

May 30, 2025

## Q4FY25 Result Update

☑ Change in Estimates | ☑ Target | ■ Reco

### Change in Estimates

|                     | Current    |        | Previous   |        |
|---------------------|------------|--------|------------|--------|
|                     | FY26E      | FY27E  | FY26E      | FY27E  |
| <b>Rating</b>       | <b>BUY</b> |        | <b>BUY</b> |        |
| <b>Target Price</b> | <b>864</b> |        | <b>850</b> |        |
| Sales (Rs. m)       | 53,163     | 57,292 | 52,323     | 56,535 |
| % Chng.             | 1.6        | 1.3    |            |        |
| EBITDA (Rs. m)      | 17,820     | 19,884 | 17,742     | 19,561 |
| % Chng.             | 0.4        | 1.7    |            |        |
| EPS (Rs.)           | 17.7       | 19.6   | 17.6       | 19.3   |
| % Chng.             | 0.5        | 1.6    |            |        |

### Key Financials - Standalone

| Y/e Mar        | FY24   | FY25   | FY26E  | FY27E  |
|----------------|--------|--------|--------|--------|
| Sales (Rs. m)  | 42,602 | 46,748 | 53,163 | 57,292 |
| EBITDA (Rs. m) | 14,660 | 15,498 | 17,820 | 19,884 |
| Margin (%)     | 34.4   | 33.2   | 33.5   | 34.7   |
| PAT (Rs. m)    | 11,696 | 12,670 | 14,183 | 15,711 |
| EPS (Rs.)      | 14.6   | 15.8   | 17.7   | 19.6   |
| Gr. (%)        | 19.5   | 8.3    | 11.9   | 10.8   |
| DPS (Rs.)      | 6.5    | 8.0    | 8.0    | 8.8    |
| Yield (%)      | 0.8    | 1.0    | 1.0    | 1.1    |
| RoE (%)        | 41.0   | 36.8   | 35.0   | 32.2   |
| RoCE (%)       | 49.4   | 43.4   | 41.5   | 38.6   |
| EV/Sales (x)   | 14.0   | 12.8   | 11.1   | 10.2   |
| EV/EBITDA (x)  | 40.7   | 38.6   | 33.1   | 29.2   |
| PE (x)         | 53.0   | 48.9   | 43.7   | 39.4   |
| P/BV (x)       | 19.2   | 16.9   | 13.9   | 11.7   |

### Key Data

INIR.BO | IRCTC IN

|                     |                     |
|---------------------|---------------------|
| 52-W High / Low     | Rs.1,085 / Rs.656   |
| Sensex / Nifty      | 81,633 / 24,834     |
| Market Cap          | Rs.620bn/ \$ 7,245m |
| Shares Outstanding  | 800m                |
| 3M Avg. Daily Value | Rs.984.24m          |

### Shareholding Pattern (%)

|                         |       |
|-------------------------|-------|
| Promoter's              | 62.40 |
| Foreign                 | 7.37  |
| Domestic Institution    | 13.89 |
| Public & Others         | 16.35 |
| Promoter Pledge (Rs bn) | -     |

### Stock Performance (%)

|          | 1M    | 6M    | 12M    |
|----------|-------|-------|--------|
| Absolute | 1.6   | (5.1) | (25.7) |
| Relative | (0.1) | (7.2) | (32.2) |

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## Catering division disappoints

### Quick Pointers:

- Catering revenue was flat in 4QFY25

**IRCTC reported weak set of numbers with EBITDA margin at multi-quarter lows of 30.4% (PLe 32.6%) led by miss in the catering division and elevated employee & other expenses. However, PAT was aided by an exceptional gain of Rs457mn. Despite a subdued performance in 4QFY25, we expect catering division to report 13% top-line CAGR over the next 2 years led by 1) rising e-catering volumes, 2) potential in non-railway catering and 3) launch of Vande Bharat trains. As for internet ticketing, we expect non-convenience pie to drive top-line while addition of 3 new plants will provide growth kicker to Rail Neer division. We broadly maintain our estimates and expect sales/PAT CAGR of 11% over the next 2 years. Retain BUY on the stock with a TP of Rs864 (44x FY27E EPS; no change in target multiple).**

**Revenue up 10.1% YoY:** Revenue increased 10.1% YoY to Rs12,685mn (PLe Rs13,193mn). Catering revenue was flat YoY to Rs5,294mn (PLe Rs6,212mn) with an EBIT margin of 12.2% (PLe 13.1%). Internet ticketing revenue increased 8.8% YoY to Rs3,725mn (PLe Rs3,486mn) with an EBIT margin of 82.4% (PLe 83.6%). Rail Neer revenue was up 15.7% YoY to Rs960mn (PLe Rs1,001mn) with an EBIT margin of 12.2% (PLe 15.4%). Revenue from Tourism surged by 38.2% YoY to Rs2,744mn (PLe Rs2,494mn) with an EBIT margin of 18.1% (PLe 8.3%).

**EBITDA increased 6.4% YoY:** EBITDA increased 6.4% YoY to Rs3,855mn (PLe Rs4,300mn) with a margin of 30.4% (PLe of 32.6%). Adjusted PAT increased 13.1% YoY to Rs3,126mn (PLe of Rs3,388mn) with a margin of 24.6% (PLe 25.7%). PAT was adjusted for one-time exceptional gain of ~Rs457mn, mainly arising from reconciliation of legacy balances of Rs399mn and write back of excess provisions of Rs58mn.

**Con-call highlights: 1)** ~129mn tickets were booked in 4QFY25 **2)** In 4QFY25, convenience fee stood at ~Rs2.4bn. **3)** UPI share for FY25 was at 46.3%. **4)** In FY25, total number of tickets booked under AC/Non-AC category were 252mn/195mn respectively. **5)** IRCTC is expected to receive in-principle approval from the RBI for payment aggregation license within next 2–3 months, with final approval anticipated within a year. **6)** Occupancy of Tejas trains stood at 93% during the quarter (85% in 4QFY24). In FY25, Tejas trains clocked revenues of Rs1,770mn with a PAT of Rs97mn. **7)** E-catering revenue grew from ~Rs330mn in FY24 to ~Rs540mn in FY25. E-catering revenue during the quarter was at ~Rs150mn. **8)** In FY25, revenue from Bharat Gaurav trains/Maharaja express/Golden chariot stood at ~Rs2,770mn/Rs920mn/Rs28mn respectively. Profit margin from Bharat Gaurav trains/Maharaja express stood at ~8%/18-20% in FY25. **9)** Currently, 10 rakes of Bharat Gaurav trains are operating across 16-17 itinerary routes, with an additional rake set to be introduced soon. **10)** Catering revenue was flat YoY, as no catering services were offered on additional trains for Mahakumbh, unlike in 4QFY24 where Aastha Express to Ayodhya offered culinary options.

**Exhibit 1: Q4FY25 Result Overview (Rs mn)**

| Y/e March                       | 4QFY25        | 4QFY24        | YoY gr.      | 3QFY25        | QoQ gr.      | 4QFY25E       | % Var.        | FY25          | FY24          | YoY gr.      |
|---------------------------------|---------------|---------------|--------------|---------------|--------------|---------------|---------------|---------------|---------------|--------------|
| <b>Net sales</b>                | <b>12,685</b> | <b>11,517</b> | <b>10.1%</b> | <b>12,247</b> | <b>3.6%</b>  | <b>13,193</b> | <b>-3.8%</b>  | <b>46,748</b> | <b>42,602</b> | <b>9.7%</b>  |
| Total raw material cost         | 566           | 516           | 9.6%         | 675           | -16.2%       | 692           | -18.3%        | 2,752         | 2,454         | 12.2%        |
| <i>As a % of sales</i>          | <i>4.5%</i>   | <i>4.5%</i>   |              | <i>5.5%</i>   |              | <i>5.2%</i>   |               | <i>5.9%</i>   | <i>5.8%</i>   |              |
| Expenses of catering            | 4,088         | 3,978         | 2.8%         | 4,111         | -0.6%        | 4,444         | -8.0%         | 15,605        | 13,813        | 13.0%        |
| <i>As a % of sales</i>          | <i>32.2%</i>  | <i>34.5%</i>  |              | <i>33.6%</i>  |              | <i>33.7%</i>  |               | <i>33.4%</i>  | <i>32.4%</i>  |              |
| Expenses of tourism             | 2,004         | 1,437         | 39.5%        | 1,605         | 24.8%        | 2,009         | -0.3%         | 5,610         | 5,262         | 6.6%         |
| <i>As a % of sales</i>          | <i>15.8%</i>  | <i>12.5%</i>  |              | <i>13.1%</i>  |              | <i>15.2%</i>  |               | <i>12.0%</i>  | <i>12.4%</i>  |              |
| Manufacturing & direct expenses | 531           | 527           | 0.9%         | 470           | 13.0%        | 450           | 18.0%         | 1,940         | 1,746         | 11.1%        |
| <i>As a % of sales</i>          | <i>4.2%</i>   | <i>4.6%</i>   |              | <i>3.8%</i>   |              | <i>3.4%</i>   |               | <i>4.2%</i>   | <i>4.1%</i>   |              |
| Employee expenses               | 897           | 838           | 7.1%         | 742           | 20.9%        | 776           | 15.5%         | 3,153         | 2,890         | 9.1%         |
| <i>As a % of sales</i>          | <i>7.1%</i>   | <i>7.3%</i>   |              | <i>6.1%</i>   |              | <i>5.9%</i>   |               | <i>6.7%</i>   | <i>6.8%</i>   |              |
| Other expenses                  | 745           | 597           | 24.7%        | 478           | 55.8%        | 521           | 43.0%         | 2,190         | 1,777         | 23.3%        |
| <i>As a % of sales</i>          | <i>5.9%</i>   | <i>5.2%</i>   |              | <i>3.9%</i>   |              | <i>3.9%</i>   |               | <i>4.7%</i>   | <i>4.2%</i>   |              |
| <b>EBITDA</b>                   | <b>3,855</b>  | <b>3,624</b>  | <b>6.4%</b>  | <b>4,166</b>  | <b>-7.5%</b> | <b>4,300</b>  | <b>-10.4%</b> | <b>15,498</b> | <b>14,660</b> | <b>5.7%</b>  |
| <i>EBITDA margin</i>            | <i>30.4%</i>  | <i>31.5%</i>  |              | <i>34.0%</i>  |              | <i>32.6%</i>  |               | <i>33.2%</i>  | <i>34.4%</i>  |              |
| Depreciation                    | 123           | 156           | -21.6%       | 133           | -8.2%        | 262           | -53.2%        | 526           | 572           | -8.1%        |
| <b>EBIT</b>                     | <b>3,732</b>  | <b>3,468</b>  | <b>7.6%</b>  | <b>4,032</b>  | <b>-7.4%</b> | <b>4,038</b>  | <b>-7.6%</b>  | <b>14,972</b> | <b>14,087</b> | <b>6.3%</b>  |
| <i>EBIT margin</i>              | <i>29.4%</i>  | <i>30.1%</i>  |              | <i>32.9%</i>  |              | <i>30.6%</i>  |               | <i>32.0%</i>  | <i>33.1%</i>  |              |
| Interest cost                   | 78            | 53            | 45.4%        | 32            | 141.7%       | 37            | 110.2%        | 169           | 186           | -9.4%        |
| Other income                    | 612           | 326           | 87.4%        | 565           | 8.2%         | 571           | 7.2%          | 2,291         | 1,645         | 39.3%        |
| <b>PBT</b>                      | <b>4,266</b>  | <b>3,741</b>  | <b>14.0%</b> | <b>4,566</b>  | <b>-6.6%</b> | <b>4,572</b>  | <b>-6.7%</b>  | <b>17,094</b> | <b>15,546</b> | <b>10.0%</b> |
| Exceptional items               | 457           | 79            | 479.2%       | -             | NM           | -             |               | 479           | (585)         | NM           |
| Tax expenses                    | 1,141         | 978           | 16.6%        | 1,155         | -1.2%        | 1,184         | -3.6%         | 4,424         | 3,850         | 14.9%        |
| <i>Tax rate</i>                 | <i>24.2%</i>  | <i>25.6%</i>  |              | <i>25.3%</i>  |              | <i>25.9%</i>  |               | <i>25.2%</i>  | <i>25.7%</i>  |              |
| <b>PAT</b>                      | <b>3,582</b>  | <b>2,842</b>  | <b>26.1%</b> | <b>3,411</b>  | <b>5.0%</b>  | <b>3,388</b>  | <b>5.7%</b>   | <b>13,149</b> | <b>11,111</b> | <b>18.3%</b> |
| <i>PAT margin</i>               | <i>28.2%</i>  | <i>24.7%</i>  |              | <i>27.9%</i>  |              | <i>25.7%</i>  |               | <i>28.1%</i>  | <i>26.1%</i>  |              |
| EPS (Rs)                        | 4.5           | 3.6           | 26.1%        | 4.3           | 5.0%         | 4.2           | 5.7%          | 16.4          | 13.9          | 18.3%        |
| <b>Adjusted PAT</b>             | <b>3,125</b>  | <b>2,763</b>  | <b>13.1%</b> | <b>3,411</b>  | <b>-8.4%</b> | <b>3,388</b>  | <b>-7.8%</b>  | <b>12,670</b> | <b>11,696</b> | <b>8.3%</b>  |

Source: Company, PL

**Exhibit 2: Segmental Breakup (Rs mn)**

| Y/e March                               | 4QFY25       | 4QFY24       | YoY gr.      | 3QFY25       | QoQ gr.      |
|---|--------------|--------------|--------------|--------------|--------------|
| <b>Catering</b>                         | <b>5,294</b> | <b>5,308</b> | <b>-0.3%</b> | <b>5,548</b> | <b>-4.6%</b> |
| <i>As a % of sales</i>                  | <i>41.6%</i> | <i>46.0%</i> |              | <i>45.2%</i> |              |
| EBIT                                    | 646          | 464          | 39.4%        | 675          | -4.3%        |
| <i>EBIT margin</i>                      | <i>12.2%</i> | <i>8.7%</i>  |              | <i>12.2%</i> |              |
| <b>Internet ticketing</b>               | <b>3,725</b> | <b>3,424</b> | <b>8.8%</b>  | <b>3,537</b> | <b>5.3%</b>  |
| <i>As a % of sales</i>                  | <i>29.3%</i> | <i>29.7%</i> |              | <i>28.8%</i> |              |
| EBIT                                    | 3,069        | 2,750        | 11.6%        | 2,995        | 2.5%         |
| <i>EBIT margin</i>                      | <i>82.4%</i> | <i>80.3%</i> |              | <i>84.7%</i> |              |
| <b>Tourism (Includes State Teertha)</b> | <b>2,744</b> | <b>1,986</b> | <b>38.2%</b> | <b>2,237</b> | <b>22.7%</b> |
| <i>As a % of sales</i>                  | <i>21.6%</i> | <i>17.2%</i> |              | <i>18.2%</i> |              |
| EBIT                                    | 496          | 189          | 161.7%       | 379          | 31.0%        |
| <i>EBIT margin</i>                      | <i>18.1%</i> | <i>9.5%</i>  |              | <i>16.9%</i> |              |
| <b>Rail Neer</b>                        | <b>960</b>   | <b>830</b>   | <b>15.7%</b> | <b>964</b>   | <b>-0.4%</b> |
| <i>As a % of sales</i>                  | <i>7.5%</i>  | <i>7.2%</i>  |              | <i>7.8%</i>  |              |

Source: Company, PL

## Financials

### Income Statement (Rs m)

| Y/e Mar                       | FY24          | FY25          | FY26E         | FY27E         |
|-------------------------------|---------------|---------------|---------------|---------------|
| <b>Net Revenues</b>           | <b>42,602</b> | <b>46,748</b> | <b>53,163</b> | <b>57,292</b> |
| YoY gr. (%)                   | 20.3          | 9.7           | 13.7          | 7.8           |
| Cost of Goods Sold            | 2,454         | 2,752         | 3,218         | 3,449         |
| Gross Profit                  | 40,148        | 43,995        | 49,945        | 53,843        |
| Margin (%)                    | 94.2          | 94.1          | 93.9          | 94.0          |
| Employee Cost                 | 2,890         | 3,153         | 3,402         | 3,724         |
| Other Expenses                | 1,777         | 2,190         | 2,073         | 2,177         |
| <b>EBITDA</b>                 | <b>14,660</b> | <b>15,498</b> | <b>17,820</b> | <b>19,884</b> |
| YoY gr. (%)                   | 14.9          | 5.7           | 15.0          | 11.6          |
| Margin (%)                    | 34.4          | 33.2          | 33.5          | 34.7          |
| Depreciation and Amortization | 572           | 526           | 979           | 1,051         |
| <b>EBIT</b>                   | <b>14,087</b> | <b>14,972</b> | <b>16,842</b> | <b>18,834</b> |
| Margin (%)                    | 33.1          | 32.0          | 31.7          | 32.9          |
| Net Interest                  | 186           | 169           | 154           | 195           |
| Other Income                  | 1,645         | 2,291         | 2,350         | 2,450         |
| <b>Profit Before Tax</b>      | <b>14,960</b> | <b>17,573</b> | <b>19,038</b> | <b>21,089</b> |
| Margin (%)                    | 35.1          | 37.6          | 35.8          | 36.8          |
| Total Tax                     | 3,850         | 4,424         | 4,855         | 5,378         |
| Effective tax rate (%)        | 25.7          | 25.2          | 25.5          | 25.5          |
| <b>Profit after tax</b>       | <b>11,111</b> | <b>13,149</b> | <b>14,183</b> | <b>15,711</b> |
| Minority interest             | -             | -             | -             | -             |
| Share Profit from Associate   | -             | -             | -             | -             |
| <b>Adjusted PAT</b>           | <b>11,696</b> | <b>12,670</b> | <b>14,183</b> | <b>15,711</b> |
| YoY gr. (%)                   | 19.5          | 8.3           | 11.9          | 10.8          |
| Margin (%)                    | 27.5          | 27.1          | 26.7          | 27.4          |
| Extra Ord. Income / (Exp)     | (585)         | 479           | -             | -             |
| <b>Reported PAT</b>           | <b>11,111</b> | <b>13,149</b> | <b>14,183</b> | <b>15,711</b> |
| YoY gr. (%)                   | 10.5          | 18.3          | 7.9           | 10.8          |
| Margin (%)                    | 26.1          | 28.1          | 26.7          | 27.4          |
| Other Comprehensive Income    | 3             | (13)          | -             | -             |
| Total Comprehensive Income    | 11,114        | 13,136        | 14,183        | 15,711        |
| <b>Equity Shares O/s (m)</b>  | <b>800</b>    | <b>800</b>    | <b>800</b>    | <b>800</b>    |
| <b>EPS (Rs)</b>               | <b>14.6</b>   | <b>15.8</b>   | <b>17.7</b>   | <b>19.6</b>   |

Source: Company Data, PL Research

### Balance Sheet Abstract (Rs m)

| Y/e Mar                               | FY24          | FY25          | FY26E         | FY27E         |
|---------------------------------------|---------------|---------------|---------------|---------------|
| <b>Non-Current Assets</b>             |               |               |               |               |
| <b>Gross Block</b>                    | <b>6,008</b>  | <b>11,244</b> | <b>12,044</b> | <b>12,844</b> |
| Tangibles                             | 5,870         | 11,121        | 11,921        | 12,721        |
| Intangibles                           | 138           | 123           | 123           | 123           |
| <b>Acc: Dep / Amortization</b>        | <b>2,842</b>  | <b>3,368</b>  | <b>4,346</b>  | <b>5,397</b>  |
| Tangibles                             | 2,736         | 3,262         | 4,241         | 5,291         |
| Intangibles                           | 106           | 106           | 106           | 106           |
| <b>Net fixed assets</b>               | <b>3,166</b>  | <b>7,876</b>  | <b>7,697</b>  | <b>7,447</b>  |
| Tangibles                             | 3,133         | 7,858         | 7,680         | 7,429         |
| Intangibles                           | 32            | 17            | 17            | 17            |
| Capital Work In Progress              | 4,425         | 272           | 272           | 272           |
| Goodwill                              | -             | -             | -             | -             |
| Non-Current Investments               | 274           | 269           | 269           | 269           |
| Net Deferred tax assets               | 1,413         | 2,327         | 1,428         | 1,476         |
| Other Non-Current Assets              | 193           | 449           | 425           | 458           |
| <b>Current Assets</b>                 |               |               |               |               |
| Investments                           | -             | -             | -             | -             |
| Inventories                           | 110           | 112           | 291           | 314           |
| Trade receivables                     | 13,743        | 17,342        | 18,206        | 18,836        |
| Cash & Bank Balance                   | 22,776        | 21,620        | 29,710        | 38,060        |
| Other Current Assets                  | 12,237        | 12,782        | 13,767        | 14,850        |
| <b>Total Assets</b>                   | <b>60,912</b> | <b>68,000</b> | <b>76,320</b> | <b>85,993</b> |
| <b>Equity</b>                         |               |               |               |               |
| Equity Share Capital                  | 1,600         | 1,600         | 1,600         | 1,600         |
| Other Equity                          | 30,698        | 35,034        | 42,834        | 51,475        |
| <b>Total Network</b>                  | <b>32,298</b> | <b>36,634</b> | <b>44,434</b> | <b>53,075</b> |
| <b>Non-Current Liabilities</b>        |               |               |               |               |
| Long Term borrowings                  | -             | -             | -             | -             |
| Provisions                            | 1,161         | 1,283         | 957           | 859           |
| Other non current liabilities         | 175           | 336           | 266           | 229           |
| <b>Current Liabilities</b>            |               |               |               |               |
| ST Debt / Current of LT Debt          | -             | -             | -             | -             |
| Trade payables                        | 9,977         | 10,341        | 12,380        | 13,342        |
| Other current liabilities             | 16,340        | 17,693        | 16,502        | 16,624        |
| <b>Total Equity &amp; Liabilities</b> | <b>60,912</b> | <b>68,000</b> | <b>76,320</b> | <b>85,993</b> |

Source: Company Data, PL Research

**Cash Flow (Rs m)**

| Y/e Mar                              | FY24           | FY25           | FY26E          | FY27E          |
|--------------------------------------|----------------|----------------|----------------|----------------|
| PBT                                  | 14,960         | 17,573         | 19,038         | 21,089         |
| Add. Depreciation                    | 572            | 526            | 979            | 1,051          |
| Add. Interest                        | -              | -              | -              | -              |
| Less Financial Other Income          | 1,645          | 2,291          | 2,350          | 2,450          |
| Add. Other                           | (1,136)        | (1,502)        | -              | -              |
| Op. profit before WC changes         | 14,396         | 16,596         | 20,016         | 22,139         |
| Net Changes-WC                       | (1,097)        | (4,353)        | 111            | (543)          |
| Direct tax                           | (4,478)        | (4,148)        | (4,855)        | (5,378)        |
| <b>Net cash from Op. activities</b>  | <b>8,822</b>   | <b>8,096</b>   | <b>15,272</b>  | <b>16,219</b>  |
| Capital expenditures                 | (2,324)        | (469)          | (800)          | (800)          |
| Interest / Dividend Income           | 1,066          | 1,449          | -              | -              |
| Others                               | (745)          | (3,266)        | -              | -              |
| <b>Net Cash from Inv. activities</b> | <b>(2,003)</b> | <b>(2,286)</b> | <b>(800)</b>   | <b>(800)</b>   |
| Issue of share cap. / premium        | -              | -              | -              | -              |
| Debt changes                         | -              | -              | -              | -              |
| Dividend paid                        | (3,600)        | (8,800)        | (6,382)        | (7,070)        |
| Interest paid                        | -              | -              | -              | -              |
| Others                               | (443)          | (298)          | -              | -              |
| <b>Net cash from Fin. activities</b> | <b>(4,043)</b> | <b>(9,098)</b> | <b>(6,382)</b> | <b>(7,070)</b> |
| <b>Net change in cash</b>            | <b>2,775</b>   | <b>(3,288)</b> | <b>8,090</b>   | <b>8,349</b>   |
| Free Cash Flow                       | 6,497          | 7,620          | 14,472         | 15,419         |

Source: Company Data, PL Research

**Key Financial Metrics**

| Y/e Mar                    | FY24  | FY25  | FY26E | FY27E |
|----------------------------|-------|-------|-------|-------|
| <b>Per Share(Rs)</b>       |       |       |       |       |
| EPS                        | 14.6  | 15.8  | 17.7  | 19.6  |
| CEPS                       | 15.3  | 16.5  | 19.0  | 21.0  |
| BVPS                       | 40.4  | 45.8  | 55.5  | 66.3  |
| FCF                        | 8.1   | 9.5   | 18.1  | 19.3  |
| DPS                        | 6.5   | 8.0   | 8.0   | 8.8   |
| <b>Return Ratio(%)</b>     |       |       |       |       |
| RoCE                       | 49.4  | 43.4  | 41.5  | 38.6  |
| ROIC                       | 181.5 | 87.2  | 115.9 | 131.2 |
| RoE                        | 41.0  | 36.8  | 35.0  | 32.2  |
| <b>Balance Sheet</b>       |       |       |       |       |
| Net Debt : Equity (x)      | (0.7) | (0.6) | (0.7) | (0.7) |
| Net Working Capital (Days) | 33    | 56    | 42    | 37    |
| <b>Valuation(x)</b>        |       |       |       |       |
| PER                        | 53.0  | 48.9  | 43.7  | 39.4  |
| P/B                        | 19.2  | 16.9  | 13.9  | 11.7  |
| P/CEPS                     | 50.5  | 47.0  | 40.9  | 37.0  |
| EV/EBITDA                  | 40.7  | 38.6  | 33.1  | 29.2  |
| EV/Sales                   | 14.0  | 12.8  | 11.1  | 10.2  |
| Dividend Yield (%)         | 0.8   | 1.0   | 1.0   | 1.1   |

Source: Company Data, PL Research

**Quarterly Financials (Rs m)**

| Y/e Mar                           | Q1FY25        | Q2FY25        | Q3FY25        | Q4FY25        |
|-----------------------------------|---------------|---------------|---------------|---------------|
| <b>Net Revenue</b>                | <b>11,176</b> | <b>10,640</b> | <b>12,247</b> | <b>12,685</b> |
| YoY gr. (%)                       | 11.6          | 7.2           | 9.5           | 10.1          |
| Raw Material Expenses             | 896           | 616           | 675           | 566           |
| Gross Profit                      | 10,280        | 10,024        | 11,572        | 12,120        |
| Margin (%)                        | 92.0          | 94.2          | 94.5          | 95.5          |
| <b>EBITDA</b>                     | <b>3,749</b>  | <b>3,728</b>  | <b>4,166</b>  | <b>3,855</b>  |
| YoY gr. (%)                       | 9.3           | 1.7           | 5.7           | 6.4           |
| Margin (%)                        | 33.5          | 35.0          | 34.0          | 30.4          |
| Depreciation / Depletion          | 139           | 131           | 133           | 123           |
| <b>EBIT</b>                       | <b>3,611</b>  | <b>3,597</b>  | <b>4,032</b>  | <b>3,732</b>  |
| Margin (%)                        | 32.3          | 33.8          | 32.9          | 29.4          |
| Net Interest                      | 28            | 31            | 32            | 78            |
| Other Income                      | 514           | 600           | 565           | 612           |
| <b>Profit before Tax</b>          | <b>4,096</b>  | <b>4,166</b>  | <b>4,566</b>  | <b>4,266</b>  |
| Margin (%)                        | 36.7          | 39.2          | 37.3          | 33.6          |
| Total Tax                         | 1,041         | 1,087         | 1,155         | 1,141         |
| Effective tax rate (%)            | 25.4          | 26.1          | 25.3          | 26.7          |
| <b>Profit after Tax</b>           | <b>3,055</b>  | <b>3,079</b>  | <b>3,411</b>  | <b>3,125</b>  |
| Minority interest                 | -             | -             | -             | -             |
| Share Profit from Associates      | -             | -             | -             | -             |
| <b>Adjusted PAT</b>               | <b>3,055</b>  | <b>3,079</b>  | <b>3,411</b>  | <b>3,125</b>  |
| YoY gr. (%)                       | 7.5           | 4.5           | 8.5           | 13.1          |
| Margin (%)                        | 27.3          | 28.9          | 27.9          | 24.6          |
| Extra Ord. Income / (Exp)         | 22            | -             | -             | 457           |
| <b>Reported PAT</b>               | <b>3,077</b>  | <b>3,079</b>  | <b>3,411</b>  | <b>3,582</b>  |
| YoY gr. (%)                       | 32.5          | 4.5           | 13.7          | 26.1          |
| Margin (%)                        | 27.5          | 28.9          | 27.9          | 28.2          |
| Other Comprehensive Income        | 3             | (24)          | 15            | (7)           |
| <b>Total Comprehensive Income</b> | <b>3,080</b>  | <b>3,055</b>  | <b>3,426</b>  | <b>3,575</b>  |
| Avg. Shares O/s (m)               | 800           | 800           | 800           | 800           |
| <b>EPS (Rs)</b>                   | <b>3.8</b>    | <b>3.8</b>    | <b>4.3</b>    | <b>3.9</b>    |

Source: Company Data, PL Research

Price Chart



Recommendation History

| No. | Date      | Rating | TP (Rs.) | Share Price (Rs.) |
|-----|-----------|--------|----------|-------------------|
| 1   | 09-Apr-25 | BUY    | 850      | 715               |
| 2   | 12-Feb-25 | Hold   | 809      | 751               |
| 3   | 09-Jan-25 | Hold   | 835      | 770               |
| 4   | 06-Nov-24 | Hold   | 833      | 829               |
| 5   | 09-Oct-24 | Reduce | 822      | 880               |
| 6   | 17-Aug-24 | Reduce | 822      | 925               |
| 7   | 08-Jul-24 | Reduce | 811      | 1,026             |

Analyst Coverage Universe

| Sr. No. | CompanyName                                     | Rating | TP (Rs) | Share Price (Rs) |
|---------|---|--------|---------|------------------|
| 1       | Chalet Hotels                                   | BUY    | 1,130   | 875              |
| 2       | Delhivery                                       | BUY    | 387     | 321              |
| 3       | DOMS Industries                                 | BUY    | 3,087   | 2,549            |
| 4       | Imagicaaworld Entertainment                     | BUY    | 97      | 67               |
| 5       | Indian Railway Catering and Tourism Corporation | BUY    | 850     | 715              |
| 6       | InterGlobe Aviation                             | BUY    | 6,084   | 5,462            |
| 7       | Lemon Tree Hotels                               | BUY    | 173     | 139              |
| 8       | Mahindra Logistics                              | Hold   | 287     | 310              |
| 9       | Navneet Education                               | Hold   | 149     | 145              |
| 10      | Nazara Technologies                             | Hold   | 1,241   | 1,274            |
| 11      | PVR Inox  | Hold   | 1,040   | 966              |
| 12      | S Chand and Company                             | BUY    | 286     | 227              |
| 13      | Safari Industries (India)                       | BUY    | 2,437   | 1,960            |
| 14      | Samhi Hotels                                    | BUY    | 267     | 176              |
| 15      | TCI Express                                     | BUY    | 924     | 636              |
| 16      | V.I.P. Industries                               | BUY    | 404     | 338              |
| 17      | Zee Entertainment Enterprises                   | BUY    | 137     | 111              |

PL's Recommendation Nomenclature (Absolute Performance)

|                   |                                   |
|-------------------|-----------------------------------|
| 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 |

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