14 May 2026

Company Update | Sector: Hotels

Lemon Tree

BSE SENSEX	S&P CNX
75,399	23,690

Bloomberg	LEMONTRE IN
Equity Shares (m)	792
M.Cap.(INRb)/(USDb)	89.1 / 0.9
52-Week Range (INR)	181 / 100
1, 6, 12 Rel. Per (%)	1/-20/-15
12M Avg Val (INR M)	600

Financials & Valuations (INR b)

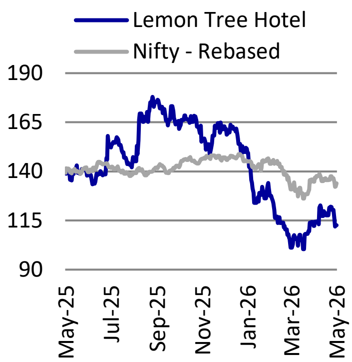
Y/E Mar	FY26	FY27E	FY28E
Sales	14.4	16.6	17.9
EBITDA	6.9	8.1	9.1
PAT	2.55	3.17	3.93
EBITDA (%)	47.9	48.5	50.9
EPS (INR)	3.2	4.0	5.0
EPS Gr. (%)	29.8	24.4	23.8
BV/Sh. (INR)	17.6	21.6	26.6
Ratios			
Net D/E	1.0	0.6	0.3
RoE (%)	19.9	20.4	20.6
RoCE (%)	13.2	16.3	19.1
Valuations			
P/E (x)	34.9	28.1	22.7
EV/EBITDA (x)	15.9	13.2	11.4
FCF Yield (%)	5.5	6.8	7.3

Shareholding pattern (%)

As on	Mar-26	Dec-25	Mar-25
Promoter	22.3	22.3	22.3
DII	15.7	19.5	19.7
FII	21.7	21.6	21.0
Others	40.4	36.7	37.0

Note: FII includes depository receipts

Stock's performance (one-year)



CMP: INR113 TP: INR160 (+42%) Buy

Renovation cycle nearing end; margins to expand

Lemon Tree Hotels (LEMONTRE) stands at a rare inflection point where years of deliberate, front-loaded investment in renovation, technology, and expansions are about to converge into a sustained margin improvement story.

- **The company has strategically invested ~INR3b over FY23-FY26 (and ~INR1.3b is expected in FY27) in a phased renovation cycle (major part) and technology transformation.**
- **These investments have temporarily compressed the EBITDA margin from its FY23 peak of ~52% to ~49% in FY24 and ~49.4% in FY25. As these investments are expected to largely be completed by the end of FY27, the stage is set for a significant margin re-rating in FY28 and beyond.**
- **Encouragingly, renovation is already delivering measurable on-the-ground results. Delhi RevPAR grew 11% YoY despite 100 rooms offline; Hyderabad RevPAR rose 19% despite 60 rooms under renovation.**
- **Beyond renovation, LEMONTRE is simultaneously building a focused Aurika-branded owned portfolio — Shimla (91 keys, 2QFY27 opening), Shillong (first hospitality PPP with the Meghalaya government; ~INR2b investment at an effective debt rate of ~2.5-3.0%), Varanasi heritage (47 keys on the ghats; ARR economics equivalent to a 150-room Aurika), and Nehru Place, Delhi (~550 rooms with construction commencing in 2–3 months). At peak potential, these properties are expected to contribute 25% of FY28 revenue and ~30% of FY28 EBITDA at superior margins.**
- **We expect LEMONTRE to report a CAGR of 11%/15%/24% in revenue/EBITDA/ PAT over FY26-28. We value the stock with our SOTP-based TP of INR160. Reiterate BUY.**

Heavy lifting on margins nearing the end

- Over the past two years, Lemon Tree Hotels has pursued a multi-dimensional investment strategy encompassing physical asset renovation, digital transformation, human capital build-up, and new property construction.
- These investments were deliberate and front-loaded and were aimed at repositioning the portfolio for a higher-margin, higher-ADR future. The combined effect has temporarily suppressed margins, but management has consistently guided that the payback window is two years due to operating investments.
- LEMONTRE has strategically invested ~INR3b over FY23–FY26 in a phased renovation cycle, technology transformation, and human capital expansion. These investments have temporarily compressed the EBITDA margin from its FY23 peak of ~52% to ~48% in FY26E.
- The company, as of FY26, has renovated ~3,000 rooms (translating into a per-room renovation cost of ~INR1m). Of the total renovation expense of ~INR3b, opex is ~INR1.4b, which directly affects its margins, while the balance is the capex portion. The company is expected to complete its last leg of renovation in FY27 with an expected outflow of ~INR1.3b (~40-45% will be opex) in FY27 for renovating the balance of ~1,200 rooms.

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- Further, to align its operations with the new age, tech-savvy customers, the company has been investing in technology upgrades in consultation with BCG. Some key initiatives have been an AI-driven revenue management program, sales platform overhaul, loyalty program relaunch, cybersecurity, and operational tech upgrades. Over the last two years, the company has spent ~INR150m (i.e., ~0.5-0.6% of total revenue), and the expenditure is likely to continue in the coming years.
- **As the majority of these investments (largely renovation) are expected to be completed by FY27, the stage is set for a significant margin re-rating in FY28 and beyond.**

Investments to reward

- The economics of renovation are already validating management's thesis. The renovated Keys Pune hotel reported a 47% year-on-year RevPAR increase post-renovation, significantly ahead of the portfolio average.
- **Management has guided that incremental EBITDA from renovated rooms should recover the full opex investment within approximately two years – a highly attractive payback for an asset-heavy company in an upcycle environment.**
- **Renovated properties command higher Average Room Rates (ARR) and improved occupancy.** Post-renovation, annual maintenance capex is expected to normalize to INR200-250m (from the peak of ~INR1b during the cycle).
- **Market-level renovation effects as of Dec'25:**
  - **Delhi:** ~100 rooms (out of ~500) were temporarily unavailable due to renovations; however, RevPAR still grew 11% YoY. Performance is expected to strengthen further as the Aerocity market completes its renovation cycle.
  - **Hyderabad:** Despite ~60 rooms (out of ~660) being out of inventory, RevPAR increased by 19% YoY, supported by effective repricing strategies.
  - **Bangalore:** Renovation impact has been materially higher due to building design constraints (smaller floor plates), necessitating the shutdown of multiple floors simultaneously. Management highlighted significant inventory loss, especially in Keys rooms, along with elevated guest disruption (noise and structural work), likely suppressed both occupancy and guest experience scores. Unlike Delhi/Hyderabad, recovery here will be more gradual, as normalization depends not only on inventory return but also on rebuilding customer perception and rate integrity in a highly competitive, supply-heavy micro-market.
- **Overall, once overall renovation cycles conclude, the portfolio should see a dual benefit of higher ARR (premiumization) and restored occupancy, leading to a sharper RevPAR and margin expansion trajectory.**

Strengthening the owned asset pipeline under the Aurika brand

- Beyond renovation, LEMONTRE has also invested in a selective set of greenfield-/brownfield-owned properties under the Aurika brand, such as Aurika Shimla, Aurika Shillong, Aurika Heritage (Varanasi), and Aurika Nehru Place (New Delhi).
- **These expansions have the potential to contribute ~26% of FY28E revenue and ~30% of FY28E EBITDA at peak potential. Given that Aurika is a premium brand, these projects will command higher margins.**
- **Aurika, Nehru Place (Delhi):** Final designs have been completed, with the project now envisioned at ~550–560 rooms versus the earlier "500+" concept. There is no change in project cost, as the built-up area remains ~370,000 sq. ft. The development will feature a large MICE offering, including a main banquet

hall of ~14,000–15,000 sq. ft. Construction is expected to commence within the next 2–3 months, with completion targeted over four years.

- **Aurika, Shimla (91 keys):** The company plans to operationalize two out of three blocks by 2QFY27 to capitalize on peak summer demand, and the third block would be operationalized by the end of CY26. The company has spent ~INR660m as of Dec'25.
- **Aurika, Shillong:** The project represents a landmark in LEMONTRE's strategy as its first Public-Private Partnership (DBFOT mode); a partnership with the Meghalaya government for the redevelopment of the heritage Orchid Hotel at Polo Market (opposite the Chief Minister's Bungalow). The opening is targeted around mid-CY27 (3QCY27). The project entails an investment of ~INR2b (as of Dec'25, already spent ~INR150m) and benefits from strong state incentives, including access to ~70% debt funding at ~5% below the company's cost of debt (implying ~2.5%–3% rates), along with retention of the state's GST share for nine years.
- **Aurika Heritage, Varanasi (47 keys):** Signed under a license model, the property is strategically located on the ghats adjacent to the Ganges. Management expects premium positioning with significantly higher ARR, indicating that the asset's value could be comparable to a ~150-room Aurika property due to ~3x higher room rates.
- Apart from these, **management is actively evaluating opportunities comprising ~2,500 rooms and expects to add this inventory within the next year**.
- Key geographic focus areas include Mumbai, Pune, and Bangalore (particularly airport locations), along with select large operating assets under non-disclosure agreements.
- From a brand strategy perspective, any acquired assets or chains will be rebranded under existing brands, with no intent to introduce additional brands.
- Importantly, the Fleur Hotels demerger (carved out from LEMONTRE to hold all owned assets) and the associated INR9.6b Warburg Pincus investment into Fleur will de-risk future capex for large-scale projects, keeping LEMONTRE itself lean and focused on the asset-light management business.

Valuation and view

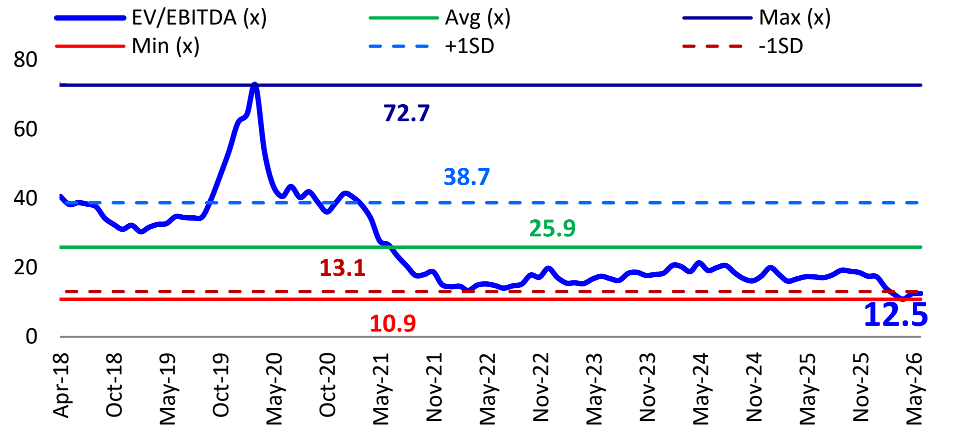
- LEMONTRE enters FY27 with its significant investment cycle nearing completion, a record managed hotel pipeline (~9,364 keys under management/franchise contracts), and premium Aurika assets coming online (~850 keys greenfield).
- With renovation opex normalizing, technology investments yielding results, and management fees compounding at a healthy rate, EBITDA margins are poised to expand meaningfully from FY26E's ~48% toward 50-51% by FY28, supporting a strong 24% PAT CAGR over FY26–28.
- **We expect LEMONTRE to report a CAGR of 11%/15%/24% in revenue/EBITDA/ PAT over FY26-28. We value the stock using the SoTP approach to arrive at our TP of INR160. Reiterate BUY.**

Exhibit 1: SoTP valuation

Particulars		FY28
Standalone EBITDA	**INRm**	**2,180**
EV/EBITDA Multiple	x	17
EV	INRm	38,020
Less: Standalone Net Debt	INRm	1,592
Target Value	**INRm**	**36,428**
Carnations EBITDA (Management Contract)	**INRm**	**1,163**
EV/EBITDA Multiple	x	30
EV	INRm	34,898
Fluer's EBITDA	**INRm**	**5,753**
LEMONTRE's Share of Fluer's EBITDA (58.91%)	INRm	3,389
EV/EBIDTA Multiple	x	17
EV	INRm	59,122
Less: LEMONTRE's Share of Fluer's Net Debt	INRm	3,752
Target Value	**INRm**	**55,370**
Total Target Value	INRm	1,26,695
No. of shares	Mn	792
Target Price	**INR**	**160**

Source: Company, MOFSL

Exhibit 2: One-year forward EV/EBITDA trend



Source: MOFSL

Exhibit 3: Margins bridge

Particulars	units	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue	**INRm**	**8,750**	**10,655**	**12,861**	**14,424**	**16,636**	**17,870**
Rooms Renovated	Units	250	550	1,000	1,200	1,200	
Total Renovation	INRm	200	500	910	1,300	1,300	
% of revenue	%	2.3	4.7	7.1	9.0	7.8	
Renovation/room	INRm	0.80	0.91	0.91	1.08	1.08	
Renovation Opex as % of sales	%	2.1	2.4	2.7	4.4	3.6	1.2
Renovation Opex	INRm	184	256	347	635	599	214
Renovation Capex	INRm	150	244	563	665	701	
Technology Cost as % of sales	%			0.5	0.6	0.9	0.7
Technology Cost	INRm			64	87	150	125
GST impact as % of sales	%				1.1	2	1.7
GST impact	INRm				159	333	304
Expected Margin benefit from these investments	%					1	0.5
EBITDA margins	**%**	**51.7**	**48.6**	**49.3**	**47.9**	**48.5**	**50.9**
EBITDA margins (ex of renovations, tech cost and GST impact)	**%**	**53.8**	**51.0**	**52.5**	**54.0**	**54.0**	**54.0**

Source: Company, MOFSL

Exhibit 4: LEMONTRE relaunched its loyalty program as 'Infinity 2.0' in FY25

Metric	FY24 / Pre-Relaunch	FY25 Post-Relaunch	Target (FY28)
Loyalty members	~1.6m	~2.1m (+31%)	~3–4m
Repeat usage rate	~38%	-	~55%+
Retail segment share of demand	~40%	~45%	65%

Source: Company, MOFSL

Exhibit 5: Five pillars of the digital transformation initiated by LEMONTRE

Pillar	Key Initiative	What LEMONTRE is Doing	Key Benefits / Impact
AI-Powered Revenue Management	Dynamic pricing engine under **Totally Fox**	❖ Deep-learning-based pricing model recalibrates room rates every 2 hours using competitor pricing, historical demand, events, and macro signals; live deployment targeted in FY26–27	❖ Expected **~8% RevPAR uplift** through better forecasting ❖ Reduces dependence on OTA-led discounting ❖ Scalable across all managed hotels through centralized reservation systems
Sales & CRM Transformation	Salesforce-integrated digital sales platform	❖ Replaced legacy systems with an integrated CRM, enabling centralized sales tracking across 130+ hotels	❖ Business development team expanded **4x** with faster productivity ramp-up ❖ Sales coverage scaled **1.5x** across Tier 2/3 markets ❖ Better pipeline visibility, contract management, and corporate account penetration
Infinity 2.0 Loyalty Relaunch	Revamped loyalty ecosystem	❖ Relaunched with a new website, mobile-first UX, personalized offers, and expanded membership base	❖ Loyalty members increased from **~1.6m to ~2.1m (+31%)** ❖ Targeting a direct booking mix increase from **45% to 65%** by FY27–28
Gen AI, Chatbots & Predictive Analytics	AI-led guest and operational automation	❖ In-house AI models for chatbots, predictive maintenance, and revenue attribution analytics	❖ AI chatbots improve booking support and ancillary upselling ❖ Predictive maintenance reduced power costs from **8.7% to 6.9% of revenue** in Q1 FY26 ❖ Better channel profitability analysis and mix optimization
Renewable Energy & ESG Cost Optimization	Solar, wind PPAs & energy efficiency	❖ Investments in on-site/off-site renewable energy infrastructure	❖ Power & fuel costs reduced by **180 bps YoY** (8.7% → 6.9%) despite higher occupancy ❖ Every 100 bps saving adds **~INR129m EBITDA** at FY25 revenue scale ❖ Current savings imply **~INR230m annual EBITDA benefit**

Source: Company, MOFSL

Exhibit 6: Greenfield expansions to contribute meaningfully

Property Name	Opening Timeline	# of Keys	Total Capex spend (INRm)	Starting ARR	Peak Revenue (INRm)	Peak EBITDA (INRm)	Margins %	% of Consol FY28 Revenue	% of Consol FY28 EBIDTA
Consol FY28E Operational numbers		**5,859**		**7,834**	**17,870**	**9,096**	**50.9**		
Aurika Nehru Place	FY31/32	550	7,500	12,500	2,896	1,738	60.0	16.2	19.1
Aurika Shillong	4QFY28	165	2,000	12,000	811	487	60.0	4.5	5.3
Aurika Shimla	2QFY27	91	1,050	10,000	403	222	55.0	2.3	2.4
Aurika Varanasi	FY30	47	750	30,000	540	324	60.0	3.0	3.6
Total		**853**	**11,300**		**4,650**	**2,770**	**59.6**	**26.0**	**30.5**

Source: Company, MOFSL

Exhibit 7: Details of Aurika Nehru Place – greenfield expansion

Parameter	Detail
Location	❖ Nehru Place, South Delhi — adjacent to Delhi's largest IT park and financial district
Land Size	❖ 2.25 acres (DDA-owned land; e-auction won August 2025)
Lease Terms	❖ INR270m p.a; 5% annual escalation for 1st 3-4 years and then 7% annually; 55-year tenure
Comparable Land Value	❖ Management estimates land worth ~INR6b if purchased outright — implying effective lease at ~4% cap rate
Planned Rooms	❖ ~550 rooms; Aurika brand (upper-upscale / luxury)
Target ARR at Opening	❖ ~INR12,500 per night
Stabilized EBITDA Target	❖ ~INR1.5-1.6b annually at stabilization
Project IRR Target	❖ ~15% on total capex deployed
Current Status	❖ Design and approvals stage; initiation announced 3QFY26 (Dec'25)
Expected Opening	❖ FY31/32E (4+ years from land award)
FY27 Contribution	❖ No revenue; capex deployment ongoing — funded at Fleur level

Source: Company, MOFSL

Exhibit 8: Details of Aurika Shimla – greenfield expansion

Parameter	Detail
Location	❖ Shimla, Himachal Pradesh — India's most popular Himalayan hill-station for domestic leisure travel
Structure	❖ Three blocks (total ~91 rooms); planned as phased opening
Planned Opening	❖ 2 of 3 blocks by 2QFY27 (summer season); 3rd block by end of CY26
Total Project Capex	❖ ~INR1b total (multi-year); INR660m invested as on Dec'25
Target ARR	❖ INR12,000–15,000+ per night (upper-upscale leisure positioning; Shimla commands premium over metro city hotels)
Target Occupancy	❖ 65–70% stabilised (strong summer peak; MICE and corporate in shoulder season)
FY28 Revenue Contribution	❖ Partial contribution from H2 FY27 only from 2 blocks and ~INR300-400m revenue in FY28
FY28 EBITDA Contribution	❖ ~INR150–170m (assuming 50% EBITDA margin)
Competitive Landscape	❖ Very limited branded upper-upscale supply in Shimla; positioned as the finest branded property in Himachal Pradesh
Strategic Rationale	❖ Lemon Tree's first significant leisure destination property; taps INR150b+ Himachal Pradesh tourism market

Source: Company, MOFSL

Exhibit 9: Details of Aurika Shillong – greenfield expansion

Parameter	Detail
Location	❖ Polo Market, Shillong, Meghalaya (opposite the Chief Minister's Bungalow; prime central location)
Property	❖ Redevelopment of the Heritage Orchid Hotel — preservation of colonial-era architecture + modern amenities
Rooms	❖ 165 elegantly designed rooms and suites; Mirasa all-day dining restaurant; Ariva bar; banquet + MICE + recreational facilities
Land Lease	❖ Minimum guaranteed lease rent (MGR)+ 1% of annual revenue share (vs. INR2b+ land purchase cost in open market)
Total Investment	❖ INR2b total project for all 165 rooms
JV Partner	❖ RJ Corp (50% stake) — co-investor; LEMONTRE's equity commitment ~INR600m net
Financing Incentive	❖ 5% interest subvention under Meghalaya Industrial & Investment Promotion Policy 2024; effective borrowing rate drops from 8–8.5% to 3–3.5%
Other Incentives	❖ Capital subsidy + GST reimbursement under Uttar Poorva Transformative Industrialization Scheme
Projected EBITDA	❖ ~INR400-500m at stabilization
Expected Opening	❖ 4QFY28

Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement (INRm)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Total Income from Operations	**6,694**	**2,517**	**4,022**	**8,750**	**10,655**	**12,861**	**14,424**	**16,636**	**17,870**
Change (%)	21.8	-62.4	59.8	117.5	21.8	20.7	12.2	15.3	7.4
F&B Consumed	570	178	279	499	628	762	877	965	1,036
Employees Cost	1,553	704	973	1,497	1,878	2,185	2,399	2,612	2,806
Other Expenses	2,137	1,022	1,432	2,230	2,973	3,573	4,244	4,991	4,932
Total Expenditure	**4,260**	**1,905**	**2,683**	**4,226**	**5,479**	**6,520**	**7,520**	**8,568**	**8,774**
% of Sales	63.6	75.7	66.7	48.3	51.4	50.7	52.1	51.5	49.1
EBITDA	**2,434**	**613**	**1,339**	**4,524**	**5,176**	**6,341**	**6,903**	**8,068**	**9,096**
Margin (%)	36.4	24.3	33.3	51.7	48.6	49.3	47.9	48.5	50.9
Depreciation	922	1,076	1,043	966	1,121	1,393	1,388	1,434	1,450
EBIT	**1,512**	**-463**	**296**	**3,557**	**4,054**	**4,948**	**5,515**	**6,635**	**7,646**
Int. and Finance Charges	1,565	1,817	1,740	1,772	2,016	2,007	1,674	1,379	1,043
Other Income	58	133	140	36	113	23	69	67	71
PBT bef. EO Exp.	**5**	**-2,147**	**-1,304**	**1,822**	**2,151**	**2,965**	**3,910**	**5,322**	**6,674**
EO Items	0	0	153	-48	0	0	313	0	0
PBT after EO Exp.	**5**	**-2,147**	**-1,456**	**1,774**	**2,151**	**2,965**	**3,596**	**5,322**	**6,674**
Total Tax	109	-322	-72	377	341	531	664	1,224	1,535
Tax Rate (%)	2220.8	15.0	5.0	21.3	15.9	17.9	18.5	23.0	23.0
MI/ share of profit from associates	-9	-555	-510	251	325	468	615	925	1,210
Reported PAT	**-95**	**-1,271**	**-874**	**1,146**	**1,485**	**1,966**	**2,317**	**3,173**	**3,929**
Adjusted PAT	**-95**	**-1,271**	**-760**	**1,182**	**1,485**	**1,966**	**2,552**	**3,173**	**3,929**
Change (%)	-118.0	1,232.4	-40.2	-255.5	25.7	32.4	29.8	24.4	23.8
Margin (%)	-1.4	-50.5	-18.9	13.5	13.9	15.3	17.7	19.1	22.0

Consolidated - Balance Sheet (INR M)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	7,903	7,904	7,908	7,916	7,918	7,918	7,918	7,918	7,918
Eq. Share Warrants & App. Money	0	0	0	0	0	0	0	0	0
Preference Capital	0	0	0	0	0	0	0	0	0
Total Reserves	1,986	1,272	404	621	1,750	3,716	6,033	9,206	13,135
Net Worth	**9,889**	**9,176**	**8,312**	**8,537**	**9,669**	**11,635**	**13,951**	**17,124**	**21,053**
Minority Interest	5,559	6,174	5,676	5,597	5,795	6,261	6,874	7,796	9,005
Total Loans	15,775	16,850	16,986	17,457	18,891	16,986	13,986	9,986	5,986
Lease Liability	4,619	4,671	4,247	4,253	4,423	4,431	4,431	4,431	4,431
Deferred Tax Liabilities	0	0	0	0	0	0	0	0	0
Capital Employed	**35,841**	**36,870**	**35,223**	**35,844**	**38,779**	**39,313**	**39,242**	**39,338**	**40,475**
Gross Block	35,073	35,016	34,637	34,666	42,627	43,170	43,983	44,325	46,325
Less: Accum. Deprn.	2,977	4,052	5,096	6,062	7,183	8,576	9,964	11,398	12,848
Net Fixed Assets	**32,097**	**30,964**	**29,542**	**28,605**	**35,444**	**34,594**	**34,019**	**32,927**	**33,477**
Goodwill on Consolidation	951	951	951	951	951	951	951	951	951
Capital WIP	1,896	2,418	2,968	4,822	254	454	1,141	2,191	2,191
Total Investments	**164**	**79**	**114**	**73**	**151**	**446**	**446**	**446**	**446**
Current Investment	44	91	59	10	81	386	0	0	0
Curr. Assets, Loans&Adv.	**2,521**	**3,737**	**2,776**	**2,873**	**3,531**	**4,373**	**4,478**	**4,880**	**5,575**
Inventory	82	72	81	105	138	138	165	188	192
Account Receivables	503	308	291	560	715	786	869	1,003	1,077
Cash and Bank Balance	408	1,411	543	275	537	807	487	279	642
Loans and Advances	1,528	1,945	1,861	1,933	2,140	2,642	2,957	3,410	3,663
Curr. Liability & Prov.	**1,786**	**1,278**	**1,128**	**1,479**	**1,552**	**1,505**	**1,793**	**2,056**	**2,164**
Account Payables	842	788	585	668	859	616	783	892	913
Other Current Liabilities	877	412	319	730	601	790	865	998	1,072
Provisions	67	78	224	81	92	99	144	166	179
Net Current Assets	**734**	**2,459**	**1,648**	**1,394**	**1,979**	**2,868**	**2,686**	**2,823**	**3,411**
Misc Expenditure	0	0	0	0	0	0	0	0	0
Appl. of Funds	**35,841**	**36,870**	**35,223**	**35,844**	**38,779**	**39,313**	**39,242**	**39,338**	**40,475**

Financials and valuations

Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic (INR)									
EPS	**-0.1**	**-1.6**	**-1.0**	**1.5**	**1.9**	**2.5**	**3.2**	**4.0**	**5.0**
Cash EPS	1.0	-0.2	0.4	2.7	3.3	4.2	5.0	5.8	6.8
BV/Share	12.5	11.6	10.5	10.8	12.2	14.7	17.6	21.6	26.6
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)									
P/E	-934	-70	-117	75	60	45	35	28	23
Cash P/E	107.7	-456.5	314.2	41.5	34.2	26.5	22.6	19.3	16.6
P/BV	9.0	9.7	10.7	10.4	9.2	7.7	6.4	5.2	4.2
EV/Sales	16.4	43.9	27.6	12.8	10.6	8.6	7.6	6.4	5.8
EV/EBITDA	45.2	180.5	83.0	24.7	21.9	17.5	15.9	13.2	11.4
EV/Room (INRm)	25.8	26.0	26.1	23.2	23.5	23.0	22.7	22.1	21.0
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF per share	-9.4	-1.5	0.9	2.8	1.6	5.7	6.2	7.6	8.3
Return Ratios (%)									
RoE	-1.0	-13.3	-8.7	14.0	16.3	18.5	19.9	20.4	20.6
RoCE	4.5	-0.9	1.1	9.4	10.2	11.7	13.2	16.3	19.1
RoIC	4.4	-1.0	0.7	8.6	10.0	10.8	12.0	13.9	16.0
Working Capital Ratios									
Fixed Asset Turnover (x)	0.2	0.1	0.1	0.3	0.2	0.3	0.3	0.4	0.4
Asset Turnover (x)	0.2	0.1	0.1	0.2	0.3	0.3	0.4	0.4	0.4
Inventory (Days)	4	10	7	4	5	4	4	4	4
Debtor (Days)	27	45	26	23	24	22	22	22	22
Creditor (Days)	46	114	53	28	29	17	20	20	19
Leverage Ratio (x)									
Current Ratio	1.4	2.9	2.5	1.9	2.3	2.9	2.5	2.4	2.6
Interest Cover Ratio	1.0	-0.3	0.2	2.0	2.0	2.5	3.3	4.8	7.3
Net Debt/Equity	1.5	1.7	2.0	2.0	1.9	1.4	0.9	0.5	0.2

Consolidated - Cash Flow Statement (INRm)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	5	-2,147	-1,446	1,782	2,151	2,962	3,910	5,322	6,674
Depreciation	922	1,076	1,043	966	1,121	1,393	1,388	1,434	1,450
Interest & Finance Charges	1,507	1,685	1,786	1,773	1,903	2,041	1,606	1,312	972
Direct Taxes Paid	-109	322	-17	-207	-341	-502	-664	-1,224	-1,535
(Inc)/Dec in WC	-754	-1,009	27	-403	-523	-416	-137	-346	-224
CF from Operations	**1,572**	**-74**	**1,394**	**3,912**	**4,312**	**5,478**	**6,102**	**6,498**	**7,337**
Others	-62	-635	-41	-63	339	-63	296	921	1,206
CF from Operating incl EO	**1,510**	**-709**	**1,353**	**3,849**	**4,651**	**5,416**	**6,399**	**7,419**	**8,543**
(Inc)/Dec in FA	-8,969	-465	-668	-1,618	-3,393	-932	-1,500	-1,392	-2,000
Free Cash Flow	**-7,459**	**-1,174**	**685**	**2,231**	**1,258**	**4,484**	**4,899**	**6,027**	**6,543**
(Pur)/Sale of Investments	210	85	132	8	-78	-357	0	0	0
Others	2,677	-276	-56	-1,222	-495	14	69	67	71
CF from Investments	**-6,082**	**-656**	**-591**	**-2,832**	**-3,965**	**-1,274**	**-1,431**	**-1,326**	**-1,929**
Issue of Shares	10	1,750	8	17	2	0	0	0	0
Inc/(Dec) in Debt	3,733	1,075	134	471	1,434	-1,927	-3,000	-4,000	-4,000
Interest Paid	-1,565	-1,817	-1,400	-1,432	-2,016	-1,593	-1,674	-1,379	-1,043
Dividend Paid	0	0	0	0	0	0	0	0	0
Others	2,488	1,361	-372	-379	157	-352	-613	-923	-1,208
CF from Fin. Activity	**4,667**	**2,368**	**-1,630**	**-1,323**	**-423**	**-3,872**	**-5,287**	**-6,302**	**-6,251**
Inc/Dec of Cash	**94**	**1,003**	**-869**	**-306**	**263**	**269**	**-319**	**-209**	**364**
Opening Balance	314	408	1,411	543	275	537	807	487	279
Closing Balance	**408**	**1,411**	**543**	**275**	**537**	**807**	**487**	**279**	**642**

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BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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