

Jan-Mar'25 Earnings Preview

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).

Jinesh Joshi

jineshjoshi@plindia.com | 91-22-66322238

Stuti Beria

stutiberia@plindia.com | 91-22-66322246

Dhvanit Shah

dhvanitshah@plindia.com | 91-22-66322258

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
Chalet Hotels	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	
InterGlobe Aviation	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)	
Indian Railway Catering and Tourism Corporation	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)	
Lemon Tree Hotels	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	
Safari Industries (India)	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	
V.I.P. Industries	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					
						FY25E			FY26E			FY25E			FY26E			FY25E			FY26E		
	C	P	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.	C	P	% Chng.
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

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

ANALYST CERTIFICATION

(Indian Clients)

We/I Mr. Jinesh Joshi- MS(Finance) and CFA, Ms. Stuti Beria- MBA Finance, Mr. Dhvanit Shah- CA Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

(US Clients)

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

DISCLAIMER

Indian Clients

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at www.plindia.com.

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipient's particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report. PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report. PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Jinesh Joshi- MS(Finance) and CFA, Ms. Stuti Beria- MBA Finance, Mr. Dhvanit Shah- CA Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

US Clients

This research report is a product of Prabhudas Lilladher Pvt. Ltd., which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Prabhudas Lilladher Pvt. Ltd. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

Prabhudas Lilladher Pvt. Ltd.

3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

www.plindia.com