

PICKS OF THE MONTH – October 2025



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Amber Enterprises India Ltd. (CMP: 8300, Target 9100, SL 7800)

- Amber Enterprises India Ltd incorporated in 1956, has a 23.6% share in the total Room Air Conditioner market and is a prominent solution provider for the Air conditioner OEM/ODM Industry in India.
- Amber is well-positioned to benefit from the growing domestic components ecosystem, with strong prospects in mobility, electronics, and non-RAC segments. Management remains confident of growth through customer additions and rising exports over the next 3–4 years.
- Additionally, opportunities in high-growth areas like railways and the long-term uptick in RAC demand—driven by rising temperatures, lifestyle shifts, and increased penetration in Tier II–IV cities—are expected to boost AC component demand, supporting Amber’s sustained growth.

Indian Hotels Ltd. (CMP: 735, Target 810, SL 700)

- The Indian Hotels Company Limited operates as a hospitality company. The Company manages a portfolio of hotels, resorts, jungle safaris, palaces, spas, and in-flight catering services. Indian Hotels serves customers in India.
- IHCL has stated its ‘Accelerate 2030’ strategy – doubling operational + pipeline hotels to 700+ over FY24–30; thus, doubling its consol. revenue at a 14% CAGR over the same period. This is reasonable given the underlying assumption of high single digit LTL RevPAR growth.
- IHCL’s focus remains on boosting capex; it seeks to utilise 20–25% of its annual EBITDA towards renovation, ongoing new builds and digital capex along with commencing construction of new hotels.
- Indian Hotels should be one of the key beneficiaries of the long-term structural industry upcycle due to its market leadership across segments and strong brand positioning.

Eicher Motors Ltd. (CMP: 6925, Target 7550, SL 6600)

- Eicher Motors Ltd. manufactures light commercial vehicles which are sold domestically and are also exported to other countries. Eicher Motors also manufactures two-wheelers and automotive gears.
- Eicher Motors remains a structurally attractive play in the premium 2-wheeler segment through its flagship Royal Enfield brand, supported by a strong export pipeline, new launches, and diversification through its VECV (Volvo Eicher Commercial Vehicles) JV. Exports now contribute ~12% of revenue, led by new geographies (e.g., Americas, Asia). Rising share of >350cc models (now ~14% of sales), supported by launches like Shotgun 650, Guerrilla 450, and upcoming Classic 650, boosting ASP and margin potential.
- Strong momentum in medium and heavy CVs, plus entry into the electric SCV segment (Pro X series), adds a new growth lever. Eicher continue to maintain industry-leading EBITDA margins (~22–24%) in its 2W business and solid return ratios (ROCE >25%) with strong operating cashflows.

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Dixon Technologies Ltd (CMP: 17210, Target 18500, SL 16400)

- Dixon Technologies (India) Limited manufactures consumer durables, lighting products, and mobile phones. The Company offers LED TVs, washing machines, LED and CFL bulbs, tubelights, and downlighters, as well as provides repair and refurbishment services of set top boxes, mobile phones, and LED TV panels. Dixon Technologies serves customers in India.
- Considerable scope to expand value addition and exports: While finished goods import has dropped sharply, reliance on imports for components stays high. Industry participants indicate that value addition in Mobiles in India is likely to be 15% (vs. 30-40% in China/ Vietnam). While India exported Mobiles worth the US \$4bn in FY20, this is inconsequential in the scale achieved by China/ Vietnam US \$224bn/ US \$63bn exports, respectively.
- Dixon has emerged as the largest EMS company in the country, accounting for roughly half the volumes handled by outsourced vendors in LED TV, Washing Machine, and Lighting categories. Expect the co to deliver ~45% EBITDA CAGR over next 2 year. Moreover, the co could continue entering into new product categories, offering significant optionality. Dixon expects its Telecom and Networking segment to be among the crucial growth catalysts ahead.

Intellect Design Arena Ltd. (CMP: 992, Target 1080, SL 940)

- Intellect Design Arena Ltd is a global leader in enterprise-grade financial technology, delivering cloud-native, composable platforms for banks and financial institutions worldwide.
- It specializes in solutions for corporate banking, retail banking, treasury management, central banking, and global transaction banking, enabling digital transformation through its eMACH.ai platform
- The company offers IDC (Intellect Digital Core), a Cloud-based core banking platform; iKredit360 a comprehensive credit ecosystem platform, Intellect Quantum Core, a central banking solution for treasury, FX, and payments, etc.

* Time Horizon: All stock ideas to exhaust by end of the last trading day of the month or 10% upside or 5% downside, whichever is earlier.

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