ICICI Direct

MUHURAT PICKS

2026 - 27



Muhurat Picks – 2026

Dear customers,
Wishing you all a Happy and Prosperous Diwali!

- Markets are currently navigating a phase of heightened volatility, with the Nifty and broader market indices witnessing a meaningful correction from their recent highs. The weakness, in our view, is less a reflection of any fundamental deterioration in the domestic earnings cycle and more a consequence of a confluence of external pressures—elevated crude prices, rising domestic and global bond yields, and heightened geopolitical uncertainty.
- Interestingly, the underlying earnings picture remains encouraging. The listed universe, so far in the earnings season i.e. Q2FY27, has delivered 20%+ growth in both topline and PAT, providing increasing evidence that the domestic corporate earnings cycle is gaining traction. This resilience in earnings, despite a challenging macro backdrop, reinforces our core thesis of an earnings-led recovery in Indian equities. The broader earnings trend continues to favor mid- and small-cap companies, with profit growth exceeding 30% YoY.
- The recent correction, therefore, needs to be viewed in the context of price adjustment rather than a fundamental reset. With valuations having moderated meaningfully, the risk-reward equation is gradually becoming more favorable, particularly for quality businesses where earnings visibility remains intact.
- The current 2-year forward P/E for Nifty 50 stands at 16.6x, which is below the 10-year average of 18.2x.
- We therefore retain a constructive stance on equities. In our view, the next leg of the market is likely to be driven less by liquidity or multiple expansion and increasingly by fundamental earnings delivery—a healthier and more sustainable foundation for returns. We expect markets to deliver healthy double digit returns over the next 12 months and we see no material risks to our 16% CAGR Nifty earnings estimates over FY26-28E.
- With firm growth outlook and valuations crawling below long-term average, we remain positive on markets.

Company	Stock Code	Buying Range	CMP	Target Price	Potential Upside	Market Cap	P/E(x)		ROCE/ROA(%)		ROE(%)	
		₹	₹	₹	%	₹ Crore	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Venus Pipes and Tubes	VENPIP	1660-1800	1,750	2,340	34%	4,015	30.8	22.4	16.4	17.5	11.2	13.3
Kotak Mahindra Bank	KOTMAH	445-465	460	540	17%	4,58,896	22.9	19.4	2.0	2.0	11.8	12.3
Zydus Life sciences	CADHEA	1200-1265	1,240	1,480	19%	1,23,557	31.9	23.4	12.2	14.6	13.1	15.4
Info Edge Ltd	INFEDG	1140-1205	1,192	1,530	28%	76,994	63.0	52.1	4.8	5.4	3.6	4.0
Adani Ports and SEZ Ltd.	ADAPOR	1785-1865	1,850	2,210	19%	4,26,400	27.6	22.8	13.3	14.8	14.1	14.9
Apollo Micro Systems	APOMIC	380-415	400	485	21%	14,860	108.2	57.6	6.5	10.4	4.9	6.3
Neogen Chemicals Limited	NEOCHE	2020-2160	2,100	2,765	32%	6,309	149.1	30.4	5.1	13.2	2.1	9.5
Indian Hotels Ltd.	INDHOT	790-840	825	990	20%	1,17,077	47.2	40.1	17.7	18.7	15.1	15.6
Saregama India	SAREIN	520-560	545	650	19%	10,508	41.5	32.5	18.3	21.4	14.1	16.5
Ethos Ltd.	ETHLIM	2470-2650	2,585	3,180	23%	6,893	54.1	39.9	11.8	14.1	7.4	9.2

Kotak Mahindra Bank (KOTMAH) — Buying Range (₹445-465)

- Kotak Mahindra Bank is India's fourth-largest private sector bank with a ~₹5.7 lakh crore loan book and a strong presence across retail (39%), corporate (24%) and SME lending (24%), complemented by established franchises in capital markets, asset management, and insurance.
- Margins appear to be near a trough at 4.31%, with recovery expected over subsequent quarters, aided by 1) progressive deployment of surplus FCNR(B) liquidity into customer assets, 2) lending-rate transmission across ~60% repo-linked advances and 3) improving contribution from higher-yielding retail products. Further, cost-to-assets has moderated to 2.4% (vs 2.67% YoY), reflecting improving operating efficiency. Asset quality remains resilient, with GNPA at 1.04% and credit cost at 35 bps, providing headroom for calibrated unsecured lending growth.
- The appointment of Mr Anup Saha as MD & CEO, effective January 2027, addresses leadership overhang, provides longer leadership continuity, and brings an experienced consumer-finance leader with a strong execution track record. We expect leadership transition, coupled with bank's focus on deepening customer relationships and scaling retail lending, to support business momentum ahead.
- Going ahead, we expect advances growth of ~20–22%, gradual margin recovery and sustained moderation in credit cost to support earnings growth and RoA improvement over FY27–28E. Thus, we value standalone bank at ~2.4x FY28BV and ₹127 for subsidiaries. **Recommending BUY with a target price of ₹540.**
- Key Risks: a) Adverse change in mix diluting margins
  b) Slower than expected business growth

Particulars (₹ crore)	FY25	FY26	FY27E	FY28E	2 Year CAGR (FY26-FY28E)
NII	28342	30010	34055	40101	15.6%
PPP	24526	22067	25984	30965	18.5%
PAT	19970	14008	16864	19931	19.3%
ABV (₹)	116	135	151	170	
P/E	19.4	27.6	22.9	19.4	
P/ABV	3.4	2.9	2.6	2.3	
RoA	3.1	1.9	2.0	2.0	
RoE	18.8	11.1	11.8	12.3	

Venus Pipes and Tubes (VENPIP) — Buying Range (₹ 1660-1800)

- Venus Pipes and Tubes (VPT) is a manufacturer of stainless-steel pipes and tubes, operating in two key product categories i.e., Seamless and Welded pipes and tubes.
- It currently has a total installed capacity of ~48,000 tonnes with ~20,400 tonnes of hollow pipes capacity thereby strengthening its backward integration.
- VPT commands ~10% market share in domestic Seamless pipes & tubes space.
- Given the corrosion resistance, and lightweight properties, stainless steel pipes and tubes are increasingly used across end-user industries such as oil & gas, chemicals, engineering, and power. This ensures healthy long term enduring growth for VPT.
- VPT has also advanced into high-margin sectors i.e., data centers, semi conductors and nuclear power, with a LoI worth ₹185 crores from a leading data center player and an order book worth ₹600 crores, aided by its traditional legacy sectors.
- Thus, with recent commissioning of fitting and spooling facility alongside improving plant utilization levels, VPT is expected to report improved margins going forward.
- In the recent past, VPT has also approved & executed fresh equity raise in the form of preferential allotment aimed primarily at retirement of debt on B/S, potentially turning the company net debt free in FY27E, thereby leading to substantial interest costs savings and is anticipated to be EPS accretive in nature.
- Thus, we expect the company to witness strong growth in both legacy and sunrise sectors, backed by strategic diversification, expanding niche portfolio, net cash positive balance sheet and healthy double-digit return ratios. **Hence, we assign BUY rating on VPT with a target price of ₹2,340, valuing it at 30x P/E FY28E.**
- Key Risks: a) Slowdown in capex cycle of end user industries
  b) global geopolitical unrest leading to interim business volatility.

Particulars (₹ Crore)	FY25	FY26	FY27E	FY28E	2-Year CAGR (FY26-FY28E)
Net Sales	959	1,167	1,362	1,603	17.2%
EBITDA	168	191	227	277	20.5%
EBITDA Margin (%)	17.5	16.3	16.7	17.3	
Adj. Net Profit	93	102	130	179	32.5%
Adj. EPS (₹)	45.5	49.2	56.9	78.0	
P/E (X)	40.3	37.2	30.8	22.4	
RoE (%)	17.5	15.3	11.2	13.3	
RoCE(%)	20.3	17.2	16.4	17.5	

Zydus Lifesciences (CADHEA)

Buying Range (₹1200-1265)

- Zydus is a leading pharma company with a family pedigree having a presence in domestic branded formulations, US generics and is in the process of repurposing itself into niche areas of specialty pharmaceuticals, biosimilars and vaccines.
- FY26 revenue break-up – US: 40%, India: 24%, Wellness: 20%, Europe & emerging markets including countries in LatAm, Asia Pacific & Africa: 11% and MedTech: 4%
- The management has guided for High teen growth in FY27 along with 24%+ EBITDA margins, despite a high base of gRevlimid and the confidence stems from new launches and niche 505 (b) (2) products.
- The company over the years has invested significantly towards scaling up capability for niche and differentiated products. It is now bearing the fruits for the same with scores of niche launches across US, India and other geographies and more such launches planned over the next two-three years which should continue the growth momentum.
- Going ahead, traction from its key acquisitions such as Amplitude Surgical, Assertio along with new launches would also be a key monitorable.
- We expect the launches that are planned can fill the void created by wanning momentum of earlier launches. The company has specifically identified the Rare and Orphan disease segment as the new growth opportunity in the future. **With key segments holding good for future, we believe the company is in good stead and hence we assign BUY rating with target of ₹1480 at 28x FY28E EPS of ₹52.9.**
- Key Risks: a) Unforeseen delay in launches of niche products, especially in the US. b) Higher R&D towards innovative products could yield lower returns.

Particulars (₹ Crore)	FY25	FY26	FY27E	FY28E	2-Year CAGR (FY26-FY28E)
Net Sales	23241.5	27148.4	33206.7	35126.1	13.7%
EBITDA	6895.1	7194.6	7309.2	8609.3	9.4%
EBITDA Margin	29.7%	26.5%	22.0%	24.5%	
Net Profit	4525.8	5040.0	3877.0	5269.8	2.3%
Adj. EPS (₹)	45.8	44.8	38.6	52.9	
P/E (X)	27.3	24.5	31.9	23.4	
RoE (%)	19.1	16.5	13.1	15.4	
RoCE(%)	19.9	13.9	12.2	14.6	

Neogen Chemicals (NEOCHE)

Buying Range (₹ 2,020-2,160)

- Neogen Chemicals manufactures specialty organic bromine-based chemical compounds as well as specialty inorganic lithium-based chemicals compounds which find applications in pharmaceutical intermediates, agrochemical intermediates, battery materials, polymers additives and water treatment chemicals.
- To address the opportunities emanating from EV ecosystem, it has earmarked a capex of ~₹1,795 crore for the Lithium battery materials business with a strategic tie-up with Japanese companies Mitsubishi and Morita.
- Neogen recently completed its ₹600 crore QIP at ₹2,255/share, aimed at deleveraging, reducing finance costs, funding future organolithium expansion. The company is also expected to see infusion of ~₹90–95 crore through issuance of shares to Morita Investment in a JV to support its advanced battery-materials/electrolyte business. Neogen has ~₹186 crore of outstanding insurance receivables, we believe these important and timely cash inflows have materially strengthened Neogen's balance sheet.
- The base business outlook, driven by bromine and lithium price dynamics, continued to be stable amid some macro volatility. The management expects FY27 standalone revenues to be ~₹1000 crore (15-16% growth), owing to strong momentum in organolithium and lithium compounds. In the battery materials segment the company expects revenues to exceed ₹300 crore in FY27, with most of the ramp-up expected in H2FY27 as customer qualifications and commissioning activities progress. While in FY28E we expect company to clock ~₹2300 crore consolidated revenues with ~ 1000 crore contribution from battery segment to be driven by expected orderbook momentum.
- we believe Neogen has the required capabilities both in Electrolytes and Salts to cater to the requirements for Indian battery manufacturers looking for indigenisation battery materials. With an eco-system ready to target EV opportunities, Neogen remains an interesting proposition,. **We recommend BUY rating with a target of ₹2,765 (20x FY28E EBITDA).**
- Key Risks: a) Delay in offtake of battery chemicals business.
  b) Volatility in raw material prices of Bromine and Lithium

Particulars (₹ crore)	FY25	FY26	FY27E	FY28E	2 Year CAGR (FY26-FY28E)
Net Sales	777.56	861.96	1,209.47	2,293.48	63.12%
EBITDA	136.32	137.29	199.56	412.83	73.41%
EBITDA Margin (%)	18%	16%	17%	18%	
Net Profit	48.91	28.75	42.30	207.40	168.59%
EPS (₹)	18.54	10.90	14.08	69.04	
P/E (X)	159	193	149	30	
RoE (%)	6.2	3.5	2.1	9.5	
RoCE(%)	8.3	5.4	5.1	13.2	

Info Edge (INFEDG) — Buying Range (₹1140-1205)

- Info Edge (India) Ltd., operates a diversified internet business across recruitment (naukri.com), real estate (99acres.com), matrimony (jeevansathi.com), and education (shiksha.com). Among its investments, Eternal (previously Zomato) with 12.43% stake and PB Fintech with 12.12% stake have emerged as big bets.
- It is a proxy play on investments in New-Age/ Deep-tech companies as it has an investment portfolio of ~₹4900 crore invested across 135 companies. Any major monetization in the form of a IPO/valuation re-pegging as seen in Eternal/ PB Fintech earlier, will unlock value for investors.
- Recruitment remains the key growth driver as Naukri reported FY26 revenue growth of 13.7%, despite subdued hiring conditions. H1FY27 billings grew 14.9%. Its ~120 million resume database and strong market position provide a structural growth advantage.
- AI-led monetisation offers incremental growth opportunity as AI-Rex, Talent Pulse and job-seeker offerings have achieved an annualised revenue run rate of ~₹240 crore, contributing a high-single-digit share of recruitment revenue.
- 99acres' improving economics support profitability. It's operating losses in Q2FY27 narrowed 93% to ₹1.6 crore. Management targets doubling billings over three years and achieving 25–30% EBITDA margins over the medium term.
- We estimate ~14.8% revenue CAGR over FY26–28E, with margins improving to 44% in FY28E vs 40.9 in FY26. **Thus, we have BUY rating with target price of ₹1,530** (SoTP) as we believe Info Edge remains well-positioned to benefit from sustained recovery in recruitment demand, improving monetisation through AI-led offerings and gradual profitability improvement in 99acres and matchmaking. Moreover, its investment portfolio's value unlock provides further upside potential.
- Key Risks: a) Slower recovery in recruitment and hiring activity b) Sustained weakness in Shiksha due to AI-led disruption in search traffic.

Particulars (₹ Crore)	FY25	FY26	FY27E	FY28E	2-Year CAGR (FY26-FY28E)
Net Sales	2,654	3,052	3,420	3,969	14.0%
EBITDA	1,073	1,248	1,495	1,739	18.0%
EBITDA margins (%)	40.4	40.9	43.7	43.8	
Net Profit	717	368	1,301	1,479	100.4%
EPS (₹)	11.1	5.7	20.1	22.9	
P/E	21.0	14.7	66.2	55.0	
RoNW (%)	2.6	1.1	3.7	4.0	
RoCE (%)	4.7	4.3	4.9	5.4	

Saregama India (SAREIN) — Buying Range (₹520-560)

- Saregama India (Saregama) is India's oldest music label owned by RPSG Group with ~1.8+ lacs songs, which is monetized over various formats such as digitals (streaming, YouTube), physical (Carvaan) and television.
- We view paid music streaming as the largest long-term growth opportunity. India's paid streaming penetration remains around 3%, significantly below developed markets (57% in the US and 67% in Sweden). Management expects 64% of free music users to switch to paid plans if free supply were curtailed. It believes that every 1 percentage point increase in penetration translates to over 10 million paying subscribers, and the Indian market has the potential to eventually support nearly 100 million paid subscribers under the right pricing (₹ 100/month, as per the management).
- The company maintained its medium-term revenue CAGR guidance of 20% to 23% for the music vertical. We estimate ~22% CAGR in B2B (licensing) music sales over FY26-28E to ₹ 916 crore, as monetisation of existing IPs via digital platforms and new music acquisition will drive growth. The artist management segment revenues, which is a byproduct of new music and does not require any upfront investment to inch up to ₹ 220 crore in FY28 (vs. ₹ 131 crore in FY26).
- We expect EBITDA margins to improve led by operating leverage at 34.7 % /35.5% in FY27/FY28 vs. 34.2% in FY26 . The healthy growth in topline coupled with stable margins will result in ~25% earnings CAGR over FY26-28E coupled with improvement in the return ratios.
- **We have a BUY with a target price of ₹ 650, (38x on FY28E EPS),** on a premise that accelerated monetisation through paid subscription (early signs visible as most platforms are pushing for it) will be a game changer for Saregama in medium term.
- Key Risks: a) Slower Music Licensing growth. b) High losses in films foray.

Particulars (₹ Crore)	FY25	FY26	FY27E	FY28E	2-Year CAGR (FY26-FY28E)
Net Sales	1,171.4	984.6	1,187.3	1,405.2	19.5
EBITDA	277.0	336.8	411.6	498.9	21.7
Net Profit	204.2	207.1	253.0	323.4	25.0
EPS (₹)	10.6	10.7	13.1	16.8	
P/E (x)	51.5	50.7	41.5	32.5	
Price / Book (x)	6.6	6.2	5.9	5.4	
EV/EBITDA (x)	35.6	29.8	24.6	20.2	
RoCE (%)	16.9	16.3	18.3	21.4	
RoE (%)	12.9	12.2	14.1	16.5	

Adani Ports and SEZ (ADAPOR) — Buying Range (₹ 1,785-1865)

- Adani Ports & SEZ ltd (APSEZ) is the largest commercial port operator in the country, handling more than 27% of the total cargo volume as on FY26. It owns more than 15 Ports & Terminals, with a combined capacity of 671 MTPA, across seven states. Its other businesses include logistics and marine.
- Strong H1 leads to upward revision in revenue/EBITDA for FY27: APSEZ has grown its consolidated revenues at ~21% YoY during H1FY27 aided by 75% YoY growth in international ports (consolidation of NQXT Australia and ramp-up at Colombo) and 61% YoY growth in Marine (11 net vessel additions). Consolidated EBITDA grew 21% YoY during H1FY27 aided by international ports (up 245% YoY, higher margin Australia and Colombo operations). Consequently, it has raised its revenue and EBITDA guidance for FY27 by ₹ 1000 crore each to ₹ 44,000-₹ 46,000 crore and ₹ 26,000-₹ 27,000 crore respectively. It reiterated its FY31 ambition of ₹ 91,500 crore revenue and ₹ 52,000 crore.
- Accelerating capex buoyed by strong H1 growth: APSEZ upgrade its capex guidance by ₹ 3000 crore to ₹ 15,000-₹ 17,000 crore for FY27 (H1FY27 capex - ₹ 10.521 crore). The increase in capex is towards domestic ports (mainly Mundra, Dhamra, Vizhinjam and Hazira) anticipating higher domestic growth potential. Its Ambition 2031 vision is to achieve 1 billion metric tonne (FY26 – 500 MMT) while scaling up its network across Marine (136 to 200+ vessels), Trains & Tracks (132 to 200 rakes), Multi-Modal Logistics Parks (12 to 16 MMLPs), Warehouses (3.1 msf to 12 msf) and Trucks (937 to 2000 owned trucks). APSEZ targets to grow its Revenues/ EBITDA/ Net CFO at a CAGR of 19%/18%/18% over FY26-FY31. **Thus, recommend buy with a target price of ₹ 2210 on the stock.**
- Key Risks: a) Escalation of geopolitical tensions.
  b) Delay in approvals which may stall expansion plans.

Particulars (₹ crore)	FY26	FY27E	FY28E	FY29E	3 Year CAGR (FY26-FY29E)
Revenues	38,736	45,083	51,521	55,725	12.9%
EBIDTA	22,851	26,337	29,712	32,595	12.6%
EBIDTA Margins (%)	59.00%	58.40%	57.70%	58.50%	
Adjusted PAT	12,805	15,497	18,703	21,459	18.8%
EPS (Rs.)	55.5	67.2	81.1	93	
EV to EBIDTA (x)	18.8	17.7	15.4	13.7	
RoNW (%)	13.4	14.1	14.9	14.9	
RoCE (%)	12.3	13.3	14.8	15.4	

Apollo Micro Systems (APOMIC) — Buying Range (₹ 380-415)

- Apollo Micro Systems is an indigenous Defence electronics & systems manufacturer with over 41 years of engineering experience, a portfolio of 700+ technologies and participation in 150+ indigenous Defence programmes. Its offerings span missile electronics, guidance and navigation systems, actuation, safety and arming mechanisms, underwater systems and other mission-critical subsystems, with established relationships across DRDO, DPSUs and the Indian armed forces.
- It reported consolidated revenue from operations of ₹904 crore in FY26, registering 61% YoY growth, while EBITDA stood at ₹218 crore, with a margin of 24.1%. The consolidated order book stands at ₹ 1,765 crore (1.5x TTM revenue) as of Sep-26
- It has a strong pipeline of opportunities across key indigenous defence programmes, including MIGM, QRSAM, Akash-NG, Pinaka, mines and torpedoes, management targets over ₹2,000 crore excluding MIGM (₹2000 -2500 crore) expected by Mar'27. The company is also expanding its manufacturing and testing infrastructure at Hardware Park-II to support the transition of its development programmes into larger-scale production. Meanwhile, 41.33% stake in Premier Explosives (followed by open offer of 26%) and the ongoing turnaround in IDL Explosives are expanding capabilities beyond electronics into explosives, supporting the company's ambition to move towards integrated weapon systems
- Company's earnings growth is expected to remain robust in the coming period, led by strong execution. We are yet to factor in the consolidation of Premier explosives in our estimates for FY27E/FY28E as we wait for completion of mandatory open offer of additional 26% stake in PEL. **We have a BUY rating on the stock with a target price of ₹ 485 (based on 60x P/E to consolidated FY28E EPS & ₹ 67/share to Premier Explosives)** Key Risks: a) Dependent on govt. contracts b) High working capital requirements c) Availability of key raw materials

Particulars (₹ Crore)	FY25	FY26	FY27E	FY28E	2-Year CAGR (FY26-FY28E
Revenues	562	904	1562	2378	62.2
EBITDA	129	218	341	587	64
EBITDA margin (%)	23	24.1	21.8	24.7	
Net Profit	56	107	146	313	70.8
Diluted EPS (Rs)	1.2	2.4	3.2	6.9	
P/E (x)	264.4	138.7	112.8	60	
RoCE (%)	12.5	11	6.5	10.4	
RoE (%)	9.3	8.2	4.9	6.3	

Ethos (ETHLIM) — Buying Range (₹2470-2650)

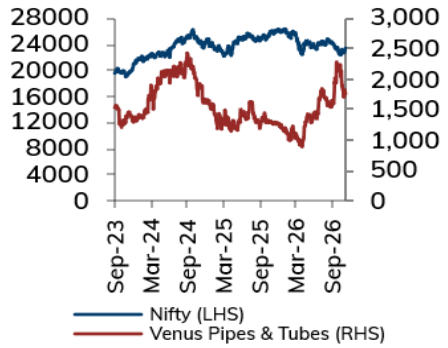
- Ethos is India's largest luxury watch retailer with 85 global brands. It has 102 watch boutiques and 3 lifestyle boutiques across 34 cities in India. The company operates across Luxury Retail (Watches and Lifestyle),
- With increase in the consumption of high value items, the premium and luxury watch market is expected to grow faster than the overall industry, at CAGR of 12.8% to Rs.17,345cr in FY28P from Rs.9,495cr in FY23.
- Ethos is focusing on increasing its position in the luxury watches space by building portfolio fi exclusive brands, which doubled to 64 brands in last five years. It helped average selling price to grow at CAGR of 16% over FY21-26.
- Strong volume growth of ~23% along with steady ASP increase (at 3-4%) will help revenues to grow at a CAGR of ~27% over FY26-29E to Rs.3295.5cr. EBIDTA margins will expand by ~170bps to 14.6% over FY26-29E driven by operating leverage and improved store fundamentals.
- Strong balance sheet also offers healthy return profile with RoCE/RoIC expected to stand at 16.2%/18.2% in FY29E. **Hence, we recommend Buy on the stock with a price target of Rs3,180.**
- **Key Risks**: Depreciation of INR against CHF and Increase in competitive intensity from global players would act as a key risk to earnings.

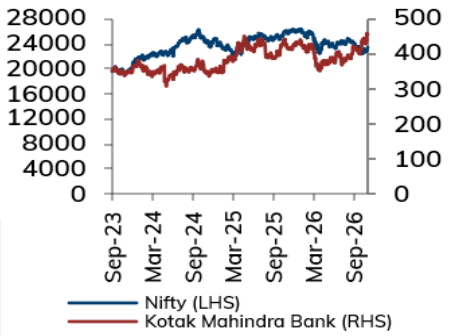
Particulars (₹ Crore)	FY25	FY26	FY27E	FY28E	2-Year CAGR (FY26-FY28E)
Net Sales	1,251.6	1,612.2	2,078.9	2,604.2	27.1
EBITDA	190.1	207.8	283.5	371.6	33.7
EBITDA Margin (%)	15.2	12.9	13.6	14.3	
Adj. Net Profit	96.3	97.5	127.7	173.3	33.3
Adj. EPS (₹)	36.0	35.9	47.7	64.8	
P/E (X)	71.7	70.8	54.1	39.9	
EV/EBITDA (x)	36.8	31.7	23.6	18.1	
RoIC (%)	17.3	13.8	14.1	16.2	
RoCE(%)	15.7	13.2	11.8	14.1	

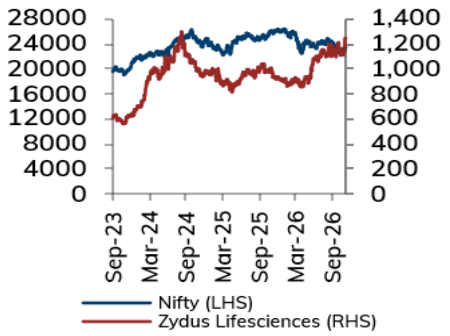
Indian Hotels Co. (INDHOT) — Buying Range (₹ 790-840)

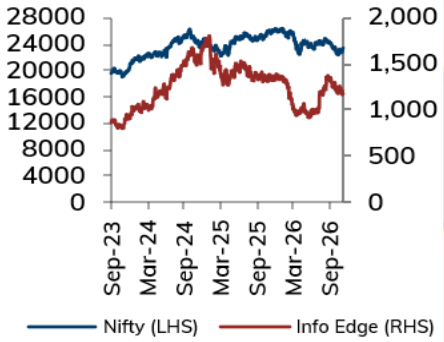
- Indian Hotels Company (IHCL) and its subsidiaries bring together a group of brands and businesses that offer fusion of warm Indian hospitality and world class services. It has 390 operational hotels and 280 hotels under development.
- As of H1FY27, the company has 34,200 operational keys at a consolidated level (55% of rooms are under management contract). The company is planning to add another 34,800 rooms in the next 5 years with 90% of rooms will be developed under asset-light strategy.
- IHCL has strong cash kitty of over Rs.4,350 crore, supporting investment in hotel upgrades, greenfield developments, expansion and other revenue-enhancing initiatives.
- The company raised its FY27 consolidated revenue growth guidance by 300 bps to 15–17% from 12–14%; The key driver of consolidated revenue will be the hotel-segment with its revenue is expected to grow at 17–19%. Consolidated revenues to grow at CAGR of 13% over FY26-29E.
- Sustained asset upgradation, better RevPAR growth and improving international performance should drive ~200bps margin expansion to ~35% by FY29E. **In view of strong industry tailwinds, We recommend Buy with revised price target of Rs.990**
- **Key Risks:** Any unforeseen event domestic/global event can impact the room demand or delay in new launches can affect the overall growth.

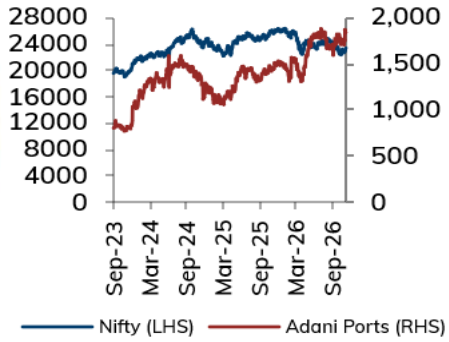
Particulars (Rs. crore)	FY25	FY26	FY27E	FY28E	2 Year CAGR (FY26-FY28E)
Net Sales	8,334.5	9,689.2	11,197.0	12,600.4	14.0
EBITDA	2,769.3	3,194.7	3,802.6	4,370.0	17.0
EBITDA Margin (%)	33.2	33.0	34.0	34.7	
Net Profit	1,794.8	2,040.6	2,484.2	2,923.3	19.7
Diluted EPS (₹)	12.1	14.0	17.0	20.1	
P/E (X)	65.4	57.5	47.2	40.1	
EV/EBITDA (x)	42.6	36.4	30.6	26.2	
RoE (%)	15.2	14.5	15.1	15.6	
RoCE(%)	16.7	16.6	17.7	18.7	

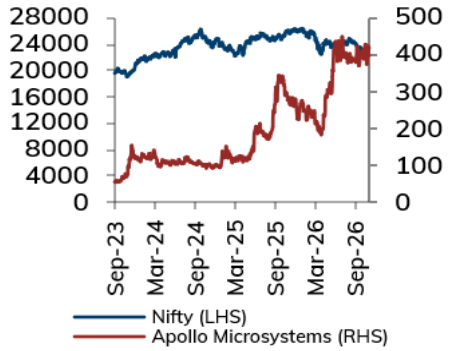

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Venus Pipes & Tubes (RHS)

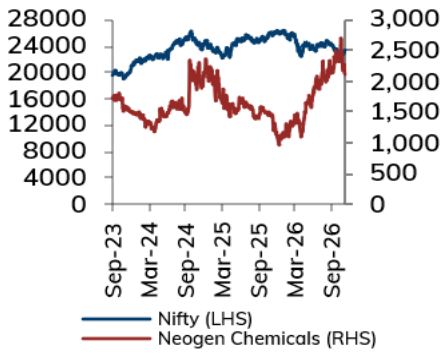

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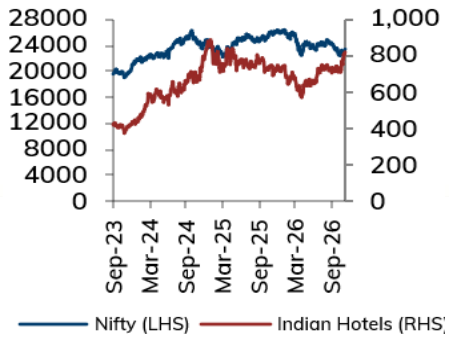

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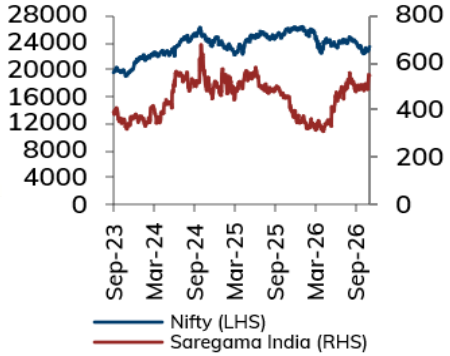

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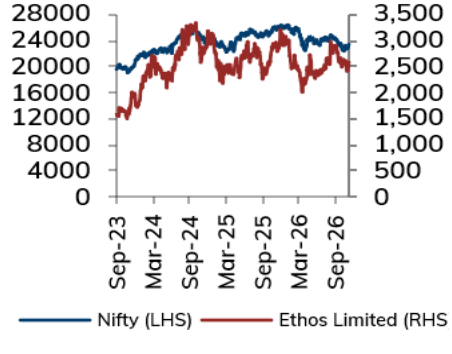

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Neogen Chemicals (RHS)


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Nifty (LHS)
Indian Hotels (RHS)


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Nifty (LHS)
Saregama India (RHS)


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Nifty (LHS)
Ethos Limited (RHS

Pankaj Pandey | **Head – Research** | **pankaj.pandey@icicisecurities.com**

ICICI Direct Research Desk,
ICICI Securities Limited,
3rd Floor, Brillanto House,
Road No 13, MIDC
Andheri (East)
Mumbai – 400 093
research@icicidirect.com

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Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal

Contact number: 022-40701000 E-mail Address: complianceofficer@icicisecurities.com

For any queries or grievances: Mr. Jeetu Jawrani Email address: headservicequality@icicidirect.com Contact Number: 18601231122

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