

Shoppers Stop

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	SHOP IN
Equity Shares (m)	109
M.Cap.(INRb)/(USDb)	74.5 / 0.9
52-Week Range (INR)	890 / 574
1, 6, 12 Rel. Per (%)	-1/3/-28
12M Avg Val (INR M)	80

Financials & Valuations (INR b)

Y/E March	FY23	FY24E	FY25E
Sales	40.0	44.3	52.5
EBITDA	7.0	7.9	9.8
Adj. PAT	1.2	1.4	2.2
EBITDA Margin (%)	17.5	17.9	18.7
Adj. EPS (INR)	14.5	16.7	26.4
EPS Gr. (%)	NM	14.8	58.4
BV/Sh. (INR)	24.7	40.4	65.8

Ratios

Net D:E	9.7	6.0	3.9
RoE (%)	73.4	46.5	46.3
RoCE (%)	11.5	11.2	12.7
Payout (%)	0.0	0.0	0.0

Valuations

P/E (x)	46.7	40.7	25.7
EV/EBITDA (x)	14.0	12.2	10.0
EV/Sales (x)	2.4	2.2	1.9
Div. Yield (%)	0.0	0.0	0.0
FCF Yield (%)	4.3	3.0	4.9

Shareholding pattern (%)

As On	Jun-23	Mar-23	Jun-22
Promoter	65.5	65.5	65.6
DII	21.4	20.8	20.5
FII	6.8	6.8	6.4
Others	6.3	6.9	7.6

FII Includes depository receipts

CMP: INR677 **TP: INR735 (+9%)** **Neutral**

Weak LFL drags down earnings; outlook improving

- Shoppers Stop's (SHOP) EBITDA declined 4% YoY to INR1.6b in 2QFY24, mainly due to a 4% (calc.) drop in LFL and a margin contraction of 100bp YoY. The margin decline was attributed to soft demand, the delayed festive season and a weak performance of Private Labels, partly offset by double-digit growth in the Beauty segment.
- The management has guided for mid-single digit SSSG, led by health LFL in the ongoing festive period. It is seeing steady improvements in the recently launched value retail format, InTune, and is planning aggressive 164 store additions over FY24-26. We expect a 15%/19% CAGR in revenue/EBITDA over FY23-25 and its ability to sustain high growth could drive valuation. We retain our Neutral rating with a TP of INR735.

EBITDA down 4% YoY (15% miss) due to subdued revenue growth and low GM

- Standalone revenue rose 2% YoY to INR10.3b (6% miss), mainly led by footprint addition.
- SHOP is likely to have posted a 4% YoY decline in LFL (calc.), mainly due to the shift in the festive period (Pujo contribution of 2.7%) and soft demand.
- While Private Brands revenue declined 4% YoY to INR1.8b, Beauty segment reported 16% YoY growth.
- Gross margins contracted 50bp YoY to 40.7% in 2QFY24 (est. 41.2%), likely due to a decline in the share of private labels and some impact of EOSS.
- Employee costs grew 12% YoY, partly cushioned by a 1% YoY drop in other expenses. Resultantly, EBITDA declined 4% YoY to INR1.6b (15% miss), dragged down by low revenue and contraction in gross margins. EBITDA margin contracted 100bp YoY to 15.6%.
- Other income jumped ~2.7x YoY to INR105m (est. INR73m).
- PAT declined 90% YoY to INR18m, affected by low operating profits (big miss). The quarter recorded an exceptional loss related to the cost of stock (including taxes) destroyed at a third-party-owned warehouse due to fire, for which an insurance claim has been filed and is under process. SHOP is confident of receiving the insurance claim amount. Adjusted for this, PAT stood at INR67m, down 67% YoY.

Highlights from the management commentary

- In-Tune stores saw a healthy traction, with sales throughput of INR14,000 per sqft and 10%+ store EBITDA margins. SHOP expects margins to settle at a high single digit in the next 2-3 years, with incremental marketing costs.
- SHOP posted high-single-digit SSSG during the Pujo period and expects to sustain SSSG in mid-single digits and EBITDA margin in high-single digits.
- It plans to add 15-17 departmental stores, 60+ InTune stores and 25 Beauty stores over the next two years. As a result, its annual capex will increase to ~INR3b, which will mainly be funded internally.
- Net borrowings as on Sep'23 stood at INR1b, which is expected to go down to INR300-400m by the end of FY24.

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Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Valuation and view

- The ongoing demand weakness is expected to reverse in 2HFY24, with the onset of the festive period, which will accelerate the SSSG recovery. Future growth should be led by steady store additions of 12/15 in the departmental/beauty segments, which are expected to drive overall growth for the company.
- SHOP's recent foray into the value segment category through 'In-Tune' has received positive traction, with store level throughput of INR14,000/sqft and EBITDA margins of over 10%. This could be a key lever for growth and re-ratings going ahead. Operating fully on the private label portfolio, it plans to add 18 stores in 2HFY24.
- Other revenue growth drivers include 1) opening smaller stores (30k sqft vs. existing average of 50k sqft) to improve store efficiency; 2) growing Private Label mix; and 3) focusing on the high-growth and margin-accretive Beauty segment.
- Given prevailing demand pressures, particularly in Tier 2 markets, ensuring SSSG recovery and sustaining high single-digit SSSG will be key to driving overall growth and potentially to a re-rating of the company's performance.
- The stock is currently trading at 10x EV/EBITDA and 25.7x P/E on FY25E. We expect a CAGR of 15%/19% in revenue/EBITDA over FY23-25 to INR52.5b/INR9.8b.
- We value SHOP at 10x FY25E EV/EBITDA to arrive at a TP of INR735. Reiterate our **Neutral** rating on the stock.

Standalone - Quarterly Earning Model

(INR m)

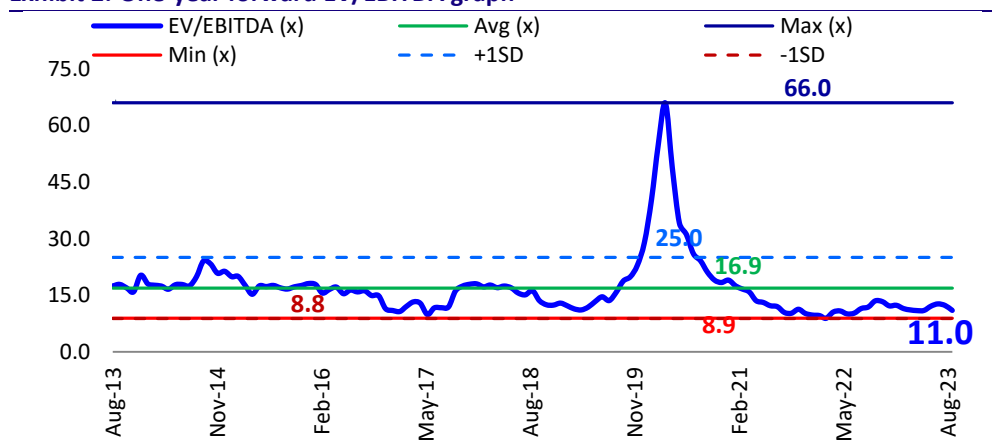
Y/E March	FY23				FY24E				FY23	FY24E	FY24 2QE	Est. Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Total Revenue from Operations	9,419	10,082	11,317	9,165	9,816	10,252	12,645	11,572	39,984	44,284	10,959	-6
YoY Change (%)	368.4	59.6	19.0	29.1	4.2	1.7	11.7	26.3	60.3	10.8		
Total Expenditure	7,795	8,411	9,196	7,594	8,093	8,654	10,213	9,394	32,996	36,353	9,074	-5
EBITDA	1,624	1,672	2,121	1,571	1,723	1,598	2,432	2,178	6,988	7,931	1,885	-15
EBITDA Margin (%)	17.2	16.6	18.7	17.1	17.6	15.6	19.2	18.8	17.5	17.9	17.2	
Depreciation	846	927	999	1,044	1,050	1,081	1,095	1,154	3,816	4,379	1,058	2
Interest	511	514	515	551	541	548	563	601	2,092	2,253	563	-3
Other Income	56	39	244	222	73	105	105	277	561	561	73	45
PBT before EO expense	323	270	851	197	204	74	880	701	1,641	1,859	336	-78
Extra-Ord expense	0	20	0	0	0	-49	0	0	20	-49	0	
PBT	323	250	851	197	204	25	880	701	1,621	1,810	336	-92
Tax	95	68	230	35	55	8	220	186	429	468	84	
Rate (%)	29.5	27.3	27.1	17.6	26.9	29.9	25.0	26.5	26.4	25.9	25.0	
Reported PAT	228	181	621	163	149	18	660	515	1,192	1,342	252	-93
Adj PAT	228	201	621	163	149	67	660	515	1,212	1,391	252	-74
YoY Change (%)	-122.2	-766.9	23.7	-200.9	-34.4	-66.8	6.3	217.2	-269.1	14.8	-124.5	

E: MOFSL Estimates

Exhibit 1: Valuation based on FY25E EV/EBITDA

	Methodology	Driver (INR b)	Multiple	Fair Value (INR b)	Value/sh (INR)
Standalone (Shoppers Stop)	EV/EBITDA	10	10	103	940
Total Enterprise Value				103	940
Less Net debt				23	206
Equity Value				81	735
Shares o/s (m)				109.7	
CMP (INR)					678
Upside (%)					8

Source: MOFSL, Company

Exhibit 2: One-year forward EV/EBITDA graph

Source: MOFSL, Company

Other business highlights**Leverage and cash flow:**

- Net debt (excluding lease liability) as on Sep'23 stood at INR990m vs. INR900m in Jun'23 and ~INR300m in Mar'23.
- Cash flow from operation stood at INR2.5b (vs. INR2.8b as on Sep'22) despite lower profitability as 1HFY24 saw some release in working capital.
- The increase in inventory days (Cal.) by 35 days to 253 days was partly offset by a 19-day (Cal.) increase in trade payable days.

Other Business Highlights

- Store Adds continue: The company added 11 stores - 4 dept stores, 3 beauty stores and 4 Intune stores during the quarter. In 1HFY24, it added 20 stores (4 departmental stores) and renovated 4 stores. There are 19 stores in fitout (6 departmental stores, 3 Intune and 3 beauty stores).
- KPIs: ATV grew by 5% YoY to INR4,383 in 2QFY24, led by premiumization. ASP increased 5% YoY to INR1,539.
- Investments and capex: Total capex for the quarter stood at INR460m, including INR430m for new stores and renovation and INR30m for technology and others.
- **Intune update**
 - The company operates 6 Stores under In-tune as on date (4 opened in 2QFY24 and rest in 3QFY24), with sales of INR80m, sales per sqft of ~INR14,000 and EBITDA of ~10%.
 - It has ASP of INR450, driven by sharp pricing and table offers. Items per ticket are at 3.6, driving ATV of INR1,642. It plans to add 18 stores in 2HFY24 with average capex of INR1,800/sqft.



Highlights from the management commentary

Key Highlights:

- In-tune stores reported healthy traction, with sales throughput of INR14,000/sqft and 10%+ store EBITDA margins. SHOP expects margins to settle at high single digits for the next 2-3 years, with incremental marketing costs.
- SHOP saw high single digit SSSG during the Pujo period and expects to sustain SSG in mid-single digits and EBITDA margin in high single digits.
- It plans to add 15-17 departmental stores, 60+ Intune stores and 25 Beauty stores over the next two years. As a result, its capex will increase to ~INR3b, which will mainly be funded internally.
- Net borrowings as on Sep'23 stood at INR1b, which is expected to go down to INR300-400m by the end of FY24.

Detailed highlights:

Financial performance:

- Revenue growth on LFL basis for 2QFY24 stood in negative mid-single digit.
- The contraction in gross margins during the quarter was mainly on account of:
 - A high base in Private Brands due to pent-up demand in 2QFY23. 2QFY24 saw a 60bp impact due to the liquidation of inventory in the segment.
 - Muted sale within the apparel category
 - Loss of inventory worth INR49m due to fire
- Expenses: Higher rent and electricity costs in 2QFY24 were due to the opening of new stores during the quarter.
- The company stated that store level EBITDA margins across formats stood in the range of high single digits.

KPI

- ATV and ASP for the quarter grew 5% YoY due to premiumization and increased share of watches segment.
- Apart from the improvement expected to flow in due to festive demand, the company is looking to add lab-grown diamonds, which will improve ASPs.

Strategic Pillars:

First Citizen:

- The share of loyalty customers stood at ~77% with 3% growth in members being reported.
- The company's personalized campaign received 2.3x higher response during the quarter.
- SHOP undertook 500 customer engagement activities during the quarter.
- The segment further witnessed 9% new enrollment during the quarter.

Private Brands:

- Revenue from the segment declined 5% YoY, with its share in total revenue down at 14% (excluding In-Tune sales).
- The Indian wear category witnessed strong growth of 27%.

- Revenue has seen a pickup and witnessed a strong double digit growth during the Pujo period.
- The company continued its focus on building a campaign around private brands and has launched Kashish and Saniya campaigns for the wedding/festive seasons.
- The company stated that while Indian wear and Kids categories are doing well, Men's and Western women's wear might need some product re-vamp and price correction.

In-Tune:

- The company opened a total of 6 stores: 2 in 2QFY24 and 4 in 3QFY24.
- The segment's pricing remains sharp with two-thirds of assortment priced under INR499, and 100% of products under the INR999 price range.
- Store-level matrix:
 - Store-level profitability was above expectations, with positive operating margins at the store level. Gross margins for the segment were broadly in line with the company level.
 - The segment is currently operating at close to double-digit EBITDA margins at the store level; however, SHOP believes that it may see some incremental cost of around 2-3% related to marketing, after which EBITDA margins could range between 7-9% for next few years.
 - It plans to maintain the average store size in the range of 5,000 sqft.
 - Store level inventory stands in the range of 8-10 weeks of demand and 4-5 weeks in warehouse. Overall. it expects to maintain inventory of 12 weeks.
- **Store expansion:**
 - The company expects to increase the number of In-Tune stores to 20-25 by FY24, and it has already started shortlisting the sites.
 - It will follow the cluster-based approach in the expansion and may open some experimental stores (25% of incremental stores) in small catchment areas with lower rentals.
- In buying, sourcing, merchandising and marketing, there are dedicated teams in place. For other functions, SHOP resources are being leveraged.
- The company believes that the differentiation vs. peers remains on customer profile as Intune offerings are family-oriented, while peers are currently targeting young audience.
- Sourcing: The company is looking to improve its sourcing through the following means:
 - Building on existing relationship of SHOP brand
 - Built a dedicated sourcing team with adequate experience
 - Clarity on expansion stated to have helped planning the sourcing

Beauty

- It remains the fastest-growing category with 16% YoY growth.
- Distribution:
 - Sales from Distribution business stood at INR23m in 2QFY24 with positive EBITDA. The company has maintained its revenue guidance for FY24 to reach ~INR2b.
 - The company launched Armani perfume and NARS during the quarter.

- The company launched 'SS beauty' on Instagram along with other campaigns to improve the brand presence.
- It has further launched 13 brands and 200 SKUs under its in-house brand 'Arcelia'.
- SHOP plans to expand to 450 stores by end of FY24.
- Under the SS Beauty segment, the company is trying various models along with focusing on right location and sizing.
- Apart from the fast-growing fragrance category, the company is focusing on prestige section in Make-Up, where the company sees a huge opportunity. Under the Skincare segment, SHOP is launching Israeli skincare brand under aspirational category.

Capex:

- SHOP opened 4 departmental stores, 3 beauty stores and 4 In-tune stores during the quarter with a capex of INR550m.
- The company saw deferment in opening of 3 Dept. stores due to regulatory issues, which will be opened in 3Q.
- The company plans to open 15-17 departmental stores, 60+ Intune stores and 25 Beauty stores over the next two years.
- Annual capex is expected to range around INR3b, with INR1b for Departmental stores, INR250-300m for Beauty stores (INR10-12k per sqft capex), INR550-600m for Intune, INR400-500m for renovation and store deposits of INR500m.
- The company expects a majority of its capex requirement to be funded internally, thereby posing very little impact on the leverage position.

Leverage:

- Net borrowings as on Sep'23 stood at INR1b, which is expected to go down to INR300-400m by end of FY24.

Outlook:

- The company witnessed high single-digit SSSG during the Pujo period and expects the momentum to continue with the onset of Diwali.
- The company expects LFL growth in mid-single digits in 2HFY24.
- It has reiterated its FY25 margins to be in the range of high single digits, with improvements expected in FY26.

Exhibit 3: Standalone quarterly performance (INR m)

	2QFY23	1QFY24	2QFY24	YoY%	QoQ%	2QFY24E	v/s Est (%)
Total Revenue	10,082	9,816	10,252	2	4	10,959	-6
Raw Material cost	5,929	5,664	6,080	3	7	6,444	-6
Gross Profit	4,154	4,152	4,171	0	0	4,515	-8
Gross margin (%)	41.2	42.3	40.7	-51	-161	41.2	-51
Employee Costs	873	966	976	12	1	986	-1
SGA Expenses	1,609	1,463	1,597	-1	9	1,644	-3
EBITDA	1,672	1,723	1,598	-4	-7	1,885	-15
EBITDA margin (%)	16.6	17.6	15.6	-100	-197	17.2	-162
Depreciation and amortization	927	1,050	1,081	17	3	1,058	2
EBIT	745	673	517	-31	-23	827	-38
EBIT margin (%)	7.4	6.9	5.0	-234.6	-181.5	7.5	-251
Finance Costs	514	541	548	7	1	563	-3
Other income	39	73	105	172	45	73	45
Exceptional item	-20	0	-49	NM	NM	0	NM
Profit before Tax	250	204	25	NM	-88	336	-92
Tax	68	55	8	NM	-86	84	-91
Tax rate (%)	27.3	26.9	29.9	262.7	304.9	25.0	492
Profit after Tax	181	149	18	-90	-88	252	-93
Adj Profit after Tax	201	149	67	-67	-55	252	-74

Source: MOFSL, Company

Exhibit 4: Standalone estimate revision summary

	FY24E	FY25E
Revenue (INR m)		
Old	43,943	50,228
Actual/New	44,284	52,511
Change (%)	0.8	4.5
EBITDA (INR m)		
Old	7,971	9,198
Actual/New	7,931	9,823
Change (%)	-0.5	6.8
EBITDA margin (%)		
Old	18.1	18.3
Actual/New	17.9	18.7
Change (bp)	-23	39
Net Profit (INR m)		
Old	1,491	1,999
Actual/New	1,342	2,204
Change (%)	-10.0	10.3
EPS (INR)		
Old	17.9	23.9
Actual/New	16.7	26.4
Change (%)	-6.7	10.3

Story in charts

Exhibit 5: Standalone revenue grew 2% YoY

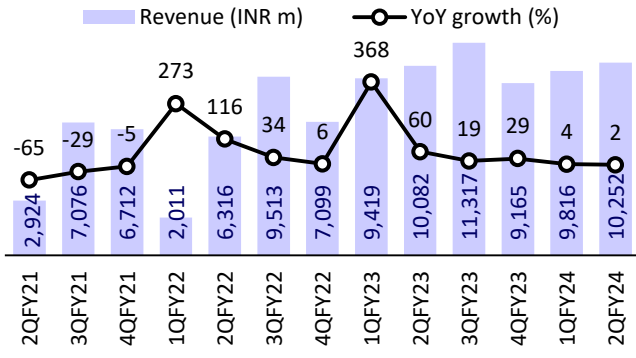


Exhibit 6: Standalone gross margin stood at 40.7% in 2QFY24

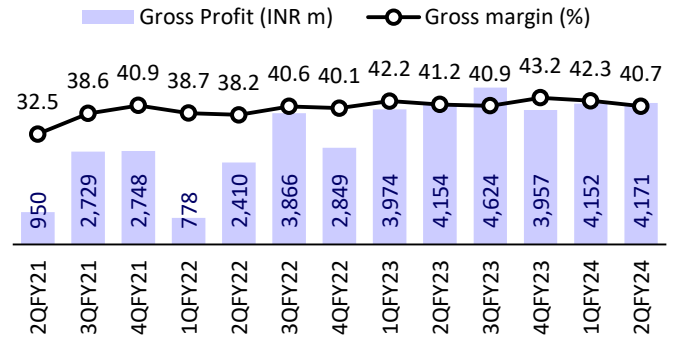


Exhibit 7: Standalone EBITDA margin contracted 100bp YoY

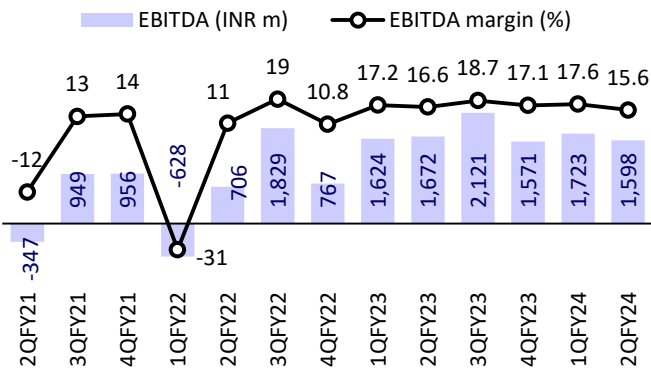


Exhibit 8: PAT impacted by subdued revenue growth

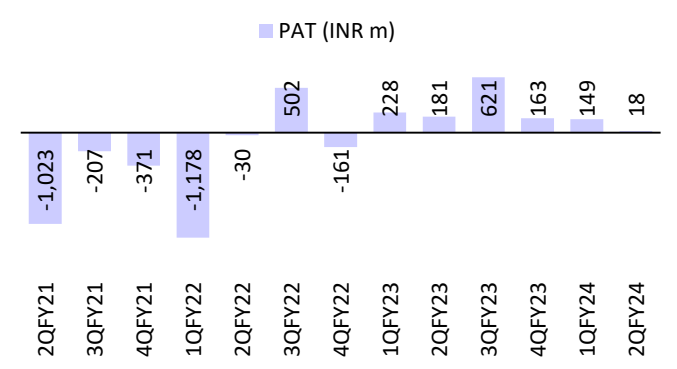


Exhibit 9: Beauty store count stood at 144

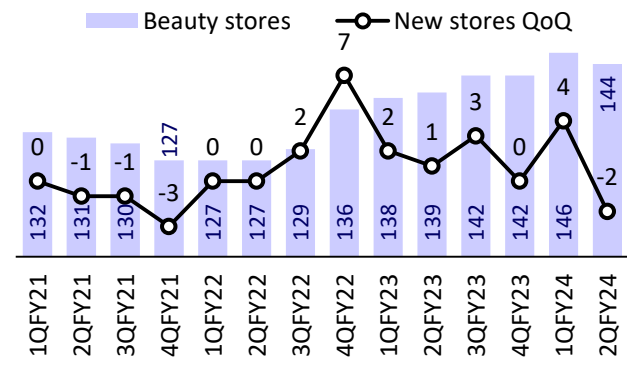


Exhibit 10: Added 4 Departmental stores

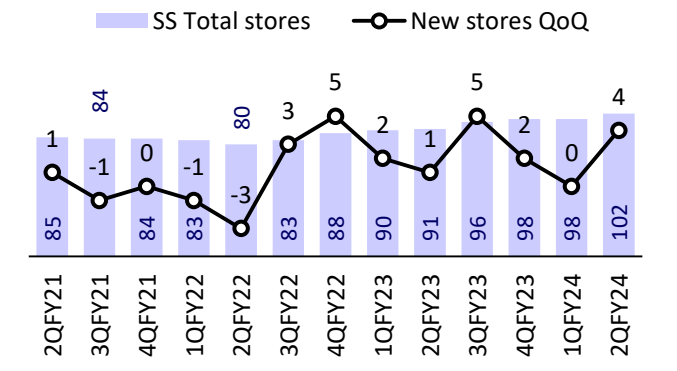


Exhibit 11: Standalone revenue trajectory

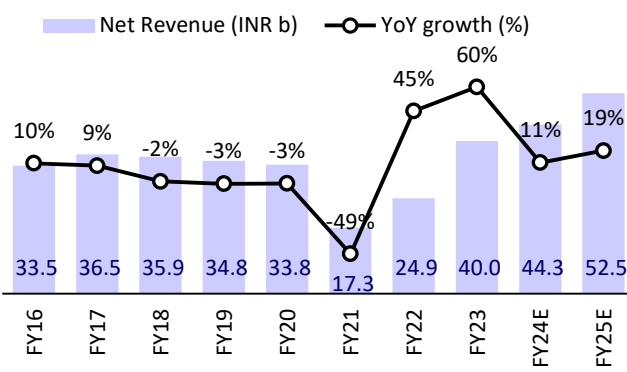
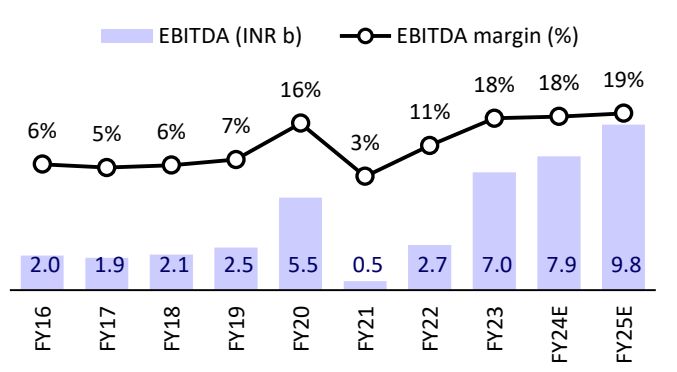


Exhibit 12: Expect EBITDA margin to improve gradually



Source: MOFSL, Company

Source: MOFSL, Company

Standalone financials and valuations

Standalone - Income Statement							(INR m)	
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Total Income from Operations	35,915	34,813	33,810	17,251	24,938	39,984	44,284	52,511
Change (%)	-1.6	-3.1	-2.9	-49.0	44.6	60.3	10.8	18.6
Raw Materials	22,134	20,272	19,676	10,651	15,034	23,274	25,773	30,325
Employees Cost	3,013	3,145	3,219	2,575	2,693	3,493	3,982	4,539
Lease Rentals	3,597	3,863	560	0	0	0	0	0
Other Expenses	5,054	5,000	4,860	3,492	4,536	6,229	6,598	7,824
Total Expenditure	33,799	32,280	28,315	16,717	22,263	32,996	36,353	42,688
% of Sales	94.1	92.7	83.7	96.9	89.3	82.5	82.1	81.3
EBITDA	2,116	2,533	5,494	534	2,675	6,988	7,931	9,823
Margin (%)	5.9	7.3	16.3	3.1	10.7	17.5	17.9	18.7
Depreciation	1,119	1,351	4,392	3,847	3,520	3,816	4,379	5,064
EBIT	997	1,182	1,102	-3,313	-844	3,172	3,551	4,759
Int. and Finance Charges	362	124	1,944	2,200	2,054	2,092	2,253	2,374
Other Income	160	179	335	2,188	1,661	561	561	561
PBT bef. EO Exp.	796	1,237	-507	-3,325	-1,238	1,641	1,859	2,946
EO Items	-504	0	-200	-224	-150	-20	-49	0
PBT after EO Exp.	292	1,237	-707	-3,549	-1,388	1,621	1,810	2,946
Total Tax	176	449	703	-797	-521	429	468	741
Tax Rate (%)	60.2	36.3	-99.5	22.5	37.5	26.4	25.9	25.2
Minority Interest	0	0	0	0	0	0	0	0
Reported PAT	116	788	-1,409	-2,752	-867	1,192	1,342	2,204
Adjusted PAT	765	1,001	-1,609	-2,976	-717	1,212	1,391	2,204
Change (%)	-213.0	30.8	-260.8	84.9	-75.9	-269.2	14.8	58.4
Margin (%)	2.1	2.9	-4.8	-17.3	-2.9	3.0	3.1	4.2

Standalone - Balance Sheet							(INR m)	
Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Equity Share Capital	440	440	440	547	548	548	548	548
Total Reserves	9,094	9,337	926	1,270	435	1,771	3,114	5,318
Net Worth	9,534	9,776	1,366	1,817	983	2,320	3,662	5,866
Total Loans	874	0	21,915	20,054	20,934	23,527	25,087	28,247
Lease Liabilities			20,678	19,116	18,995	22,487	23,148	23,148
Deferred Tax Liabilities	-198	-320	-2,641	-3,424	-3,740	-3,312	-3,312	-3,312
Capital Employed	10,210	9,457	20,640	18,447	18,177	22,535	25,437	30,801
Gross Block	9,282	9,907	11,457	11,923	14,913	13,432	12,948	15,988
Less: Accum. Deprn.	2,804	3,959	5,930	6,912	10,432	8,820	9,955	11,328
Net Fixed Assets	6,478	5,948	5,527	5,011	4,481	4,612	2,994	4,660
Right to use assets			13,257	12,096	12,764	16,361	16,794	16,782
Capital WIP	182	351	443	29	140	339	339	339
Total Investments	3,176	2,935	2,057	1,279	1,464	734	734	734
Curr. Assets, Loans&Adv.	7,592	15,199	16,727	13,902	15,240	20,629	27,965	35,827
Inventory	3,284	10,535	12,239	8,472	10,075	14,863	20,625	25,176
Account Receivables	437	444	351	348	382	304	336	399
Cash and Bank Balance	52	167	13	416	321	254	2,352	4,737
Loans and Advances	3,818	4,052	4,125	4,666	4,462	5,208	4,651	5,515
Curr. Liability & Prov.	7,218	14,977	17,370	13,870	15,913	20,139	23,388	27,541
Account Payables	4,886	12,542	14,967	11,399	14,419	18,259	20,195	23,761
Other Current Liabilities	2,252	2,341	2,295	2,409	1,409	1,841	3,154	3,740
Provisions	79	93	108	62	86	39	39	39
Net Current Assets	374	222	-643	32	-673	490	4,577	8,286
Appl. of Funds	10,210	9,456	20,640	18,447	18,177	22,535	25,437	30,802

E: MOFSL Estimates

Standalone financials and valuations

Ratios

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Basic (INR)								
EPS	9.2	12.0	-19.3	-35.6	-8.6	14.5	16.7	26.4
Cash EPS	22.6	28.2	33.3	10.4	33.6	60.2	69.1	87.0
BV/Share	114.2	117.1	16.4	21.8	11.8	27.8	43.9	70.3
DPS	0.8	0.8	0.0	0.0	0.0	0.0	0.0	0.0
Payout (%)	67.8	9.8	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)								
P/E	74.0	56.6	-35.2	-19.0	-79.0	46.7	40.7	25.7
Cash P/E	30.0	24.1	20.3	65.0	20.2	11.3	9.8	7.8
P/BV	5.9	5.8	41.4	31.2	57.6	24.4	15.5	9.7
EV/Sales	1.7	1.7	2.4	5.4	3.8	2.4	2.2	1.9
EV/EBITDA	28.6	23.5	14.8	175.8	35.5	14.0	12.2	10.0
Dividend Yield (%)	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
FCF per share	23.2	11.1	43.8	-6.6	25.8	38.1	26.3	43.1
Return Ratios (%)								
RoE	8.9	10.4	-28.9	-187.0	-51.2	73.4	46.5	46.3
RoCE	3.9	8.6	17.3	-3.9	2.3	11.5	11.2	12.7
RoIC	5.0	11.8	18.2	-14.7	-3.2	12.5	12.2	15.2
Working Capital Ratios								
Fixed Asset Turnover (x)	3.9	3.5	3.0	1.4	1.7	3.0	3.4	3.3
Asset Turnover (x)	3.5	3.7	1.6	0.9	1.4	1.8	1.7	1.7
Inventory (Days)	33	110	132	179	147	136	170	175
Debtor (Days)	4	5	4	7	6	3	3	3
Creditor (Days)	50	132	162	241	211	167	166	165
Leverage Ratio (x)								
Current Ratio	1.1	1.0	1.0	1.0	1.0	1.0	1.2	1.3
Interest Cover Ratio	2.8	9.5	0.6	-1.5	-0.4	1.5	1.6	2.0
Net Debt/Equity	-0.2	-0.3	14.5	10.1	19.5	9.7	6.0	3.9

Standalone - Cash Flow Statement

(INR m)

Y/E March	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
OP/(Loss) before Tax	796	1,237	-707	-3,549	-1,388	1,621	1,859	2,946
Depreciation	1,119	1,351	4,392	3,847	3,520	3,816	4,379	5,064
Interest & Finance Charges	362	124	1,944	2,200	2,054	2,092	2,253	2,374
Direct Taxes Paid	-356	-565	-422	124	210	-36	-468	-741
(Inc)/Dec in WC	1,341	-24	538	-575	899	-1,683	-1,985	-1,317
CF from Operations	3,261	2,124	5,745	2,046	5,295	5,810	6,039	8,325
Others	-43	-24	-101	-1,948	-1,403	-188	-610	-561
CF from Operating incl EO	3,218	2,100	5,644	99	3,892	5,622	5,429	7,764
(Inc)/Dec in FA	-1,179	-1,123	-1,786	-823	-1,067	-1,444	-2,540	-3,040
Free Cash Flow	2,039	977	3,858	-724	2,824	4,178	2,889	4,724
(Pur)/Sale of Investments	456	-224	-1,033	578	-55	796	0	0
Others	229	-864	421	-721	-666	-365	64	60
CF from Investments	-494	-2,211	-2,397	-965	-1,788	-1,013	-2,476	-2,980
Issue of Shares	1,814	11	0	2,960	25	27	0	0
Inc/(Dec) in Debt	-4,062	-398	-400	1,500	-773	-1,102	898	0
Interest Paid	-378	-124	-1,944	-2,195	-2,056	-2,094	-2,253	-2,374
Dividend Paid	-75	-80	-80	0	0	0	0	0
Others	0	0	-1,809	-558	0	-2,203	7	-519
CF from Fin. Activity	-2,701	-591	-4,232	1,707	-2,804	-5,372	-1,348	-2,892
Inc/Dec of Cash	23	-702	-986	841	-701	-763	1,605	1,892
Opening Balance	30	869	998	-425	1,022	1,017	747	2,845
Closing Balance	52	167	12	416	321	254	2,352	4,737
Less: Other bank balance/ Overdraft	816	831	-437	605	696	493	493	493
Net closing balance/ (Overdraft)	869	998	-425	1,022	1,017	747	2,845	5,229

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UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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