

Estimate change	↔
TP change	↑
Rating change	↔

	TRENT IN
Equity Shares (m)	355
M.Cap.(INRb)/(USDb)	520.7 / 6.4
52-Week Range (INR)	1571 / 971
1, 6, 12 Rel. Per (%)	-2/27/30
12M Avg Val (INR M)	916

Financials & Valuations Consol (INR b)

Y/E March	FY22	FY23E	FY24E
Sales	45.0	83.1	103.3
EBITDA	5.7	12.7	16.9
NP	0.4	4.3	6.3
EBITDA Margin (%)	12.8	15.3	16.3
Adj. EPS (INR)	1.2	12.1	17.7
EPS Gr. (%)	NM	915.3	46.9
BV/Sh. (INR)	71.1	84.0	103.0

Ratios

Net D:E	1.7	1.5	1.2
RoE (%)	NM	16.6	20.3
RoCE (%)	2.0	9.8	11.2
Payout (%)	174.6	0.0	0.0

Valuations

P/E (x)	NM	122.5	83.4
EV/EBITDA (x)	97.3	44.5	33.6
EV/Sales (x)	12.7	7.0	5.6
Div. Yield (%)	0.1	0.0	0.0
FCF Yield (%)	-0.3	1.2	1.7

Shareholding pattern (%)

As On	Sep-22	Jun-22	Sep-21
Promoter	37.0	37.0	37.0
DII	15.2	14.6	11.2
FII	25.9	26.8	30.1
Others	21.9	21.6	21.7

FII Includes depository receipts

CMP: INR1,480 TP: INR1,700 (+15%) Buy

Strong growth momentum continues; margin contracts

- Continued momentum in footprint addition and robust LFL growth, led to a strong 78% YoY growth in revenue (2.2x over pre-COVID levels). However, lower gross margin, mainly attributed to a change in mix towards Zudio and higher OPEX (on account of aggressive store additions), resulted in an EBITDA margin contraction of 690bp YoY, 160bp below pre-COVID levels.
- We expect a consolidated revenue/EBITDA CAGR of 52%/72% over FY22-24, backed by a strong footprint addition and robust LFL growth across segments. **We retain our Buy rating with a TP of INR1,700**, given the strong growth opportunity for TRENT.

EBITDA up 21% YoY as higher OPEX offsets strong revenue growth

- Standalone revenue growth remains robust, up 78% YoY to INR18.1b (in line). **Revenue rose ~2.2x from pre-COVID levels, backed by a strong addition in footprint.**
- Revenue from Westside (as per our workings) stood at INR10.2b, up 50% from pre-COVID levels, on the back of strong LFL growth of 20%. Revenue from Zudio (calculated) stood ~INR7.7b v/s INR3b in 2QFY22.
- Gross profit grew 60.2% YoY to INR8.5b (in line). Margin, however, contracted by 510bp YoY to 47%. Compared to normalized 2QFY20, gross margin contracted by 80bp, which can be attributed to an improved share of Zudio (over 40% v/s sub-15% in 2QFY20; operating at 40% GP v/s 58% for Westside).
- EBITDA grew 20.9% YoY to INR2.7b (~2x from pre-COVID levels; 6% miss) as the strong revenue growth was offset by a steep rise in employee and other operating costs. Pre-Ind AS EBITDA (calculated) stood ~INR1.2b in 2QFY23, with a margin of 7%.
- Consequently, PAT grew 47.9% YoY (big beat) to INR1.9b on the back of higher other income.

Highlights from the management commentary

- Westside registered a LFL growth of 20% from pre-COVID levels (2QFY20). Across Westside and Zudio, it has a portfolio of over 500 stores. Our workings indicated that Zudio/Westside opened 50-55/15-20 stores.
- As the performance of stores added in the last 12 months is encouraging, the management is **doubling down on growth in the medium term.**
- Emerging categories (Beauty, Personal Care, Innerwear, and Footwear) continue to witness strong traction, with a 15% revenue share.

Valuation and view

- TRENT's industry-leading revenue growth was majorly driven by: a) strong LTL sales growth and productivity, b) robust footprint additions, and c) Zudio's strong value proposition. It continues to outperform its peers and offers a huge runway for growth over the next three-to-five years.
- We have maintained our FY23-24 revenue/EBITDA estimate, factoring in a consolidated revenue/EBITDA CAGR of 52%/72% over FY22-24, led by continued growth in revenue and 130/35 store additions for Zudio/Westside.
- We roll over our estimates to Sep'24, assigning 31x EV/EBITDA to the standalone business (Westside and Zudio; at a premium to our Retail Universe, given its superlative growth), 1x EV/sales to Star Bazaar, and 15x EV/EBITDA to Zara, thereby arriving at our TP of INR1,700. **We maintain our Buy rating.**

Standalone - Quarterly performance**(INR m)**

Y/E March	FY22				FY23E				FY22	FY23E	FY23E	Est. Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Revenue	3,273	10,204	13,478	11,853	16,529	18,136	22,026	20,220	38,807	76,911	18,077	0
YoY Change (%)	239.8	125.7	85.8	53.2	405.0	77.7	63.4	70.6	89.5	98.2	77.1	
Total Expenditure	3,591	7,991	10,561	10,329	13,488	15,461	17,456	17,198	32,472	63,601	15,239	1
EBITDA	-318	2,213	2,917	1,523	3,041	2,675	4,570	3,022	6,335	13,309	2,838	-6
EBITDA Margin (%)	-9.7	21.7	21.6	12.9	18.4	14.8	20.8	14.9	16.3	17.3	15.7	
Depreciation	622	666	734	809	1,202	1,043	1,122	1,122	2,831	4,489	922	13
Interest	686	726	734	787	925	880	987	987	2,933	3,779	951	-7
Other Income	523	949	296	1,021	415	1,680	152	152	2,790	2,400	295	470
PBT before EO expense	-1,102	1,769	1,746	949	1,330	2,432	2,614	1,066	3,362	7,441	1,260	93
Extra-Ord expense	0	-130	0	-2	0	0	0	0	-132	0	0	
PBT	-1,102	1,639	1,746	947	1,330	2,432	2,614	1,066	3,230	7,441	1,260	93
Tax	-265	383	417	199	303	574	658	268	734	1,803	317	
Reported PAT	-838	1,256	1,329	749	1,026	1,859	1,956	797	2,496	5,638	943	97
Adj PAT	-838	1,356	1,329	750	1,026	1,859	1,956	797	2,598	5,638	943	97
YoY Change (%)	-39.9	-381.9	66.8	22.1	-222.5	37.1	47.2	6.3	-658.3	117.0	-30.5	

E: MOFSL Estimates

Digital segment

- Online revenues through Westside.com and Tata platforms contributed over 6% of Westside revenues, registering a 32% growth in Q2FY23

Balance Sheet and cash flow

- Net debt as on Sep'22 stood at INR2.8b v/s net cash of INR103m as on Mar'22. This was on account of incremental short term debt of INR500m taken during 1HFY23 mainly to fund the working capital requirement.
- Operating cash flow stood at -INR136m despite remaining profitable on account of increased working capital requirement as higher amount was blocked in Inventory and debtors during 1HFY23.
- Working capital days (Calc.) for 1HFY23 stood at 117 days v/s 49/70 days for FY22/1HFY22, as company stocked up higher inventory to meet the upcoming festive demand and reduced payables by nearly 25 days.

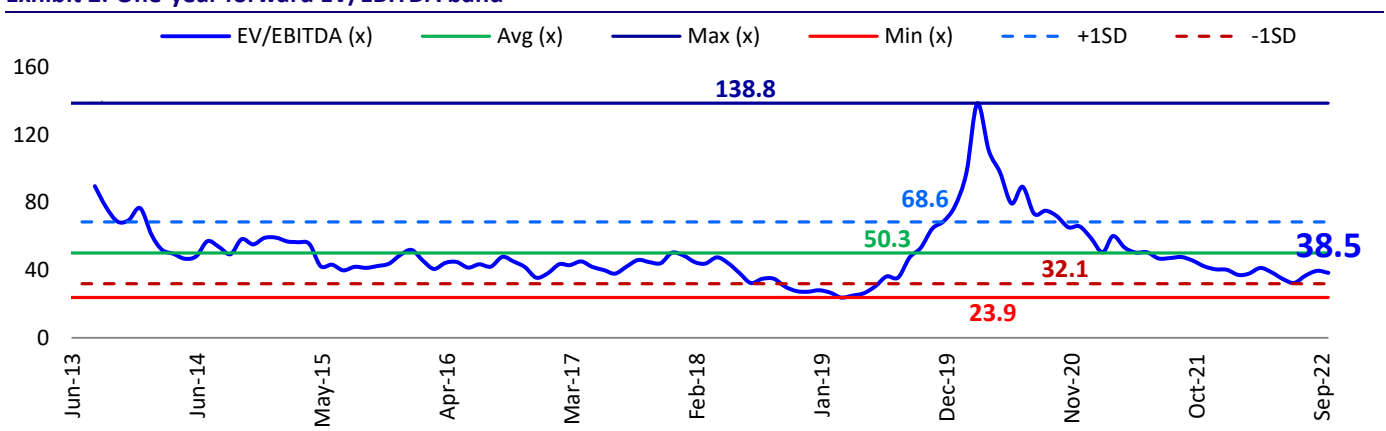
Consolidated performance

- Consolidated revenues grew by 66% YoY to INR19.5b. As a result, subsidiary revenue (Calc.) declined 12% YoY to INR1.4b.
- Reported an operating profit of INR2.6b up 22% YoY with margins of 13.1%.
- Reported PAT of INR789m remained fairly flat on YoY basis (INR800m in 2QFY22).

Exhibit 1: Valuation based on SoTP

Particulars	Financial metric	Multiple	EBITDA/Sales	Enterprise Value
Westside and Zudio	EBITDA	31	19.6	601
Star	Sales	1	9.4	9
Zara	EBITDA	15	2.2	35
Total Enterprise Value				645
Net Debt				41
Equity Value				604
Shares (m)				355
Target Price				1,700
CMP				1480
Upside				15%

Source: MOFSL, Company

Exhibit 2: One-year forward EV/EBITDA band

Source: Company, MOFSL

Exhibit 3: Standalone quarterly performance (INR m)

	2QFY22	1QFY23	2QFY23	YoY%	QoQ%	2QFY23E	v/s est (%)
Revenue	10,204	16,529	18,136	77.7	9.7	18,077	0.3
Raw Material cost	4,887	8,377	9,619	96.8	14.8	9,581	0.4
Gross Profit	5,317	8,151	8,517	60.2	4.5	8,496	0.2
Gross margin (%)	52.1	49.3	47.0	-515bps	-235bps	47.0	-4bps
Employee Costs	762	1,151	1,481	94.3	28.6	1,356	9.2
SGA Expenses	2,342	3,959	4,361	86.2	10.2	4,302	1.4
Total Opex	7,991	13,488	15,461	93.5	14.6	15,239	1.5
EBITDA	2,213	3,041	2,675	20.9	-12.0	2,838	-5.7
EBITDA margin (%)	21.7	18.4	14.8	-693bps	-365bps	15.7	-95bps
Depreciation and amortization	666	1,202	1,043	56.6	-13.2	922	13.1
EBIT	1,547	1,839	1,632	5.5	-11.2	1,916	-14.8
EBIT margin (%)	15.2	11.1	9.0	-41bps	-19bps	10.6	-160bps
Finance Costs	726	925	880	21.2	-4.8	951	-7.5
Other income	949	415	1,680	77.1	304.8	295	469.6
Exceptional item	-130	0	0	0.0	0.0	0	NM
Profit before Tax	1,639	1,330	2,432	48.4	82.9	1,260	93.1
Tax	383	303	574	49.8	89.2	317	81.0
Tax rate (%)	23.4	22.8	23.6	23bps	78bps	25.2	-158bps
Profit after Tax	1,256	1,026	1,859	47.9	81.1	943	97.2
Adj Profit after Tax	1,126	1,026	1,859	65.0	81.1	943	97.2

Source: MOFSL, Company

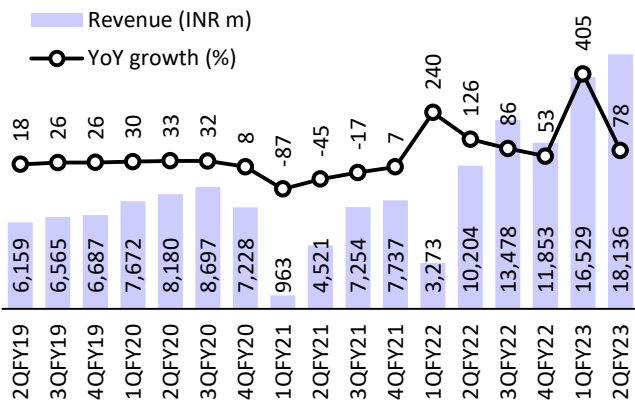
Exhibit 4: Standalone estimate change summary

	FY23E	FY24E
Revenue (INR m)		
Old	73,815	93,781
Actual/New	76,911	97,122
Change (%)	4.2	3.6
RM cost (INR m)		
Old	38,141	48,766
Actual/New	39,836	50,989
Change (%)	4.4	4.6
EBITDA (INR m)		
Old	13,123	17,350
Actual/New	13,309	17,482
Change (%)	1.4	0.8
EBITDA margin (%)		
Old	17.8	18.5
Actual/New	17.3	18.0
Change (bp)	-47	-50
Depreciation & amortization (INR m)		
Old	4,031	4,553
Actual/New	4,489	5,066
Change (%)	11.4	11.3
Finance cost (INR m)		
Old	3,779	3,847
Actual/New	3,779	3,847
Change (%)	0.0	0.0
Net Profit (INR m)		
Old	4,980	7,071
Actual/New	5,638	6,786
Change (%)	13.2	-4.0
EPS (INR)		
Old	14.01	19.89
Actual/New	15.86	19.09
Change (%)	13.2	-4.0

Source: MOFSL, Company

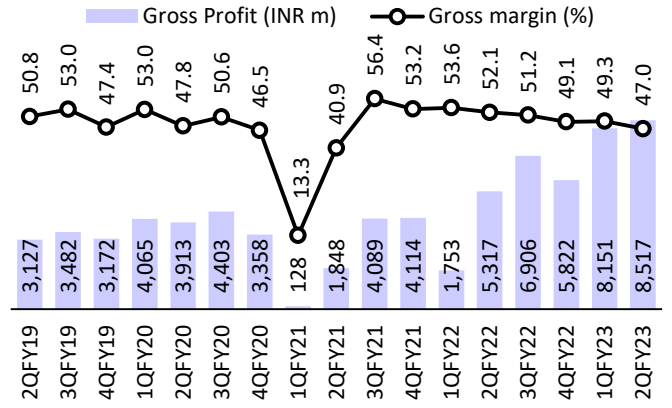
Story in charts

Exhibit 5: Standalone revenue up 78% YoY



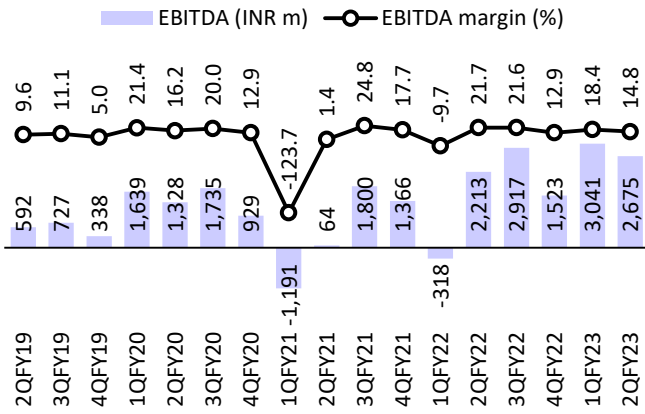
Source: MOFSL, Company

Exhibit 6: Standalone gross margin at 47%



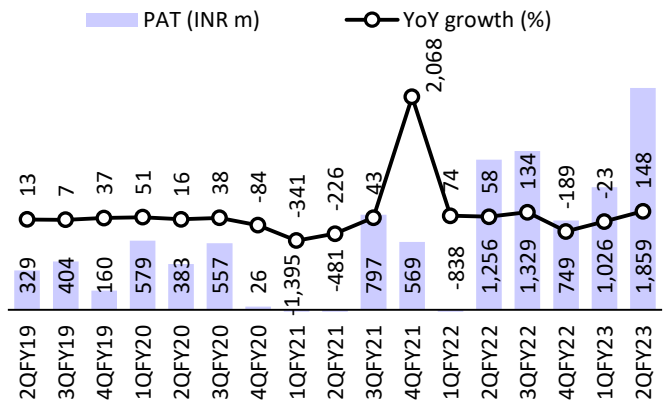
Source: MOFSL, Company

Exhibit 7: Standalone EBITDA margins at 14.8%



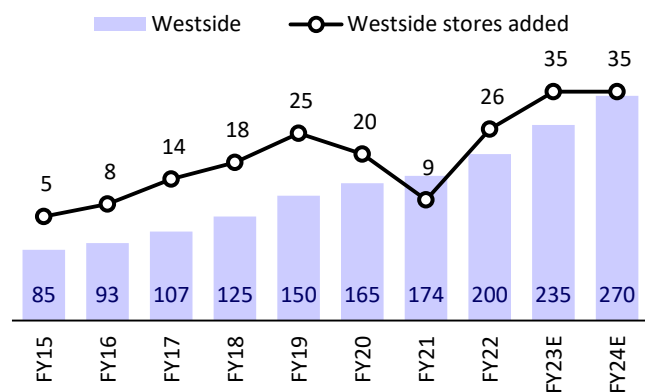
Source: MOFSL, Company

Exhibit 8: Standalone PAT at INR1.9b



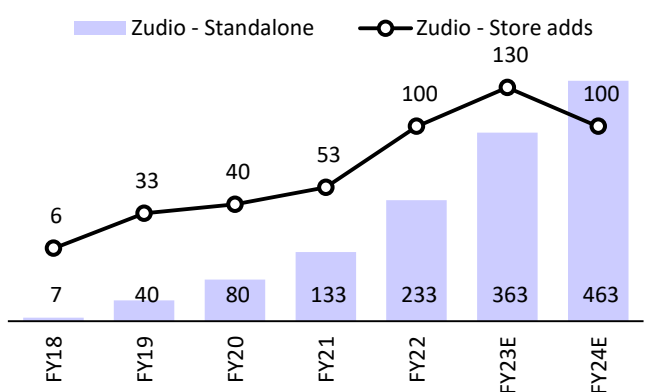
Source: MOFSL, Company

Exhibit 9: Expect 35 Westside store additions in FY23/FY24



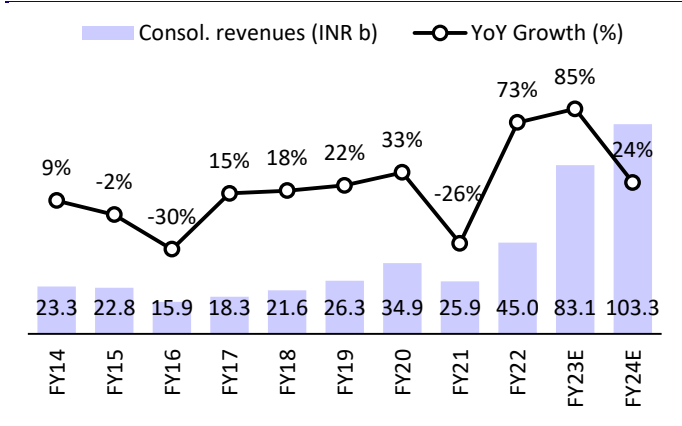
Source: MOFSL, Company

Exhibit 10: Expect strong Zudio store additions in FY23/FY24



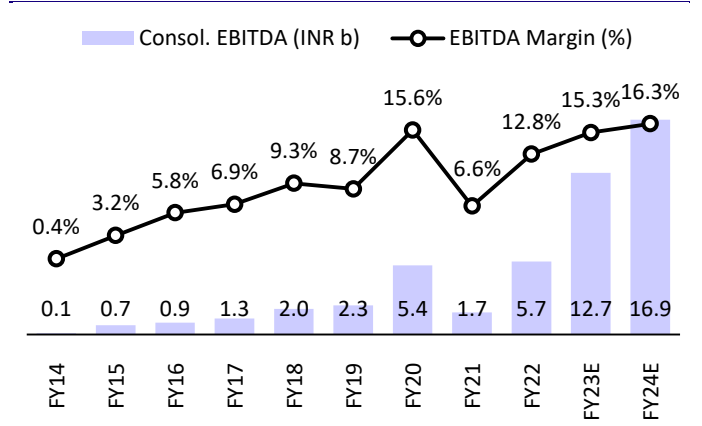
Source: MOFSL, Company

Exhibit 11: Expect healthy consolidated revenue CAGR of 52% over FY22-24



Source: MOFSL, Company

Exhibit 12: Expect 72% EBITDA CAGR over FY22-24



Source: MOFSL, Company

Financials and valuations – standalone

Standalone - Income Statement

(INR m)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Total Income from Operations	17,381	20,663	25,317	31,777	20,475	38,807	76,911	97,122
Change (%)	16.5	18.9	22.5	25.5	-35.6	89.5	98.2	26.3
Raw Materials	8,275	9,587	12,324	16,037	10,296	19,009	39,836	50,989
	52%	54%	51%	50%	50%	51%	48%	48%
Employees Cost	1,661	2,026	2,524	3,131	2,550	3,379	5,922	8,255
Rent and lease expenses	2,278	2,668	3,179	2,026	0	0	0	0
Advertising & Sales Promotion	461	398	0	0	0	0	0	0
Other Expenses	3,479	3,970	4,924	4,950	5,591	10,084	17,843	20,396
Total Expenditure	16,154	18,649	22,951	26,145	18,437	32,472	63,601	79,640
% of Sales	92.9	90.3	90.7	82.3	90.0	83.7	82.7	82.0
EBITDA	1,226	2,014	2,366	5,632	2,038	6,335	13,309	17,482
Margin (%)	7.1	9.7	9.3	17.7	10.0	16.3	17.3	18.0
Depreciation	376	417	465	2,311	2,359	2,831	4,489	5,066
EBIT	850	1,596	1,902	3,321	-321	3,505	8,820	12,416
Int. and Finance Charges	337	306	368	2,383	2,380	2,933	3,779	3,847
Other Income	590	426	363	1,518	2,042	2,790	2,400	500
PBT bef. EO Exp.	1,103	1,716	1,897	2,456	-658	3,362	7,441	9,069
EO Items	247	0	-5	0	-63	-132	0	0
PBT after EO Exp.	1,350	1,716	1,892	2,456	-721	3,230	7,441	9,069
Total Tax	282	549	617	909	-211	734	1,803	2,283
Tax Rate (%)	20.9	32.0	32.6	37.0	29.3	22.7	24.2	25.2
Minority Interest	0	0	0	0	0	0	0	0
Reported PAT	1,069	1,167	1,276	1,546	-510	2,496	5,638	6,786
Adjusted PAT	873	1,167	1,279	1,546	-465	2,598	5,638	6,786
Change (%)	0.8	33.7	9.6	20.9	-130.1	-658.4	117.0	20.4
Margin (%)	5.0	5.6	5.1	4.9	-2.3	6.7	7.3	7.0

Standalone - Balance Sheet

(INR m)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Equity Share Capital	332	332	332	355	355	356	356	356
Total Reserves	15,076	15,839	16,636	24,627	24,803	26,845	32,483	39,269
Net Worth	15,408	16,171	16,968	24,983	25,159	27,200	32,838	39,625
Total Loans	3,917	3,914	3,942	24,468	28,612	45,893	50,384	54,955
Lease Liability				21,471	25,612	40,835	45,326	45,326
Deferred Tax Liabilities	-101	-28	-72	-1,070	-1,080	-1,225	-1,225	-1,225
Capital Employed	19,225	20,057	20,838	48,382	52,690	71,868	81,997	93,354
Net Fixed Assets	4,899	5,779	6,271	26,175	29,232	45,083	48,841	51,678
Right to use assets				19,041	22,265	37,336	38,081	38,081
Capital WIP	55	96	850	231	340	448	448	448
Total Investments	11,127	10,519	9,410	16,068	17,292	17,239	17,239	17,239
Curr. Assets, Loans&Adv.	5,644	6,721	9,001	10,399	9,126	14,126	25,992	37,166
Inventory	2,983	3,391	4,894	5,865	3,946	8,225	12,643	15,965
Account Receivables	31	131	141	133	206	163	421	532
Cash and Bank Balance	316	303	509	441	669	744	7,060	9,658
Loans and Advances	2,314	2,896	3,457	3,960	4,306	4,994	5,868	11,011
Curr. Liability & Prov.	2,500	3,057	4,696	4,492	3,301	5,028	10,523	13,177
Account Payables	1,328	1,946	2,289	2,565	2,196	3,142	6,111	7,717
Other Current Liabilities	1,002	929	2,221	1,710	938	1,572	4,099	5,147
Provisions	169	182	186	218	167	314	314	314
Net Current Assets	3,144	3,664	4,306	5,907	5,826	9,098	15,469	23,989
Appl. of Funds	19,225	20,057	20,838	48,381	52,690	71,868	81,997	93,354

E: MOFSL Estimates

Financials and valuations – standalone

Ratios

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Basic (INR)								
EPS	2.6	3.5	3.8	4.3	-1.3	7.3	15.9	19.1
Cash EPS	3.8	4.8	5.2	11.6	5.7	16.3	30.5	35.7
BV/Share	46.4	48.7	51.1	75.2	75.7	81.9	98.8	119.2
DPS	1.0	1.1	1.3	1.0	0.0	1.7	0.0	0.0
Payout (%)	31.1	32.7	40.8	23.0	0.0	24.2	0.0	0.0
Valuation (x)								
P/E	563.2	421.3	384.5	340.2	-1,130.5	202.5	93.3	77.5
Cash P/E	393.6	310.4	282.0	127.5	259.7	90.6	48.6	41.5
P/BV	31.9	30.4	29.0	19.7	19.5	18.1	15.0	12.4
EV/Sales	28.5	24.0	19.6	17.3	27.1	14.7	7.4	5.9
EV/EBITDA	404.0	246.0	209.3	97.7	271.8	90.2	42.8	32.7
Dividend Yield (%)	0.1	0.1	0.1	0.1	0.0	0.1	0.0	0.0
FCF per share	-0.1	-0.8	-4.7	7.4	8.7	-1.4	21.6	16.7
Return Ratios (%)								
RoE	5.9	7.4	7.7	7.4	-1.9	9.9	18.8	18.7
RoCE	6.1	7.0	7.4	8.7	2.4	7.7	10.9	10.9
RoIC	9.4	12.9	13.3	10.0	-0.7	6.2	12.1	15.1
Working Capital Ratios								
Fixed Asset Turnover (x)	2.7	3.0	3.0	3.2	2.1	3.5	5.2	NA
Asset Turnover (x)	0.9	1.0	1.2	0.7	0.4	0.5	0.9	1.0
Inventory (Days)	63	60	71	67	70	77	60	60
Debtor (Days)	1	2	2	2	4	2	2	2
Creditor (Days)	28	34	33	29	39	30	29	29
Leverage Ratio (x)								
Current Ratio	2.3	2.2	1.9	2.3	2.8	2.8	2.5	2.8
Interest Cover Ratio	2.5	5.2	5.2	1.4	-0.1	1.2	2.3	3.2
Net Debt/Equity	-0.5	-0.4	-0.4	0.3	0.4	1.0	0.8	0.7

Standalone - Cash Flow Statement

(INR m)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
OP/(Loss) before Tax	1,103	1,716	1,896	2,454	-658	3,362	7,441	9,069
Depreciation	376	417	465	2,311	2,359	2,831	4,489	5,066
Interest & Finance Charges	128	87	180	2,058	2,084	2,725	3,779	3,847
Direct Taxes Paid	-313	-491	-781	-807	-1	-782	-1,803	-2,283
(Inc)/Dec in WC	-336	-668	-1,356	-1,112	1,131	-4,020	-55	-5,919
CF from Operations	958	1,061	404	4,905	4,915	4,116	13,851	9,781
Others	-317	-32	-122	-1,220	-782	-2,624	-2,400	-500
CF from Operating incl EO	642	1,029	282	3,685	4,133	1,492	11,451	9,281
(Inc)/Dec in FA	-675	-1,296	-1,859	-1,050	-1,031	-1,979	-3,756	-3,336
Free Cash Flow	-33	-267	-1,577	2,635	3,102	-487	7,695	5,945
(Pur)/Sale of Investments	176	881	2,234	-5,870	1,195	2,317	0	0
Others	394	113	-833	-650	-557	-397	2,400	500
CF from Investments	-105	-302	-457	-7,570	-393	-59	-1,356	-2,836
Issue of Shares	-2,000	-1,024	0	9,498	0	0	0	0
Inc/(Dec) in Debt	1,864	1,000	1,061	-2,725	0	1,969	0	0
Interest Paid	-330	-317	-220	-2,437	-2,376	-2,350	-3,779	-3,847
Dividend Paid	-6	-399	-459	-520	-355	-426	0	0
Others	0	0	0	0	-780	-552	0	0
CF from Fin. Activity	-472	-740	382	3,816	-3,512	-1,359	-3,779	-3,847
Inc/Dec of Cash	64	-12	206	-69	229	74	6,316	2,598
Opening Balance	252	316	303	509	441	669	744	7,060
Closing Balance	316	303	509	441	669	744	7,060	9,658

Financials and valuations – consolidated

Consolidated - Income Statement								(INR m)
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Total Income from Operations	18,339	21,575	26,302	34,860	25,930	44,980	83,084	1,03,294
Change (%)	15.4	17.6	21.9	32.5	-25.6	73.5	84.7	24.3
Raw Materials	9,028	10,315	13,114	18,818	15,340	24,815	45,643	56,795
Employees Cost	1,925	2,305	2,868	3,585	3,019	3,990	6,532	8,865
Rent and lease expenses	2,317	2,725	3,165	1,935	0	0	0	0
Advertising & Sales Promotion	481	418	0	0	0	0	0	0
Other Expenses	3,331	3,800	4,878	5,083	5,852	10,437	18,196	20,748
Total Expenditure	17,082	19,563	24,025	29,420	24,211	39,241	70,371	86,409
% of Sales	93.1	90.7	91.3	84.4	93.4	87.2	84.7	83.7
EBITDA	1,257	2,012	2,277	5,440	1,719	5,739	12,712	16,885
Margin (%)	6.9	9.3	8.7	15.6	6.6	12.8	15.3	16.3
Depreciation	413	455	517	2,472	2,573	3,108	4,396	5,589
EBIT	844	1,557	1,761	2,967	-854	2,631	8,317	11,297
Int. and Finance Charges	338	306	368	2,458	2,487	3,047	4,339	5,070
Other Income	605	442	408	1,445	2,016	1,752	1,752	2,190
PBT bef. EO Exp.	1,112	1,693	1,801	1,954	-1,325	1,335	5,730	8,416
EO Items	258	0	0	0	-10	-274	0	0
PBT after EO Exp.	1,370	1,693	1,802	1,954	-1,335	1,061	5,730	8,416
Total Tax	431	596	736	590	-237	766	1,442	2,118
Tax Rate (%)	31.4	35.2	40.9	30.2	17.8	72.2	25.2	25.2
MI/(Profit)/Loss from Assoc.	91	227	95	304	714	-51	0	0
Reported PAT	849	870	970	1,060	-1,811	346	4,287	6,298
Adjusted PAT	672	870	970	1,060	-1,803	422	4,287	6,298
Change (%)	33.0	29.5	11.6	9.2	-270.1	-123.4	915.3	46.9
Margin (%)	3.7	4.0	3.7	3.0	-7.0	0.9	5.2	6.1

Consolidated - Balance Sheet								(INR m)
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Equity Share Capital	332	332	332	355	355	355	355	355
Total Reserves	15,145	15,621	16,133	23,525	22,775	23,285	27,572	33,870
Net Worth	15,477	15,954	16,465	23,880	23,130	23,640	27,927	34,225
Total Loans	3,917	3,914	3,942	25,260	26,686	47,338	54,243	63,381
Lease Liabilities				23,188	26,637	42,280	54,158	63,296
Deferred Tax Liabilities	90	193	255	-1,104	-746	-969	-969	-969
Capital Employed	19,491	20,068	20,632	48,839	49,515	70,469	81,661	97,096
Gross Block	7,492	8,341	9,117	32,192	37,078	55,907	71,542	84,015
Less: Accum. Deprn.	2,266	2,478	2,757	3,977	7,093	9,591	13,986	19,575
Net Fixed Assets	5,226	5,864	6,360	27,114	30,329	46,491	57,556	64,441
Right to use assets				19,856	23,185	38,642	46,779	51,084
Goodwill on Consolidation	262	261	261	272	272	272	272	272
Capital WIP	55	96	872	231	340	448	448	448
Total Investments	10,800	10,229	8,828	15,148	15,550	13,541	13,541	13,541
Curr. Assets, Loans&Adv.	5,823	6,904	9,265	11,197	10,000	15,540	20,397	31,777
Inventory	3,054	3,448	4,970	6,078	4,284	8,678	12,854	16,231
Account Receivables	59	151	165	171	208	179	341	424
Cash and Bank Balance	343	328	542	614	815	864	136	7,127
Loans and Advances	2,367	2,977	3,587	4,334	4,694	5,820	7,066	7,995
Curr. Liability & Prov.	2,673	3,286	4,955	5,123	6,976	5,823	10,553	13,383
Account Payables	1,422	2,084	2,450	2,976	2,746	3,780	6,146	7,924
Other Current Liabilities	1,056	997	2,293	1,893	4,026	1,734	4,099	5,151
Provisions	195	205	212	254	204	309	309	309
Net Current Assets	3,150	3,618	4,311	6,074	3,024	9,717	9,844	18,394
Appl. of Funds	19,491	20,068	20,632	48,839	49,515	70,469	81,660	97,096

E: MOFSL Estimates

Financials and valuations – consolidated

Ratios

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
Basic (INR)								
EPS	2.0	2.6	2.9	3.0	-5.1	1.2	12.1	17.7
Cash EPS	3.3	4.0	4.5	10.6	2.3	10.6	26.1	35.8
BV/Share	46.6	48.0	49.5	71.9	69.6	71.1	84.0	103.0
DPS	1.0	1.1	1.3	1.0	0.0	1.7	0.0	0.0
Payout (%)	39.2	43.9	53.7	33.5	0.0	174.6	0.0	0.0
Valuation (x)								
P/E	732.3	565.4	506.8	496.3	-291.8	1,244.0	122.5	83.4
Cash P/E	453.5	371.1	330.7	139.2	638.6	139.3	56.6	41.4
P/BV	31.8	30.8	29.9	20.6	21.3	20.8	17.6	14.4
EV/Sales	27.0	23.0	18.8	15.8	21.3	12.7	7.0	5.6
EV/EBITDA	385.5	241.1	213.5	98.5	312.0	97.3	44.5	33.6
Dividend Yield (%)	0.1	0.1	0.1	0.1	0.0	0.1	0.0	0.0
FCF per share	1.0	-0.9	-5.2	6.8	8.0	-4.3	19.3	27.8
Return Ratios (%)								
RoE	4.5	5.5	6.0	5.3	-7.7	1.8	16.6	20.3
RoCE	5.2	6.6	6.4	8.9	1.9	2.0	9.8	11.2
RoIC	7.5	11.4	10.5	9.6	-2.1	1.7	10.1	11.8
Working Capital Ratios								
Fixed Asset Turnover (x)	2.4	2.6	2.9	1.1	0.7	0.8	1.2	1.2
Asset Turnover (x)	0.9	1.1	1.3	0.7	0.5	0.6	1.0	1.1
Inventory (Days)	61	58	69	64	60	70	56	57
Debtor (Days)	1	3	2	2	3	1	2	2
Creditor (Days)	28	35	34	31	39	31	27	28
Leverage Ratio (x)								
Current Ratio	2.2	2.1	1.9	2.2	1.4	2.7	1.9	2.4
Interest Cover Ratio	2.5	5.1	4.8	1.2	-0.3	0.9	1.9	2.2
Net Debt/Equity	0.2	0.2	-0.4	0.7	0.9	1.7	1.5	1.2

Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E
OP/(Loss) before Tax	1,354	1,467	1,685	1,650	-2,038	1,387	5,730	8,416
Depreciation	413	455	517	2,472	2,573	3,108	4,396	5,589
Interest & Finance Charges	128	88	165	2,126	2,197	2,814	4,339	5,070
Direct Taxes Paid	-384	-501	-791	-835	-11	-816	-1,442	-2,118
(Inc)/Dec in WC	-244	-643	-1,352	-1,033	1,063	-4,293	-854	-1,560
CF from Operations	1,268	866	223	4,381	3,783	2,199	12,168	15,397
Others	-244	-98	-14	-828	-45	-1,615	-1,752	-2,190
CF from Operating incl EO	1,024	769	210	3,553	3,738	585	10,416	13,207
(Inc)/Dec in FA	-686	-1,068	-1,953	-1,142	-910	-2,101	-3,582	-3,336
Free Cash Flow	339	-300	-1,743	2,411	2,828	-1,516	6,834	9,871
(Pur)/Sale of Investments	146	928	2,253	-6,574	1,400	2,084	0	0
Others	103	100	-670	-382	-308	562	1,752	2,190
CF from Investments	-437	-40	-370	-8,098	181	544	-1,830	-1,146
Issue of Shares	-2,002	-1,024	0	9,349	-3	2,504	0	0
Inc/(Dec) in Debt	1,864	1,000	1,061	-1,773	0	0	0	0
Interest Paid	-365	-317	-227	-2,511	-2,489	-2,463	-4,339	-5,070
Dividend Paid	-11	-403	-459	-398	-355	-427	0	0
Others	0	0	0	-50	-872	-694	-4,975	0
CF from Fin. Activity	-514	-743	375	4,617	-3,719	-1,080	-9,314	-5,070
Inc/Dec of Cash	74	-15	214	72	201	49	-728	6,991
Opening Balance	269	343	328	542	614	815	864	136
Closing Balance	343	328	542	614	815	864	136	7,127

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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