon Tree, we expect ARR's to increase 8.0% YoY to Rs7,128 while occupancy is expected to be at 77% (72% in 4QFY24.) Overall, we expect Lemon Tree to report 15.1% YoY growth in revenue with EBITDA margin of 53.0%.
	EBITDA	1,996	1,715	16.4	1,842	8.4	
	Margin (%)	53.0	52.4	60 bps	51.9	112 bps	
	PBT	1,169	892	31.1	994	17.6	
	Adj. PAT	637	670	(4.9)	625	1.9	
<b>Safari Industries (India)</b>	Sales	4,308	3,654	17.9	4,427	(2.7)	For Safari, we expect revenues to increase by 17.9% YoY to Rs4,308mn in 4QFY25E. Despite an competitive pricing environment, we expect GM of 46.3% as increasing capacity utilization at Jaipur would lend cost competitiveness. We expect EBITDA margin to be at 12.8% for the quarter.
	EBITDA	550	669	(17.8)	504	9.1	
	Margin (%)	12.8	18.3	-554 bps	11.4	137 bps	
	PBT	441	559	(21.2)	408	8.1	
	Adj. PAT	336	432	(22.3)	311	7.8	
<b>V.I.P. Industries</b>	Sales	5,019	5,163	-2.8	5,011	0.2	We expect revenue to decline by 2.8% YoY to Rs5,019mn in 4QFY25E. However, GM is likely to be at 48.0% as contribution from low-cost destination Bangladesh is expected to improve in this quarter as SL liquidation has gathered momentum. We expect EBITDA margin of 7.3% for the quarter.
	EBITDA	366	78	367.8	286	28.0	
	Margin (%)	7.3	1.5	578 bps	5.7	159 bps	
	PBT	-67	-333	NA	-167	NA	
	Adj. PAT	-49	-239	NA	-124	NA	

Source: Company, PL

**Exhibit 3: Valuation Summary**

Company Names	S/ C	Rating	CMP (Rs)	TP (Rs)	MCap (Rs bn)	Sales (Rs mn)				EBITDA (Rs mn)				PAT (Rs mn)				EPS (Rs)				RoE (%)				PE (x)			
						FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E	FY24	FY25E	FY26E	FY27E
Chalet Hotels	C	BUY	825	1,108	179.9	14,173	16,988	21,823	24,549	5,846	7,202	10,064	11,341	2,386	3,270	4,980	5,848	11.6	15.0	22.8	26.8	14.1	13.5	15.6	15.9	71.1	55.0	36.1	30.8
InterGlobe Aviation*	S	BUY	5,157	5,875	1,990.5	689.0	804.3	896.1	1,053.9	173.9	203.3	212.6	245.6	88.9	88.4	81.5	88.1	230.3	229.0	211.0	228.4	-418.3	159.6	61.9	40.7	22.4	22.5	24.4	22.6
IRCTC	S	BUY	715	850	572.0	42,702	47,373	52,323	56,535	14,660	16,060	17,742	19,561	11,696	13,050	14,116	15,462	14.6	16.3	17.6	19.3	41.0	36.3	32.3	29.7	48.9	43.8	40.5	37.0
Lemon Tree Hotels	C	BUY	139	173	109.8	10,711	12,843	14,382	15,650	5,232	6,296	7,451	8,206	1,485	1,753	2,711	3,371	1.9	2.2	3.4	4.3	16.3	16.6	21.4	21.9	73.9	62.6	40.5	32.6
Safari Industries (India)	C	BUY	1,989	2,557	97.0	15,504	17,813	21,462	25,888	2,775	2,191	3,370	4,142	1,758	1,388	2,267	2,779	36.1	28.5	46.5	57.0	28.1	15.7	21.6	21.6	55.2	69.9	42.8	34.9
V.I.P. Industries	C	BUY	265	433	37.6	22,450	21,861	23,636	26,476	1,936	1,124	3,404	4,157	285	-499	1,456	2,049	2.0	-3.5	10.3	14.4	4.3	-7.8	22.1	25.4	131.9	-75.3	25.8	18.4

Source: Company, PL

S=Standalone / C=Consolidated

\* Indigo figures are in bn & EBITDA is EBITDAR

**Exhibit 4: Change in Estimates**

	Rating		Target Price			Sales						PAT						EPS					
	C	P	C	P	% Chng.	FY25E		FY26E		FY25E		FY26E		FY25E		FY26E		FY25E		FY26E			
						C	P	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C
Chalet Hotels	BUY	BUY	1,108	1,064	4.1%	16,988	16,947	0.2%	21,823	20,604	5.9%	3,270	3,369	-2.9%	4,980	4,567	9.0%	15.0	15.4	-2.9%	22.8	20.9	9.0%
InterGlobe Aviation	BUY	BUY	5,875	5,861	0.2%	8,04,349	7,98,737	0.7%	8,96,146	8,96,146	0.0%	88,387	82,920	6.6%	81,455	81,473	0.0%	229.0	214.8	6.6%	211.0	211.1	0.0%
IRCTC	BUY	HOLD	850	809	5.2%	47,373	47,234	0.3%	52,323	51,671	1.3%	13,050	13,098	-0.4%	14,116	14,043	0.5%	16.3	16.4	-0.4%	17.6	17.6	0.5%
Lemon Tree Hotels	BUY	BUY	173	175	-1.2%	12,843	12,735	0.8%	14,382	14,484	-0.7%	1,753	1,802	-2.7%	2,711	2,751	-1.5%	2.2	2.3	-2.7%	3.4	3.5	-1.5%
Safari Industries (India)	BUY	BUY	2,557	2,783	-8.1%	17,813	18,074	-1.4%	21,462	21,775	-1.4%	1,388	1,413	-1.8%	2,267	2,305	-1.7%	28.5	29.0	-1.8%	46.5	47.3	-1.7%
V.I.P. Industries	BUY	BUY	433	463	-6.4%	21,861	22,239	-1.7%	23,636	24,811	-4.7%	-499	-400	24.7%	1,456	1,819	-19.9%	-3.5	-2.8	24.7%	10.3	12.8	-19.9%

Source: Company, PL

C=Current / P=Previous

**Analyst Coverage Universe**

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Chalet Hotels	BUY	1,064	767
2	Delhivery	Hold	340	315
3	DOMS Industries	BUY	3,370	2,810
4	Imagicaaworld Entertainment	BUY	97	71
5	Indian Railway Catering and Tourism Corporation	Hold	809	751
6	InterGlobe Aviation	BUY	5,861	5,087
7	Lemon Tree Hotels	BUY	175	145
8	Mahindra Logistics	Hold	399	354
9	Navneet Education	Hold	150	140
10	Nazara Technologies	BUY	1,117	921
11	PVR Inox	Hold	1,215	1,090
12	S Chand and Company	BUY	305	189
13	Safari Industries (India)	BUY	2,783	2,383
14	TCI Express	BUY	1,021	791
15	V.I.P. Industries	BUY	463	374
16	Zee Entertainment Enterprises	Hold	137	121

**PL's Recommendation Nomenclature**

<b>Buy</b>	: > 15%
<b>Accumulate</b>	: 5% to 15%
<b>Hold</b>	: +5% to -5%
<b>Reduce</b>	: -5% to -15%
<b>Sell</b>	: < -15%
<b>Not Rated (NR)</b>	: No specific call on the stock
<b>Under Review (UR)</b>	: Rating likely to change shortly

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