

May 10, 2023

## Q4FY23 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

### Change in Estimates

	Current		Previous	
	FY24E	FY25E	FY24E	FY25E
<b>Rating</b>	<b>BUY</b>		<b>BUY</b>	
<b>Target Price</b>	<b>504</b>		<b>498</b>	
Sales (Rs. m)	15,295	17,202	14,861	16,800
% Chng.	2.9	2.4		
EBITDA (Rs. m)	6,372	7,496	6,220	7,327
% Chng.	2.4	2.3		
EPS (Rs.)	12.3	16.6	12.2	16.5
% Chng.	1.2	0.4		

### Key Financials - Consolidated

Y/e Mar	FY22	FY23	FY24E	FY25E
Sales (Rs. m)	5,078	11,285	15,295	17,202
EBITDA (Rs. m)	985	4,528	6,372	7,496
Margin (%)	19.4	40.1	41.7	43.6
PAT (Rs. m)	(771)	1,436	2,525	3,405
EPS (Rs.)	(3.8)	7.0	12.3	16.6
Gr. (%)	NA	NA	75.9	34.9
DPS (Rs.)	-	-	-	1.7
Yield (%)	-	-	-	0.4
RoE (%)	NA	10.0	15.1	17.5
RoCE (%)	NA	8.2	10.4	12.0
EV/Sales (x)	20.7	9.5	7.0	6.2
EV/EBITDA (x)	106.6	23.7	16.9	14.2
PE (x)	NA	56.1	31.9	23.7
P/BV (x)	6.0	5.2	4.5	3.8

### Key Data

### CHAL.BO | CHALET IN

52-W High / Low	Rs.410 / Rs.275
Sensex / Nifty	61,761 / 18,266
Market Cap	Rs.81bn/ \$ 982m
Shares Outstanding	205m
3M Avg. Daily Value	Rs.73.66m

### Shareholding Pattern (%)

Promoter's	71.65
Foreign	2.04
Domestic Institution	22.52
Public & Others	3.79
Promoter Pledge (Rs bn)	-

### Stock Performance (%)

	1M	6M	12M
Absolute	8.5	7.8	37.3
Relative	5.1	6.5	21.1

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## Asset sweating to begin soon

### Quick Pointers:

- ARR/RevPAR touches an all-time high of Rs11,304/Rs8,363 respectively.
- Room inventory to be at 3,760 units; while commercial leasable area will touch 3mn sq ft mark in FY26E.

**We increase our EPS estimates by 1.2%/0.4% for FY24E/FY25E respectively, as we re-align our RevPAR assumptions in light of ARR breaching the Rs11K mark this quarter. We expect current buoyancy in room rates to continue in light of 1) ongoing G-20 events 2) upcoming cricket world-cup and 3) expectation in FTA revival. In addition, Chalet will benefit from asset sweating that is expected to begin in next 6-8 months as 1) 88 rooms at Novotel Pune will begin operations in May 2) 168 rooms at Hyderabad will start operations from June and 3) roughly ~1mn sq ft of leasable area in Bangalore will start yielding rent soon as handover process is already underway. Buoyed by rate reset and operationalization of hotel/commercial assets, we expect revenue/PAT CAGR of 23%/54% over FY23-FY25E. Retain 'BUY' with a SOTP (refer exhibit 8 for more details) based TP of Rs504 (earlier Rs498).**

**Revenue at an all-time high:** Top-line increased 128.3% YoY to Rs3,379mn (PLe Rs3,111mn). Hospitality/Annuity revenue was up 144.9%/30.2% YoY to Rs3,094mn/Rs281mn respectively. ARR increased 108.2% YoY and was at an all-time high of Rs11,304. RevPAR too touched an all-time peak of Rs8,363 while occupancy stood at 74% (55%/65% in 4QFY22/3QFY23) versus our expectation of 70%.

**EBITDA margin at 45.1%:** EBITDA increased 384.8% YoY to Rs1,524mn (PLe Rs1,293mn) with a margin of 45.1% (PLe 41.6%). PAT stood at Rs392mn with a margin of 11.6% (PLe 15.0%). There was an exceptional charge of Rs184mn pertaining to write down of real estate inventory at Bangalore given revision in project cost. Adjusting for this charge, PAT increased to Rs576mn (PLe of Rs468mn).

**Con-call highlights:** 1) Handover of 0.65mn sq ft of leasable area at Whitefield, Bangalore has begun. Roughly, 0.15mn sq ft has already been taken by an anchor client and 85% of the area will be leased out in next 6 months. Handover of repurposed mall (tower-2 with 0.3mn sq ft) will begin from 2QFY24E and more than 75% of the area will be leased out in next 6 months. 2) Lease rental discounting (LRD) entitlement is 6.5-7x times of EBITDA and ~Rs12bn of debt is expected to be converted to LRD in FY24E, resulting in interest cost savings of 50-75bps. 3) 0.78mn sq ft of area at Powai is also ready and 25%/50%/97% of the area will be leased out by Sep-23/Dec-23/Mar-24 respectively. 4) Earmarked capex of Rs6bn in FY24E. 5) Over the next 5 years, capex spend is pegged at roughly Rs20bn (Rs 10bn for office buildings/Rs 7.5bn for hotels/Rs1.25bn for renovations) 6) ASP at Koramangala is upwards of Rs16,000. 7) Debt levels will peak out at Rs26.5bn. 8) 88 rooms at Novotel, Pune will be operational in this month. 9) Foreign guest mix was 37% for Q4FY23. 10) Capex for commercial tower-2 at Powai is pegged at Rs7bn.

**Exhibit 1: 4QFY23 Result Overview – Consolidated (Rs mn)**

Y/e March	4QFY23	4QFY22	YoY gr.	3QFY23	QoQ gr.	FY23	FY22	YoY gr
<b>Net sales</b>	<b>3,379</b>	<b>1,480</b>	<b>128.3%</b>	<b>2,897</b>	<b>16.6%</b>	<b>11,285</b>	<b>5,078</b>	<b>122.2%</b>
Real estate development cost	21	21	-0.6%	21	0.0%	85	222	-61.6%
<i>As a % of sales</i>	<i>0.6%</i>	<i>1.4%</i>		<i>0.7%</i>		<i>0.8%</i>	<i>4.4%</i>	
(Inc)/Dec in Stock of trade	-	-	NM	-	NM	-	(13)	NM
<i>As a % of sales</i>	<i>NM</i>	<i>NM</i>		<i>NM</i>		<i>NM</i>	<i>NM</i>	
Food and beverages consumed	256	166	54.2%	259	-1.2%	999	539	85.5%
<i>As a % of sales</i>	<i>7.6%</i>	<i>11.2%</i>		<i>8.9%</i>		<i>8.9%</i>	<i>10.6%</i>	
Operating supplies consumed	104	73	41.0%	118	-12.2%	393	244	61.1%
<i>As a % of sales</i>	<i>3.1%</i>	<i>5.0%</i>		<i>4.1%</i>		<i>3.5%</i>	<i>4.8%</i>	
Employee Cost	413	276	49.6%	394	4.7%	1,511	1,000	51.1%
<i>As a % of sales</i>	<i>12.2%</i>	<i>18.6%</i>		<i>13.6%</i>		<i>13.4%</i>	<i>19.7%</i>	
Other Expenditure	1,061	629	68.7%	970	9.4%	3,769	2,102	79.3%
<i>As a % of sales</i>	<i>31.4%</i>	<i>42.5%</i>		<i>33.5%</i>		<i>33.4%</i>	<i>41.4%</i>	
<b>EBITDA</b>	<b>1,524</b>	<b>314</b>	<b>384.8%</b>	<b>1,135</b>	<b>34.2%</b>	<b>4,528</b>	<b>985</b>	<b>359.8%</b>
<i>EBITDA margin</i>	<i>45.1%</i>	<i>21.2%</i>		<i>39.2%</i>		<i>40.1%</i>	<i>19.4%</i>	
Depreciation	298	303	-1.4%	281	6.1%	1,173	1,184	-0.9%
<b>EBIT</b>	<b>1,225</b>	<b>12</b>	<b>10480.3%</b>	<b>854</b>	<b>43.5%</b>	<b>3,355</b>	<b>(199)</b>	<b>NM</b>
<i>EBIT margin</i>	<i>36.3%</i>	<i>0.8%</i>		<i>29.5%</i>		<i>29.7%</i>	<i>NM</i>	
Interest cost	405	356	13.9%	368	10.1%	1,545	1,444	7.0%
Other income	79	55	43.6%	321	-75.3%	495	219	125.6%
<b>PBT</b>	<b>899</b>	<b>(289)</b>	<b>NM</b>	<b>806</b>	<b>11.5%</b>	<b>2,305</b>	<b>(1,424)</b>	<b>NM</b>
Exceptional items/Share of JV's	184	10	1727.5%	(605)	NM	(423)	45	NM
Tax expenses	323	(185)	NM	388	-16.7%	870	(720)	NM
Tax rate	45.2%	NM		27.5%		31.9%	NM	
Loss from discontinued operation before tax	-	-	NM	-	NM	-	(65)	NM
<b>PAT</b>	<b>392</b>	<b>(115)</b>	<b>NM</b>	<b>1,024</b>	<b>-61.7%</b>	<b>1,858</b>	<b>(749)</b>	<b>NM</b>
<i>PAT margin</i>	<i>11.6%</i>	<i>NM</i>		<i>35.3%</i>		<i>16.5%</i>	<i>NM</i>	
Non controlling interest	(1)	1	NM	0.1	NM	(0)	1	NM
Other comprehensive income (OCI)	(5)	2	NM	0.1	NM	(5)	2	NM
<b>PAT inclusive of OCI</b>	<b>387</b>	<b>(113)</b>	<b>NM</b>	<b>1,024</b>	<b>-62.2%</b>	<b>1,854</b>	<b>(813)</b>	<b>NM</b>
<b>EPS (Rs)</b>	<b>1.9</b>	<b>(1)</b>	<b>NM</b>	<b>5.0</b>	<b>-61.7%</b>	<b>9.1</b>	<b>(4.0)</b>	<b>NM</b>

Source: Company, PL

**Exhibit 2: Hospitality/Annuity business forms 92%/8% of 4QFY23 revenue**

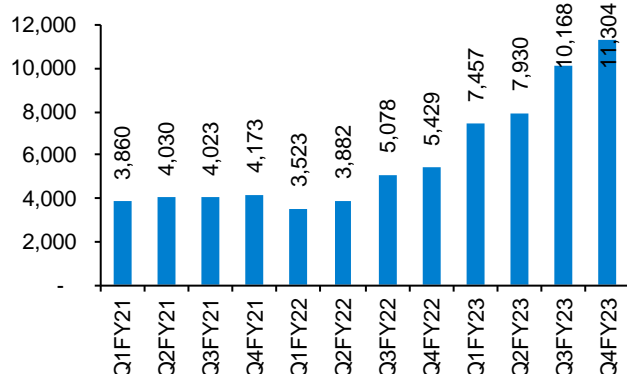
Particulars (Rs mn)	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Hospitality revenue	313	359	625	724	497	919	1,420	1,263	2,298	2,233	2,656	3,094
<i>As a % of sales</i>	<i>59.6%</i>	<i>63.7%</i>	<i>75.7%</i>	<i>76.0%</i>	<i>69.9%</i>	<i>71.5%</i>	<i>86.5%</i>	<i>85.4%</i>	<i>90.9%</i>	<i>90.1%</i>	<i>91.6%</i>	<i>91.7%</i>
Rental/Annuity revenue	213	205	200	229	214	367	222	216	231	244	244	281
<i>As a % of sales</i>	<i>40.4%</i>	<i>36.3%</i>	<i>24.3%</i>	<i>24.0%</i>	<i>30.1%</i>	<i>28.5%</i>	<i>13.5%</i>	<i>14.6%</i>	<i>9.1%</i>	<i>9.9%</i>	<i>8.4%</i>	<i>8.3%</i>
<b>Total sales</b>	<b>526</b>	<b>564</b>	<b>825</b>	<b>952</b>	<b>711</b>	<b>1,286</b>	<b>1,642</b>	<b>1,479</b>	<b>2,529</b>	<b>2,477</b>	<b>2,899</b>	<b>3,375</b>

Source: Company, PL

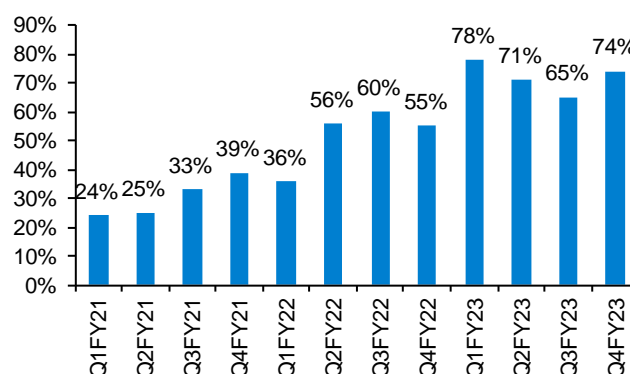
**Exhibit 3: Hospitality/Annuity EBITDA margin of 48%/93% in 4QFY23**

Particulars (Rs mn)	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Hospitality EBITDA	(145)	(107)	20	19	(99)	138	367	290	950	811	1,085	1,473
<i>EBITDA margin</i>	<i>NM</i>	<i>NM</i>	<i>3.2%</i>	<i>2.6%</i>	<i>NM</i>	<i>15.0%</i>	<i>25.8%</i>	<i>23.0%</i>	<i>41.3%</i>	<i>36.3%</i>	<i>40.9%</i>	<i>47.6%</i>
Rental/Annuity EBITDA	173	169	168	215	191	326	175	144	183	198	198	260
<i>EBITDA margin</i>	<i>81.3%</i>	<i>82.5%</i>	<i>83.8%</i>	<i>94.1%</i>	<i>89.3%</i>	<i>88.8%</i>	<i>79.0%</i>	<i>66.7%</i>	<i>79.1%</i>	<i>81.1%</i>	<i>81.2%</i>	<i>92.5%</i>
<b>Total EBITDA</b>	<b>28</b>	<b>62</b>	<b>188</b>	<b>234</b>	<b>92</b>	<b>464</b>	<b>542</b>	<b>434</b>	<b>1,133</b>	<b>1,009</b>	<b>1,283</b>	<b>1,733</b>

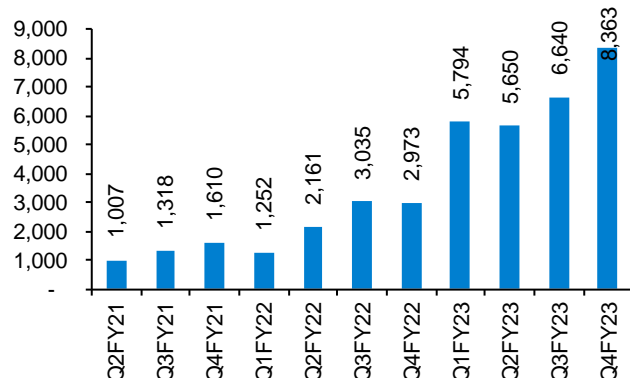
Source: Company, PL

**Exhibit 4: ADR touches Rs11K mark in 4QFY23 (In Rs)**


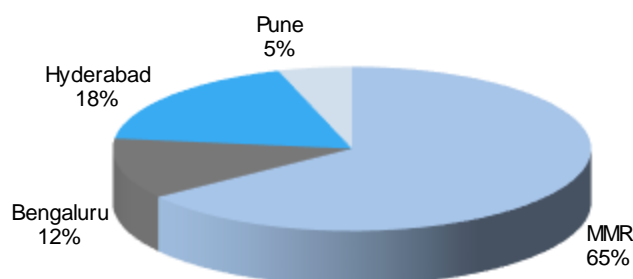
Source: Company, PL

**Exhibit 5: Occupancy levels at 74% for 4QFY23**


Source: Company, PL

**Exhibit 6: RevPAR increased to Rs8,363 (In Rs)**


Source: Company, PL

**Exhibit 7: MMR forms 65% of Chalet's revenue**


Source: Company, PL

**Exhibit 8: SOTP valuation of Chalet Hotels**

Particulars (Rs mn)	Methodology	Multiple	EBITDA - FY25E	EV
Hotels	EV/EBITDA	16	6,315	1,01,041
Commercial	Capitalization rate	10	2,365	23,648
Residential (Koramangala)	NAV	NA	NA	2,627
<b>Total EV</b>				1,27,317
Less: Debt				25,189
Add: Cash				1,287
<b>Equity value</b>				1,03,416
O/S shares				205
<b>TP (Rs)</b>				504

Source: Company, PL

## Financials

### Income Statement (Rs m)

Y/e Mar	FY22	FY23	FY24E	FY25E
<b>Net Revenues</b>	<b>5,078</b>	<b>11,285</b>	<b>15,295</b>	<b>17,202</b>
YoY gr. (%)	77.8	122.2	35.5	12.5
Cost of Goods Sold	991	1,477	1,826	1,947
Gross Profit	4,087	9,808	13,469	15,254
Margin (%)	80.5	86.9	88.1	88.7
Employee Cost	1,000	1,511	1,686	1,778
Other Expenses	2,102	3,769	5,411	5,981
<b>EBITDA</b>	<b>985</b>	<b>4,528</b>	<b>6,372</b>	<b>7,496</b>
YoY gr. (%)	1,295.0	359.8	40.7	17.7
Margin (%)	19.4	40.1	41.7	43.6
Depreciation and Amortization	1,184	1,173	1,738	1,856
<b>EBIT</b>	<b>(199)</b>	<b>3,355</b>	<b>4,633</b>	<b>5,640</b>
Margin (%)	(3.9)	29.7	30.3	32.8
Net Interest	1,444	1,545	1,529	1,376
Other Income	219	495	263	276
<b>Profit Before Tax</b>	<b>(1,469)</b>	<b>2,728</b>	<b>3,367</b>	<b>4,540</b>
Margin (%)	(28.9)	24.2	22.0	26.4
Total Tax	(720)	870	842	1,135
Effective tax rate (%)	NA	31.9	25.0	25.0
<b>Profit after tax</b>	<b>(749)</b>	<b>1,858</b>	<b>2,525</b>	<b>3,405</b>
Minority interest	1	0	-	-
Share Profit from Associate	(65)	-	-	-
<b>Adjusted PAT</b>	<b>(771)</b>	<b>1,436</b>	<b>2,525</b>	<b>3,405</b>
YoY gr. (%)	NA	NA	75.9	34.9
Margin (%)	NA	12.7	16.5	19.8
Extra Ord. Income / (Exp)	(45)	423	-	-
<b>Reported PAT</b>	<b>(815)</b>	<b>1,859</b>	<b>2,525</b>	<b>3,405</b>
YoY gr. (%)	NA	NA	35.9	34.9
Margin (%)	NA	16.5	16.5	19.8
Other Comprehensive Income	2	(5)	-	-
Total Comprehensive Income	(814)	1,854	2,525	3,405
<b>Equity Shares O/s (m)</b>	<b>205</b>	<b>205</b>	<b>205</b>	<b>205</b>
<b>EPS (Rs)</b>	<b>(3.8)</b>	<b>7.0</b>	<b>12.3</b>	<b>16.6</b>

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

Y/e Mar	FY22	FY23	FY24E	FY25E
<b>Non-Current Assets</b>				
<b>Gross Block</b>	<b>30,797</b>	<b>32,947</b>	<b>35,597</b>	<b>37,697</b>
Tangibles	30,703	32,838	35,488	37,588
Intangibles	94	109	109	109
<b>Acc: Dep / Amortization</b>	<b>11,039</b>	<b>11,947</b>	<b>13,169</b>	<b>14,473</b>
Tangibles	10,962	11,870	13,091	14,395
Intangibles	78	78	78	78
<b>Net fixed assets</b>	<b>33,908</b>	<b>37,998</b>	<b>41,336</b>	<b>43,308</b>
Tangibles	33,891	37,967	41,305	43,276
Intangibles	16	31	31	31
Capital Work In Progress	322	978	448	478
Goodwill	226	537	537	537
Non-Current Investments	450	656	680	757
Net Deferred tax assets	2,341	1,471	1,346	1,342
Other Non-Current Assets	746	844	1,224	1,376
<b>Current Assets</b>				
Investments	-	-	-	-
Inventories	3,935	4,129	3,771	3,770
Trade receivables	436	590	629	707
Cash & Bank Balance	998	1,220	978	1,287
Other Current Assets	902	975	1,224	1,376
<b>Total Assets</b>	<b>44,427</b>	<b>49,528</b>	<b>52,509</b>	<b>55,316</b>
<b>Equity</b>				
Equity Share Capital	2,050	2,050	2,050	2,050
Other Equity	11,362	13,395	15,920	18,985
<b>Total Network</b>	<b>13,413</b>	<b>15,445</b>	<b>17,970</b>	<b>21,035</b>
<b>Non-Current Liabilities</b>				
Long Term borrowings	21,428	22,077	22,077	21,327
Provisions	80	83	107	120
Other non current liabilities	140	155	229	258
<b>Current Liabilities</b>				
ST Debt / Current of LT Debt	3,912	5,862	5,862	5,862
Trade payables	867	1,502	1,676	1,885
Other current liabilities	3,827	3,608	3,679	3,850
<b>Total Equity &amp; Liabilities</b>	<b>44,427</b>	<b>49,528</b>	<b>52,509</b>	<b>55,316</b>

Source: Company Data, PL Research

### Cash Flow (Rs m)

Y/e Mar	FY22	FY23	FY24E	FY25E
PBT	(1,534)	2,728	3,367	4,540
Add. Depreciation	1,184	1,173	1,738	1,856
Add. Interest	1,444	1,545	1,529	1,376
Less Financial Other Income	219	495	263	276
Add. Other	(57)	(673)	-	-
Op. profit before WC changes	1,037	4,773	6,635	7,773
Net Changes-WC	(452)	(35)	180	72
Direct tax	38	31	(842)	(1,135)
<b>Net cash from Op. activities</b>	<b>622</b>	<b>4,769</b>	<b>5,973</b>	<b>6,710</b>
Capital expenditures	(3,415)	(5,840)	(4,520)	(3,830)
Interest / Dividend Income	56	29	-	-
Others	(602)	(113)	(320)	(199)
<b>Net Cash from Invt. activities</b>	<b>(3,961)</b>	<b>(5,924)</b>	<b>(4,840)</b>	<b>(4,030)</b>
Issue of share cap. / premium	500	250	-	-
Debt changes	4,951	2,025	-	(750)
Dividend paid	-	-	-	(341)
Interest paid	(1,302)	(1,377)	(1,529)	(1,376)
Others	(40)	363	155	96
<b>Net cash from Fin. activities</b>	<b>4,109</b>	<b>1,260</b>	<b>(1,374)</b>	<b>(2,371)</b>
<b>Net change in cash</b>	<b>771</b>	<b>105</b>	<b>(242)</b>	<b>309</b>
Free Cash Flow	(2,813)	(1,105)	1,453	2,879

Source: Company Data, PL Research

### Key Financial Metrics

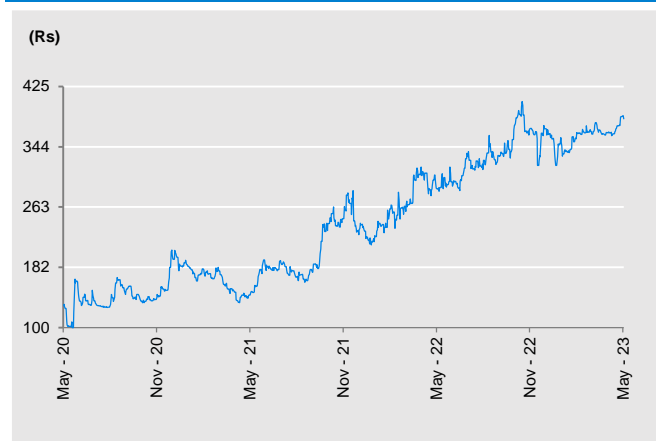
Y/e Mar	FY22	FY23	FY24E	FY25E
<b>Per Share(Rs)</b>				
EPS	(3.8)	7.0	12.3	16.6
CEPS	2.0	12.7	20.8	25.7
BVPS	65.4	75.3	87.6	102.6
FCF	(13.7)	(5.4)	7.1	14.0
DPS	-	-	-	1.7
<b>Return Ratio(%)</b>				
RoCE	(0.5)	8.2	10.4	12.0
ROIC	2.2	9.1	12.1	13.6
RoE	(5.6)	10.0	15.1	17.5
<b>Balance Sheet</b>				
Net Debt : Equity (x)	1.8	1.7	1.5	1.2
Net Working Capital (Days)	252	104	65	55
<b>Valuation(x)</b>				
PER	NA	56.1	31.9	23.7
P/B	6.0	5.2	4.5	3.8
P/CEPS	194.9	30.9	18.9	15.3
EV/EBITDA	106.6	23.7	16.9	14.2
EV/Sales	20.7	9.5	7.0	6.2
Dividend Yield (%)	-	-	-	0.4

Source: Company Data, PL Research

### Quarterly Financials (Rs m)

Y/e Mar	Q1FY23	Q2FY23	Q3FY23	Q4FY23
<b>Net Revenue</b>	<b>2,530</b>	<b>2,478</b>	<b>2,897</b>	<b>3,379</b>
YoY gr. (%)	275.2	93.4	76.5	128.3
Raw Material Expenses	349	348	398	381
Gross Profit	2,181	2,130	2,499	2,998
Margin (%)	86.2	86.0	86.2	88.7
<b>EBITDA</b>	<b>1,019</b>	<b>851</b>	<b>1,135</b>	<b>1,524</b>
YoY gr. (%)	NA	138.6	180.7	384.8
Margin (%)	40.3	34.3	39.2	45.1
Depreciation / Depletion	297	296	281	298
<b>EBIT</b>	<b>722</b>	<b>555</b>	<b>854</b>	<b>1,225</b>
Margin (%)	28.5	22.4	29.5	36.3
Net Interest	391	380	368	405
Other Income	69	26	321	79
<b>Profit before Tax</b>	<b>389</b>	<b>213</b>	<b>1,411</b>	<b>715</b>
Margin (%)	15.4	8.6	48.7	21.1
Total Tax	104	56	388	323
Effective tax rate (%)	26.6	26.2	27.5	45.2
<b>Profit after Tax</b>	<b>286</b>	<b>157</b>	<b>1,024</b>	<b>392</b>
Minority interest	-	-	-	(1)
Share Profit from Associates	-	-	-	-
<b>Adjusted PAT</b>	<b>296</b>	<b>145</b>	<b>418</b>	<b>577</b>
YoY gr. (%)	NA	NA	NA	NA
Margin (%)	11.7	5.8	14.4	17.1
Extra Ord. Income / (Exp)	(10)	13	605	(184)
<b>Reported PAT</b>	<b>285</b>	<b>157</b>	<b>1,023</b>	<b>393</b>
YoY gr. (%)	NA	NA	NA	NA
Margin (%)	11.3	6.3	35.3	11.6
Other Comprehensive Income	-	-	-	(5)
<b>Total Comprehensive Income</b>	<b>285</b>	<b>158</b>	<b>1,023</b>	<b>388</b>
Av g. Shares O/s (m)	205	205	205	205
<b>EPS (Rs)</b>	<b>1.4</b>	<b>0.8</b>	<b>5.0</b>	<b>1.9</b>

Source: Company Data, PL Research

**Price Chart**
**Recommendation History**


No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	11-Apr-23	BUY	498	364
2	24-Jan-23	BUY	474	357
3	06-Jan-23	BUY	455	336
4	27-Dec-22	BUY	455	331

**Analyst Coverage Universe**

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Chalet Hotels	BUY	498	364
2	Entertainment Netw ork (India)	Hold	180	126
3	Indian Railw ay Catering and Tourism Corporation	Hold	672	582
4	Inox Leisure	BUY	587	502
5	InterGlobe Aviation	BUY	2,346	1,905
6	Music Broadcast	Hold	18	11
7	Navneet Education	Accumulate	147	102
8	Nazara Technologies	BUY	872	540
9	PVR	BUY	2,096	1,550
10	S Chand and Company	BUY	228	219
11	Safari Industries (India)	BUY	2,538	2,114
12	V.I.P. Industries	BUY	900	623
13	Zee Entertainment Enterprises	BUY	277	211

**PL's Recommendation Nomenclature (Absolute Performance)**

<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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