Lemon Tree Hotels Ltd. (LEMTRE)

CMP: ₹110 | Target ₹ 128 (17%) | Target Period: 12 months | BUY

August 11, 2026

Stable Q1; Muted performance in room rates…

About the stock: Lemon Tree Hotels (LTHL) is India's largest hotel chain in the mid-priced hotel sector and the third largest overall, based on controlling interest in owned and leased rooms. LTHL currently operates 11,811 rooms in India and abroad, under its various brands viz. Aurika Hotels & Resorts, Lemon Tree Premier, Lemon Tree Hotels, Red Fox Hotels and Keys etc.

Q1FY27 performance: LTHL's consolidated revenues reported 9.1% YoY growth to Rs.344.6cr in Q1FY27. Revenues were driven by 6.4% YoY growth in RevPAR. RevPAR growth was largely driven by occupancy which improved by 314bps YoY to 76% while ADR grew by 2% YoY during the quarter. EBITDA margins declined 105bps YoY to 43.4%. EBITDA grew by 6.5% YoY to Rs.149.7cr and PAT grew by 19.2% YoY to Rs.572.cr.

Investment Rationale:

- Mid-single digit RevPAR growth led by occupancy: LTHL's RevPAR grew 6.4% YoY to Rs.4,814 in Q1FY27, led by a 320bps YoY improvement in occupancy to 76%, while ADR grew by a modest 2% YoY to Rs.6,361. Geopolitical instability during the quarter impacted air travel and foreign tourist arrivals, while corporate travel also remained subdued. With lower corporate activity and reduced MICE demand, management temporarily scaled up retail business across its portfolio, particularly in key business cities, to sustain occupancy levels during the volatile period. This resulted in muted ADR growth despite a significant improvement in occupancy. Management highlighted that demand conditions are now improving, with July reporting relatively good performance and August witnessing steady demand compared with Q1FY27. The improvement in demand should enable the company to move back towards a more balanced approach in H2FY27. Further, a strong MICE calendar, including BRICS and 40+ wedding dates in H2FY27, should support ARR improvement. This, along with sustained occupancy levels, should help RevPAR growth return to double digits over the coming quarters.
- Lower impact of GST and renovations to aid substantial improvement in margins in FY28E: LTHL's EBITDA margin declined by 105bps YoY in Q1FY27 to 43.7%, impacted by GST changes, stock appreciation rights and renovation expenses, which together accounted for ~Rs21cr during the quarter. Adjusting for GST expenses and stock appreciation charges, EBITDA margin would have expanded by 205bps YoY. Management expects the GST impact at ~2% of revenues in FY27, reflecting the full-year impact, while renovation expenses are estimated at ~1.9% of revenues. With ~2/3rd of the major renovation already completed, renovation impact is expected to normalise to ~1.3% of revenues by FY28, while GST impact is expected to moderate to ~1.7%. Further, renovations and new Aurika additions are expected to support ARR growth, with a higher number of rooms moving above the Rs7,500/night thereby reducing the GST impact on the portfolio. With better pricing mix, normalisation of renovation expenses, management expects FY27 EBITDA margins to be higher than 47%, with a medium-term target of ~50%.

Rating and Target Price: We recommend Buy with a revised price target of Rs.128 valuing it at 20x its FY28E EV/EBITDA (adjusting for 59% stake in Fleur Hotel).

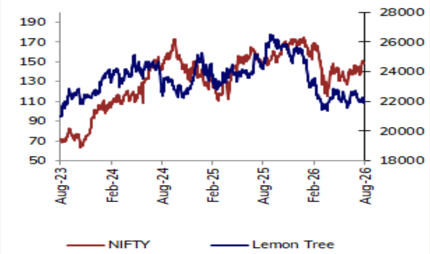
Particulars

Particuar	Amount
Market Capitalisation (₹ crore)	8,710
Debt (FY26) -₹ crore	2,047
Cash (FY26) - ₹ crore	171
EV (Rs crore)	10,586
52-week H/L (₹)	181 / 100
Equity capital (₹ crore)	791.8
Face value (₹)	10

Shareholding pattern

	Sep-25	Dec-25	Mar-26	Jun-26
Promoters	22.3	22.3	22.3	22.3
FII	21.5	21.5	21.6	19.4
DII	19.7	19.5	15.7	14.4
Others	36.6	36.8	40.4	43.9

Price Chart



Key risks

(i) Room demand getting impacted by global slowdown or any black swan event.
(ii) Delay in reduction in debt.

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Result Update

ICICI Securities – Retail Equity Research

Key Financial Summary

Key Financials (₹ Crore)	FY24	FY25	FY26	2-year CAGR (FY24-26)	FY27E	FY28E	2-year CAGR (FY26-28E)
Revenues	1071.1	1286.1	1444.5	10.5	1592.4	1779.9	11.0
EBIDTA	523.2	634.1	691.2	9.7	765.6	881.6	12.9
EBIDTA Margins(%)	48.8	49.3	47.8		48.1	49.5	
Adjusted PAT	181.0	243.4	314.2	20.2	356.0	461.0	21.1
EPS (Rs.)	2.3	3.1	4.0		4.5	5.8	
PE (x)	48.0	35.7	27.7		24.4	18.9	
EV to EBIDTA (x)	21.0	17.0	15.4		13.5	11.3	
RoE (%)	9.0	7.5	6.3		5.2	4.2	
RoCE (%)	19.9	22.9	24.6		23.2	24.5	

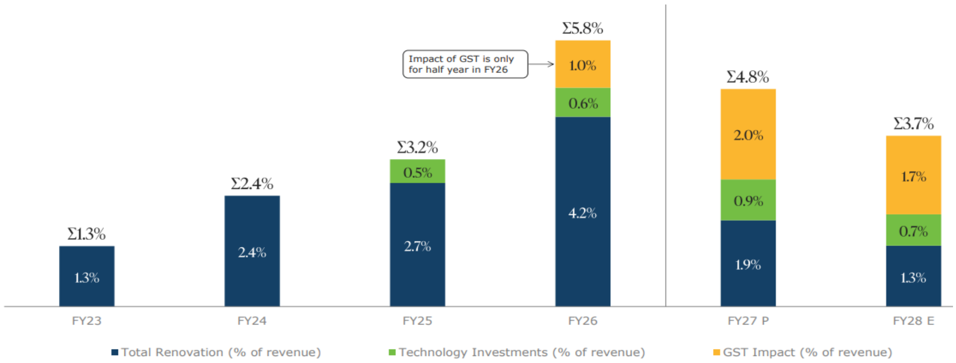
Source: Company, ICICI Direct Research

Exhibit 1: Fair Valuation

Particulars	**FY28E**
Lemon Tree Consolidated EBIDTA	882
Adjusting EBIDTA - APG 41.09% stake in Fleur	286
Adjusted EBITDA (Rs. Cr)	595
EV/EBIDTA (x)	20
Enterprise value (Rs. Cr)	11,609
Adjusted Debt (Rs. Cr)	1,560
Cash & Cash equivalent	98
Equity Value (Rs. Cr.)	**10,146**
Equity shares (in Cr.)	**79**
Target price (Rs.)	**128**

Source: Company, ICICI Direct Research

Exhibit 2: Reducing impact of Renovation expenses and GST to aid operating leverage



Source: Company, ICICI Direct Research

Q1FY27 – Key Performance highlights

- Consolidated revenues reported 9.1% YoY growth to Rs.344.6cr. Growth was aided 6.4% YoY growth in RevPAR. RevPAR growth was aided by 320bps YoY expansion in occupancy while ADR witnessed modest growth of 2% during the quarter.
- EBITDA ex-GST and stock appreciation right impact stood at Rs.160.4cr in Q1FY27 reporting 14% YoY growth. EBITDA margins (ex-GST and stock appreciation right) improved 205bps YoY to 46.5% in Q1FY27. EBITDA margins including the impact of the charges declined 105bps YoY to 43.4% while EBIDTA grew by 6.5% YoY to Rs.149.7cr. The impact of GST changes and stock appreciation rights during the quarter was Rs.10.7cr
- Aurika's room revenues declined by 1.7% YoY to Rs.47.4cr with occupancies declining by 100bps YoY to 71%. ARR stood flat at 0.8% YoY to Rs.9189. Muted performance in Aurika was due to impact of West Asia crisis which led to lower air travel and reduced corporate and MICE activity. EBITDA margin stood flat at 58%.
- LTHL's consolidated ARR stood at Rs.6361 growing by just 2% YoY in Q1FY27. Lemon Tree Hotels ARR grew by 3% YoY to Rs.5938. Lemon Tree Premier ARR reported 2% YoY to Rs.7252. Red Fox recorded 3% YoY decline ARR to Rs.4137 while Keys recorded 13% YoY growth in ARR to Rs.4311 in Q1FY27.
- Overall occupancy witnessed 320bps YoY improvement to 76%. Among other hotels, Lemon Tree hotels and Red Fox occupancy in Q1FY27

improved by 400bps YoY to 78% and 67% respectively. Keys by Lemon tree witnessed 390bps YoY improvement in occupancy to 67% in Q1FY27. Lemon Tree premier occupancy improved 300bps YoY to 84% in Q1FY27.

- Overall RevPAR stood at Rs.5855 witnessing 6.4% YoY growth in Q1FY27. Lemon Tree Hotel recorded 9% YoY growth in RevPAR to Rs.4619. Red Fox RevPAR grew by 4% YoY to Rs.2785. Keys Hotel RevPAR grew by 20% YoY to Rs.2885.
- Consolidated Management Fees grew by 21% YoY to Rs.45.4cr in Q1FY27. Management fees from Fleur Hotels stood at Rs.22.6cr growing by 6% YoY and fees from 3rd party owned hotels grew by 42% YoY to Rs.22.8cr in Q1FY27.
- Adjusted PAT grew by 19.2% YoY to Rs.57.3cr. Though operating performance was relatively muted, lower interest cost aided growth in PAT.

Exhibit 3: Q1FY27 Consolidated result snapshot (₹ crore)

Particulars	Q1FY27	Q1FY26	y-o-y %	Q4FY26	q-o-q %
Net revenue	**344.6**	**315.8**	**9.1**	**416.4**	**-17.2**
Cost of food and beverages consumed	20.4	19.8	3.2	21.9	-6.9
Employee cost	64.7	58.0	11.7	63.3	2.2
Power & fuel	23.9	21.9	9.3	20.2	18.5
Other expenditure	85.8	75.6	13.5	95.7	-10.3
Total expenditure	194.9	175.3	11.2	201.2	-3.1
EBITDA	**149.7**	**140.5**	**6.5**	**215.2**	**-30.4**
Other income	2.1	1.6	30.9	3.1	-30.8
Interest expenses	36.4	44.7	-18.6	38.8	-6.1
Depreciation	36.1	34.2	5.4	35.5	1.6
Profit Before Tax	79.4	63.3	25.5	144.1	-44.9
Tax	21.8	14.8	47.5	25.6	-15.0
Adjusted PAT	**57.6**	**48.5**	**18.8**	**118.5**	**-51.4**
Minority interest	0.3	0.4	-	-0.6	-
Adjusted PAT (after MI)	**57.3**	**48.1**	**19.2**	**119.0**	**-83.9**
Extra-ordinary gain / loss	0.0	0.0	-	-1.4	-
Reported PAT	**57.3**	**48.1**	**19.2**	**117.6**	**-51.2**
Adjusted EPS (Rs.)	0.7	0.6	18.8	1.5	-51.4
Margins	Q1FY27	Q1FY26	bps	Q4FY26	bps
GPM (%)	94.1	93.7	34	94.7	-66
EBITDA Margin (%)	43.4	44.5	-105	51.7	-825
NPM (%)	16.7	15.4	137	28.5	-1173
Tax rate (%)	27.4	23.3	409	17.8	964

Source: Company, ICICI Direct Research

Exhibit 4: Q1FY27 Brand-wise performance

Brands	No. of rooms	RevPAR (Rs.)			Occupancy (%)			Gross ARR (Rs.)		
	Q1FY27	Q1FY27	Q1FY26	Chg (%)	Q1FY27	Q1FY26	Chg (bps)	Q1FY27	Q1FY26	Chg (%)
Aurika Hotels & Resorts	808.0	6548	6569	-0.3	71	72	-100.0	9189	9118	0.8
Lemon Tree Premier	1603.0	6095	5753	5.9	84	81	300.0	7252	7132	1.7
Lemon Tree Hotels	1769.0	4619	4259	8.5	78	74	400.0	5938	5785	2.6
Red Fox	643.0	2785	2685	3.7	67	63	400.0	4137	4250	-2.7
Keys by Lemon Tree Hotels	936.0	2885	2415	19.5	67	63	390.0	4311	3808	13.2
Lemon Tree Consolidated	5759.0	4814	4523	6.4	76	73	320.0	6361	6236	2.0

Source: Company, ICICI Direct Research

Expansion through management contracts

- In Q1FY27, LTHL signed management/franchised contracts for 13 hotels with 1020 rooms. Managed/Franchised pipeline stood at 140 hotels with 10.561 keys.

Exhibit 5: Signings and openings

Brands	Operational	Pipeline	Operational + Pipeline
Aurika	808 Rooms; 2 Hotels	1,373 Rooms; 8 Hotels	2,181 Rooms; 10 Hotels
Lemon Tree Premier	2,963 Rooms; 23 Hotels	1,569 Rooms; 13 Hotels	4,532 Rooms; 36 Hotels
Lemon Tree Hotels	5,362 Rooms; 75 Hotels	6,014 Rooms; 79 Hotels	11,376 Rooms; 154 Hotels
Red Fox	1,003 Rooms; 9 Hotels	50 Rooms; 1 Hotels	1,053 Rooms; 10 Hotels
Keys Prima / Keys Select / Keys Lite	1,810 Rooms; 26 Hotels	2,429 Rooms; 43 Hotels	4,239 Rooms; 69 Hotels

Source: Company, ICICI Direct Research

Premium additions to owned/leased inventory

LTHL is expanding its owned/leased portfolio through addition of 4 hotels under the premium Aurika brand across leisure and business locations.

Aurika, Shimla (91 keys) is at advanced stage of completion with management guiding for opening of 2 out of 3 blocks of the hotel set to open in H1FY27. It expects full opening of the hotel in FY27. The company has deployed capex of Rs.108cr as of June 2026 for development of the hotel.

Aurika, Shillong (165 keys) is also progressing towards completion with expected opening in FY28. The total capex deployed for development is Rs.33cr as of March 2026. Aurika Nehru Place, Delhi, 572-key business hotel will be located at the centre of the country's capital. The company expects ~Rs.700cr capex for development of the hotel with opening expected in FY30.

The company announced new Aurika hotel (47 keys) in Varanasi, marking its entry in the premium spiritual location. The management expects higher ADR from the hotel due to its strategic location near the Ganges River and also due to higher rates in the vicinity. Demand is also expected to support occupancy and ADR growth for the hotel. Post refurbishment/renovation, it is expected to be opened in FY30.

Q1FY27 Earnings call highlights

- **Industry and Demand Outlook**
  - Management indicated that Q1FY27 was impacted by the West Asia conflict, which reduced inbound traffic and had domestic corporate travel. Corporate demand softened across key CBD markets as companies tightened travel spending, while lower hiring and relocation activity also affected demand.
  - The company adopted a more retail-led, volume-driven strategy to offset weaker corporate demand, which supported occupancy but came at the cost of ARR. Management termed this a temporary tactical strategy and said it has moved back to a more balanced ARR-occupancy approach in July-August.
  - Demand has improved meaningfully in Q2FY27, with management stating that July was strong and August continues to remain solid. Delhi, Bengaluru and Hyderabad performed better as retail demand more than offset weaker corporate demand, while Mumbai and Gurgaon remained softer.
- **Brand wise performance**
  - **Keys:** RevPAR grew 19% YoY to Rs2,885, driven by a 350bps improvement in occupancy to 67% and 13% growth in ARR to Rs3,808. Around 75% of the portfolio has been renovated, with renovated properties showing improvement in both occupancy and ARR. Management expects Keys to reach full performance next year, with ARR moving closer to Red Fox levels and an EBITDA target of ~Rs.60cr.
  - **Aurika:** Management believes Aurika Mumbai has now stabilised and intends to focus on improving pricing/ARR going forward. Q1 performance was impacted by weaker demand and supply additions in Mumbai, but management expects Q2 to be better.
  - **Lemon Tree / Lemon Tree Premier / Red Fox**: ARR growth was relatively subdued in Q1 as the company prioritised occupancy through retail channels. Management expects a more balanced mix of ARR and occupancy from Q2 onwards. Red Fox Delhi Airport has been rebranded as Lemon Tree Delhi Airport, while Hyderabad and other renovated properties are showing better performance.
  - **International:** Lemon Tree is looking at short-haul international markets with strong Indian traveller traffic, particularly UAE, Nepal, Thailand and Maldives, to leverage its ~2.5mn-member loyalty base and capture a larger share of customers' international travel.
- **Lemon Tree Hotels and Fleur Hotels – Highlights and Outlook**
  - LTHL opened six managed/franchised hotels with 334 rooms in Q1FY27 and signed 30 hotels with 1,020 rooms, more than 3x the rooms opened. Combined operational and pipeline inventory increased to 23,381 rooms across 279 hotels, with 11,946 rooms operational.
  - Fleur is pursuing ~2,500 rooms across acquisitions/developments and remains focused on capital deployment in demand-dense markets in the top 6-7 Indian cities, short-haul international destinations and emerging leisure markets.
- **Renovation Update**
  - Around 300 rooms were renovated in Q1FY27 at a cost of ~Rs10cr, with a similar number expected to be completed in Q2. Keys renovation was ~two-thirds complete as of June 2026, with ~75% of the portfolio now renovated.
  - High-value renovations at Keys Pimpri and Keys Whitefield are largely complete, while Keys Ludhiana has been completed and work is ongoing at Keys Cochin, Trivandrum and Vizag. The

remaining work increasingly involves lower-cost refurbishments rather than large-scale renovations.

- The company expects the major renovation exercise across the portfolio to be substantially completed in FY27, with FY28 reverting to normal refurbishment spending.

- **Management Fees to continue its steady growth**
  - Management expects double-digit growth from Q2 onwards and sees strong acceleration in fee income as the large signing pipeline starts converting into operational rooms. Third-party signings increased from ~2,000 rooms 3 years ago to ~3,500 rooms 2 years ago and nearly 5,000 rooms in FY26, creating a strong pipeline of future openings and fee income.
  - Fleur's growth provides an additional fee-income lever for LTHL, while the company expects fee income from the combined third-party and Fleur portfolio to accelerate over the next 8-12 quarters.

Exhibit 6: Key Operating Assumptions

Particulars	FY25	FY26	FY27E	FY28E
Aurika Hotels -revenues (Rs. Cr)	184.9	220.5	235.3	278.3
Rooms	808.0	899.0	899.0	973.0
Occupancy ratio (%)	63	75	75	76
ARR (Rs)	9894	10001	10323	10855
Lemon Tree Premier - revenues (Rs. Cr)	346.3	374.7	387.4	409.0
Rooms	1603.0	1603.0	10322.7	10855.4
Occupancy ratio (%)	81	82	83	83
ARR (Rs)	7342	7827	8012	8441
Room revenues	963.1	1077.3	1158.6	1250.8
yoy% growth	16.4	11.9	7.5	8.0
Management fees	149.0	169.8	205.7	266.7
yoy% growth	22.3	13.9	21.1	29.7
F&B revenues	174.0	197.4	228.2	262.4
yoy% growth	44.0	13.4	15.6	15.0
Total revenues	1286.1	1444.5	1592.4	1779.9
yoy% growth	20.2	12.3	10.2	11.8

Source: Company, ICICI Direct Research

Revision in earnings estimates

Exhibit 7: Changes in headline estimates

(₹ crore)	FY27E			FY28E		
	Old	New	% Chg	Old	New	% Chg
Net Revenues	1610.3	1592.4	-1.1	1820.2	1779.9	-2.2
EBIDTA	788.2	765.6	-2.9	903.6	881.6	-2.4
EBIDTA margin (%)	48.9	48.1	(80)bps	49.6	49.5	(10)bps
PAT	302.6	290.9	-3.9	402.6	390.0	-3.1
EPS (Rs.)	3.8	3.7	-3.9	5.1	4.9	-3.1

Source: Company, ICICI Direct Research

Financial summary

Exhibit 8: Profit and loss statement ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Total Operating Income	**1286.1**	**1444.5**	**1592.4**	**1779.9**
Growth (%)	20.1	12.3	10.2	11.8
Cost of food and beverages consumed	76.2	84.8	82.8	92.6
Gross Profit	1209.9	1359.7	1509.6	1687.4
Employee Expenses	218.5	239.3	265.6	302.8
Power & fuel	87.8	85.1	91.9	93.7
Other Expenditure	269.5	344.2	386.5	409.3
Total Operating Expenditure	652.0	753.3	826.8	898.3
EBITDA	**634.1**	**691.2**	**765.6**	**881.6**
Growth (%)	21.2	9.0	10.8	15.1
Interest	200.7	167.2	136.8	101.8
Depreciation	139.3	138.8	158.7	169.2
Other Income	2.3	8.2	9.0	9.9
PBT	**296.5**	**393.3**	**479.1**	**620.4**
Less Tax	53.1	79.1	123.1	159.4
Adjusted PAT (before exceptional item)	**243.4**	**314.2**	**356.0**	**461.0**
Growth (%)	34.5	29.1	13.3	29.5
Minority interest / profit from associates	-46.6	-61.2	-65.1	-70.9
Exceptional item	0.0	0.0	0.0	0.0
Reported PAT	**196.8**	**253.0**	**290.9**	**390.0**
Growth (%)	8.3	28.5	15.0	34.1
EPS (Adjusted)	**3.1**	**3.2**	**3.7**	**4.9**

Source: Company, ICICI Direct Research

Exhibit 9: Cash flow statement ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Profit/(Loss) after taxation	241.1	306.1	347.0	451.1
Add: Depreciation & Amortization	139.3	138.8	158.7	169.2
Other income	2.3	8.2	9.0	9.9
Changes in the working capital	-67.7	-82.1	95.5	20.3
CF from Operating activities	**315.0**	**370.9**	**610.1**	**650.5**
(Purchase)/Sale of Fixed Assets	-87.5	-195.4	-310.0	-310.0
Investments & Bank balances	-36.4	-43.3	-11.9	0.0
Others	-11.7	-9.2	0.0	0.0
CF from Investing activities	**-135.6**	**-247.9**	**-321.9**	**-310.0**
(inc)/Dec in Loan	-159.6	-128.7	-335.5	-334.7
Change in equity & reserves	-46.8	-85.8	-65.1	-70.9
Dividend paid	0.0	0.0	0.0	0.0
Other	48.7	94.2	65.1	70.9
CF from Financing activities	**-157.7**	**-120.3**	**-335.5**	**-334.7**
Net Cash Flow	21.8	2.7	-47.3	5.8
Cash and Cash Equivalent (opening)	**33.6**	**55.4**	**58.1**	**10.8**
Cash	**55.4**	**58.1**	**10.8**	**16.5**
Free Cash Flow	**227.6**	**175.4**	**300.1**	**340.5**

Source: Company, ICICI Direct Research

Exhibit 10: Balance sheet ₹ crore

(Year-end March)	FY25	FY26	FY27E	FY28E
Equity Capital	791.8	791.8	791.8	791.8
Reserve and Surplus	371.7	600.1	891.0	1281.0
Total Shareholders funds	1163.5	1391.9	1682.8	2072.8
Minority Interest	626.1	687.2	752.3	823.3
Total Debt	2176.0	2046.9	1711.7	1377.0
Deferred Tax Liability	7.2	30.0	30.0	30.0
Long-Term Provisions	3.4	13.7	13.7	13.7
Total Liabilities	3976.2	4170.4	4190.5	4316.8
Gross Block - Fixed Assets	3749.2	3857.6	4075.7	4385.7
Accumulated Depreciation	684.8	823.6	982.3	1151.5
Net Block	3064.4	3034.0	3093.4	3234.2
Capital WIP	58.6	108.1	200.0	200.0
Leased Assets	365.1	392.2	392.2	392.2
Fixed Assets	3488.0	3534.3	3685.6	3826.4
Goodwill & Other intangible assets	126.8	137.2	137.2	137.2
Investments	44.6	73.4	50.0	50.0
Other non-Current Assets	167.4	176.5	176.5	176.5
Inventory	13.8	13.8	21.8	24.4
Debtors	78.6	116.3	122.2	121.9
Other Current Assets	80.7	134.4	134.4	134.4
Loans & Advances	1.2	1.0	1.0	1.0
Cash	55.4	58.1	10.8	16.5
Bank balance	25.3	39.7	75.0	75.0
Total Current Assets	255.0	363.3	365.2	373.3
Creditors	61.6	67.1	174.5	195.1
Provisions	6.4	8.1	8.1	8.1
Other Current Liabilities	37.3	39.1	41.0	43.1
Total Current Liabilities	105.3	114.3	223.7	246.3
Net Current Assets	149.7	249.0	141.5	127.0
Application of Funds	3976.5	4170.4	4190.5	4316.8

Source: Company, ICICI Direct Research

Exhibit 11: Key ratios

(Year-end March)	FY25	FY26	FY27E	FY28E
Per share data (₹)				
Adjusted EPS	3.1	3.2	3.7	4.9
Cash EPS	4.8	5.7	6.5	8.0
BV per share	14.7	17.6	21.3	26.2
Cash per Share	1.6	2.2	1.7	1.8
Operating Ratios (%)				
Gross Profit Margins	94.1	94.1	94.8	94.8
Operating EBIDTA margins (%)	49.3	47.8	48.1	49.5
PAT Margins	18.9	21.8	22.4	25.9
Cash Conversion Cycle	-13	-3	-7	-10
Return Ratios (%)				
RoE	22.9	24.6	23.2	24.5
RoCE	12.6	13.8	14.7	17.0
Valuation Ratios (x)				
P/E	35.7	27.7	24.4	18.9
EV / EBITDA	17.0	15.4	13.5	11.3
EV / Net Sales	8.4	7.4	6.5	5.6
Market Cap / Sales	6.8	6.0	5.5	4.9
Price to Book Value	7.5	6.3	5.2	4.2
Solvency Ratios (x)				
Debt / EBITDA	3.4	3.0	2.2	1.6
Debt / Equity	1.9	1.5	1.0	0.7

Source: Company, ICICI Direct Research

RATING RATIONALE

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Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%

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