

# Shoppers Stop

Estimate change	↔
TP change	↔
Rating change	↔

**CMP: INR719**      **TP: INR695 (-3%)**      **Neutral**

## Soft earnings continues; focusing on Beauty and Intune

Bloomberg	SHOP IN
Equity Shares (m)	109
M.Cap.(INRb)/(USDb)	78.8 / 0.9
52-Week Range (INR)	890 / 616
1, 6, 12 Rel. Per (%)	-6/-6/-17
12M Avg Val (INR M)	90

- Shoppers Stop (SHOP) reported 4% YoY growth in EBITDA (6% miss) in 4QFY24, as 9% YoY revenue growth was offset by inventory write-off and GM contraction of 270bp YoY. However, controlled costs supported EBITDA margin, which declined 70bp YoY.
- The management anticipates demand improvement in FY25, which, along with steady store additions, particularly in the Intune and beauty segments, could drive growth in the coming period. We expect a CAGR of 15%/20% in revenue/EBITDA over FY24-26. We value SHOP at 10x FY26E EV/EBITDA to arrive at our TP of INR695. **Reiterate Neutral.**

### Financials & Valuations Stand (INR b)

Y/E March	FY24	FY25E	FY26E
Sales	42.1	47.8	55.3
EBITDA	7.1	8.6	10.2
Adj. PAT	0.6	1.2	1.5
EBITDA Margin (%)	16.9	18.0	18.5
Adj. EPS (INR)	7.2	14.8	18.5
EPS Gr. (%)	-50.1	104.0	24.8
BV/Sh. (INR)	38.8	53.6	72.0

### Ratios

Net D:E	8.2	7.5	7.0
RoE (%)	21.8	32.0	29.4
RoCE (%)	8.6	8.4	7.3
Payout (%)	0.0	0.0	0.0

### Valuations

P/E (x)	99.2	48.6	39.0
EV/EBITDA (x)	14.9	13.1	11.9
EV/Sales (x)	2.5	2.4	2.2
Div. Yield (%)	0.0	0.0	0.0

### Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	65.5	65.6	65.5
DII	22.2	22.0	20.8
FII	7.4	6.9	6.8
Others	4.9	5.6	6.9

FII Includes depository receipts

### EBITDA rises 4% YoY (6% miss) due to GM contraction

- SHOP's standalone revenue grew 9% YoY to INR10b (in line) in 4Q, mainly driven by footprint addition. LFL is estimated to be flat (~-1% YoY).
- SHOP added net 7 new department stores, 12 Intune stores, and 3 beauty stores during 4Q.
- Gross profit grew 2% YoY and margins contracted 270bp YoY to 40.5% due to inventory write-off of INR90m, a decline in the share of private labels, and the impact of EOSS.
- EBITDA rose 4% YoY to INR1.6b (6% miss) and margins contracted 70bp YoY to 16.4%, dragged down by a contraction in gross margins.
- Other income of INR346m included INR240m of the reversal of ROU liability due to store closure. Adjusting the reversal, PAT stood at INR46m (est. INR120m).
- FY24 revenue/EBITDA grew 5%/2% YoY, while PAT declined 50% YoY.
- OCF declined 2% YoY to INR3.3b, led by lease liability (due to store adds), partly offset by the release of working capital. Capex increased 19% YoY to INR1.7b, and interest costs of INR2.2b led to cash outflow of INR600m.
- Net debt increased by INR780m to INR1.1b.

### Highlights from the management commentary

- FY25 strategy** will focus on investments in new stores from internal accruals (INR2.75b for 100 store addition), higher capital allocation to beauty and Intune businesses, and premiumization (expect mid-single digit growth in ASP/ATV).
- Beauty:** Expects the beauty distribution sales run rate to double to INR2.5b (vs. INR1.2b in FY24) with positive EBITDA. In the next 3-5 years, the run rate could go up to INR4b-5.5b. Margins currently at ~7-9%.
- Intune:** Expects 60 store addition in FY25 with a payback period of 2-2.5 years. Intune is currently clocking revenue per sqft of INR12k. Store EBITDA margin continues to be positive in the first year of operations.
- Inventory optimization:** For Intune, SHOP has reduced inventory days from 180 to 60. With additional stores, inventory days could be 12-14 weeks. For private labels, inventory days reduced to 17-18 weeks and may further decline to 14-16 weeks.

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Investors are advised to refer through important disclosures made at the last page of the Research Report.

**Valuation and view**

- SHOP aims to boost growth by focusing on: 1) opening smaller stores (30k sqft vs. existing average of 50k sqft) to improve store efficiency; 2) reviving the private label mix; and 3) high-growth and margin-accretive Beauty segment. It plans to step up the pace of store additions, with 12/15 additions annually in the beauty /departmental segments.
- Its recent foray into the value category through Intune has witnessed healthy traction and good EBITDA margin. The aggressive expansion plan of increasing the store count to 164 by FY26E from 22 currently could be the key lever for growth and re-rating going forward. However, it will be crucial to expand design and private label merchandising capabilities to enhance the value proposition.
- Persistent weakness in discretionary demand hinders revenue growth, with weak SSSG. Sustaining high single-digit SSSG will be crucial for driving overall growth and re-rating potential of the company.
- The stock is currently trading at a valuation of 12x/27x post/pre EV/EBITDA on FY26E. We broadly kept our estimates unchanged and factored in a CAGR of 15%/20% in revenue/EBITDA over FY24-26.
- We value SHOP at 10x FY26E EV/EBITDA to arrive at our TP of INR695. **Reiterate Neutral.**

**Standalone - Quarterly Earning Model**

(INR m)

Y/E March	FY23				FY24				FY23	FY24	FY24	Est. Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
<b>Total Revenue from Operations</b>	<b>9,419</b>	<b>10,082</b>	<b>11,317</b>	<b>9,165</b>	<b>9,816</b>	<b>10,252</b>	<b>12,068</b>	<b>9,997</b>	<b>39,984</b>	<b>42,132</b>	<b>9,696</b>	<b>3</b>
YoY Change (%)	368.4	59.6	19.0	29.1	4.2	1.7	6.6	9.1	60.3	5.4		
Total Expenditure	7,795	8,411	9,196	7,594	8,093	8,654	9,914	8,356	32,996	35,016	7,955	5
<b>EBITDA</b>	<b>1,624</b>	<b>1,672</b>	<b>2,121</b>	<b>1,571</b>	<b>1,723</b>	<b>1,598</b>	<b>2,154</b>	<b>1,641</b>	<b>6,988</b>	<b>7,116</b>	<b>1,741</b>	<b>-6</b>
EBITDA Margin (%)	17.2	16.6	18.7	17.1	17.6	15.6	17.8	16.4	17.5	16.9	18.0	
Depreciation	846	927	999	1,044	1,050	1,081	1,112	1,118	3,816	4,361	1,188	-6
Interest	511	514	515	551	541	548	579	568	2,092	2,236	585	-3
Other Income	56	39	244	222	73	105	33	346	561	557	181	91
<b>PBT before EO expense</b>	<b>323</b>	<b>270</b>	<b>851</b>	<b>197</b>	<b>204</b>	<b>74</b>	<b>496</b>	<b>301</b>	<b>1,641</b>	<b>1,076</b>	<b>149</b>	<b>102</b>
Extra-Ord expense	0	20	0	0	0	-49	0	-16	20	-65	0	
<b>PBT</b>	<b>323</b>	<b>250</b>	<b>851</b>	<b>197</b>	<b>204</b>	<b>25</b>	<b>496</b>	<b>285</b>	<b>1,621</b>	<b>1,011</b>	<b>149</b>	<b>91</b>
Tax	95	68	230	35	55	8	141	69	429	272	30	
Rate (%)	29.5	27.3	27.1	17.6	26.9	29.9	28.3	24.2	26.4	26.9	19.9	
<b>Reported PAT</b>	<b>228</b>	<b>181</b>	<b>621</b>	<b>163</b>	<b>149</b>	<b>18</b>	<b>356</b>	<b>216</b>	<b>1,192</b>	<b>739</b>	<b>120</b>	<b>81</b>
<b>Adj PAT</b>	<b>228</b>	<b>201</b>	<b>621</b>	<b>163</b>	<b>149</b>	<b>52</b>	<b>356</b>	<b>48</b>	<b>1,212</b>	<b>605</b>	<b>120</b>	<b>-60</b>
YoY Change (%)	-122.2	-766.9	23.7	-200.9	-34.4	-74.1	-42.7	-70.5	-269.1	-50.1	-80.7	

E: MOFSL Estimates

**Exhibit 1: Valuation based on FY26E EV/EBITDA**

	Methodology	Driver (INR b)	Multiple	Fair Value (INR b)	Value/sh (INR)
Standalone (Shoppers Stop)	EV/EBITDA	10	10	102	934
<b>Total Enterprise Value</b>				<b>102</b>	<b>934</b>
Less Net debt				27	243
<b>Equity Value</b>				<b>76</b>	<b>695</b>
Shares o/s (m)				110	
CMP (INR)					719
<b>Upside (%)</b>					<b>-3</b>

Source: MOFSL, Company

## Other business highlights

- Private Brands revenue declined 8% YoY to INR1.5b in 4QFY24 and declined 5% YoY to INR6.9b in FY24.
- Beauty segment grew 7% YoY (excl distribution) to INR 2.2b in 4QFY24.
- Beauty distribution channel recorded revenue of INR420m in 4QFY24.
- Revenue from Intune stood at INR160m (with 22 stores) in 4QFY24 and INR360m in FY24.
- The company added 22 stores during the quarter (7 department, 12 Intune and 3 Beauty).
- SHOP has made an investment of INR840m during the quarter and INR2.5b during FY24.



## Highlights from the management commentary

### Key Highlights:

- **FY25 strategy** will focus on a) investment in new stores from internal accruals (INR2.75b for 100 store addition), b) higher capital allocation to beauty and Intune businesses, and c) premiumization (expect mid-single digit growth in ASP/ATV).
- **Beauty:** Expects the beauty distribution sales run rate to double to INR2.5b (vs. INR1.2b in FY24) with positive EBITDA. In the next 3-5 years, the run rate could go up to INR4b-5.5b. Margins could be ~7-9%.
- **Intune:** Expects 60 store addition in FY25 with a payback period of 2-2.5 years. Intune is currently clocking revenue per sqft of INR12k. Store EBITDA margin was positive in the first year of operations.
- **Inventory optimisation:** For Intune, SHOP has reduced inventory days from 180 to 60. With additional stores, inventory days could be around 12-14 weeks. For private labels, inventory days may decline to 17-18 weeks and SHOP plans to reduce further to 14-16 weeks.

### Detailed highlights:

#### Financials

- Sales were impacted by low wedding conversion, impact of EOSS on Jan'24 sales, and winter impact (delayed by two months); however, Mar'24 and 15 days of Apr'24 saw recovery. Sales were flat in Jan'24 and grew 6%/13.5% YoY in Feb'24/Mar'24.
- Operational focus is on improving margins and optimizing inventory. Trading margins for the new season are on the rise, but the financial margins are impacted by write-off.
- SSSG for Mar'24 was +9% YoY.
- LTL costs were flat YoY and the cost of retailing grew only 1% YoY in 4Q due to investment in technology and growth in SS beauty.
- Premium brands grew by 25% YoY, led to 8% YoY growth in ATV. Apparels grew in single digit in 4QFY24.

**Strategy**

- **FY25 strategy** will focus on a) investment in new stores from internal accruals (INR2.75b for 100 store addition), b) higher capital allocation to beauty and Intune businesses, and c) premiumization (expect mid-single digit growth in ASP/ATV) and experiment such as launch of café in store.
- In line with its long-term priority of store expansion, SHOP targets to add nearly 100 stores this fiscal (60 Intune) with investments of INR2.5-2.7b.
- Commodity, particularly cotton prices, are benign, so prices will remain largely stable. Expects EBITDA margins to remain range-bound and targets ROCE of 20%+.
- The management expects a recovery in the apparel business in FY25 and the consumption environment could pick up after elections.

**Intune**

- Mature Intune stores (opened before Dec'23) posted the highest sales in Mar'24 with improved customer conversion at 33%. Sales have further increased in Apr'24. EBITDA margin at the store level remains positive in the first year of operations.
- Expects 60 store addition in FY25 with a payback period of 2-2.5 years. Intune is currently clocking revenue per sqft of INR12k.
- SHOP has reduced inventory days from 180 days to 60 days.
- Negligible overlap between Intune and SS customers.

**Private labels**

- The women Indian and kids segments are doing much better in private labels, while the men and women West need to be monitored.
- Private labels saw a decline and the company identified a differentiated strategy to reduce cannibalization with other brands, optimal purchases and increase margins.
- SHOP has reduced inventory to 17-18 weeks and plans to reduce to 14-16 weeks.

**Beauty**

- Beauty store capex is high due to premium fixtures and showcase of global brands. Expects ROCE to move to 15-20% and then to 20%+ going forward.
- Expects the beauty distribution sales run rate to double to INR2.5b (vs. INR1.2b in FY24) with positive EBITDA. In the next 3-5 years, the run rate could go up to INR4b-5.5b. Margins could be around ~7-9% in the first year of operation.

**Exhibit 2: Standalone quarterly performance (INR m)**

<b>Standalone P&amp;L (INR m)</b>	<b>4QFY23</b>	<b>3QFY24</b>	<b>4QFY24</b>	<b>YoY%</b>	<b>QoQ%</b>	<b>4QFY24E</b>	<b>v/s Est (%)</b>
<b>Total Revenue</b>	<b>9,165</b>	<b>12,068</b>	<b>9,997</b>	<b>9</b>	<b>-17</b>	<b>9,696</b>	<b>3</b>
Raw Material cost	5,208	7,272	5,946	14	-18	5,454	9
<b>Gross Profit</b>	<b>3,957</b>	<b>4,796</b>	<b>4,051</b>	<b>2</b>	<b>-16</b>	<b>4,241</b>	<b>-4</b>
<b>Gross margin (%)</b>	<b>43.2</b>	<b>39.7</b>	<b>40.5</b>	<b>-266</b>	<b>78</b>	<b>43.7</b>	<b>-322</b>
Employee Costs	905	964	913	1	-5	1,006	-9
SGA Expenses	1,481	1,678	1,497	1	-11	1,494	0
<b>EBITDA</b>	<b>1,571</b>	<b>2,154</b>	<b>1,641</b>	<b>4</b>	<b>-24</b>	<b>1,741</b>	<b>-6</b>
<b>EBITDA margin (%)</b>	<b>17.1</b>	<b>17.8</b>	<b>16.4</b>	<b>-72</b>	<b>-143</b>	<b>18.0</b>	<b>-154</b>
Depreciation and amortization	1,044	1,112	1,118	7	1	1,188	-6
EBIT	526	1,042	523	-1	-50	553	-5
<b>EBIT margin (%)</b>	<b>5.7</b>	<b>8.6</b>	<b>5.2</b>	<b>-50.9</b>	<b>-339.9</b>	<b>5.7</b>	<b>-47</b>
Finance Costs	551	579	568	3	-2	585	-3
Other income	222	33	346	56	935	181	91
Exceptional item	0	0	-16	NM	NM	0	NM
<b>Profit before Tax</b>	<b>197</b>	<b>496</b>	<b>285</b>	<b>NM</b>	<b>-43</b>	<b>149</b>	<b>91</b>
Tax	35	141	69	NM	-51	30	132
<b>Tax rate (%)</b>	<b>17.6</b>	<b>28.3</b>	<b>24.2</b>	<b>660.3</b>	<b>-419.2</b>	<b>19.9</b>	<b>425</b>
<b>Profit after Tax</b>	<b>163</b>	<b>356</b>	<b>216</b>	<b>33</b>	<b>-39</b>	<b>120</b>	<b>81</b>
<b>Adj Profit after Tax</b>	<b>163</b>	<b>356</b>	<b>48</b>	<b>-71</b>	<b>-87</b>	<b>120</b>	<b>-60</b>

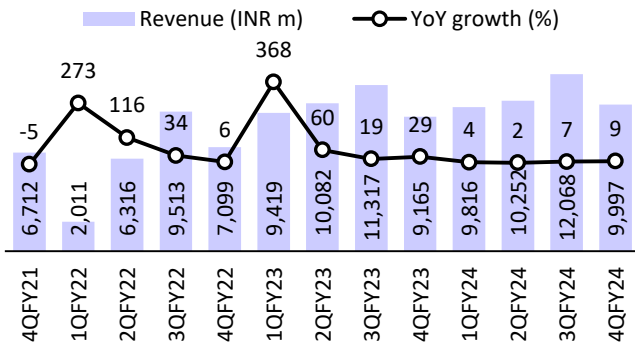
Source: MOFSL, Company

**Exhibit 3: Standalone estimate revision summary**

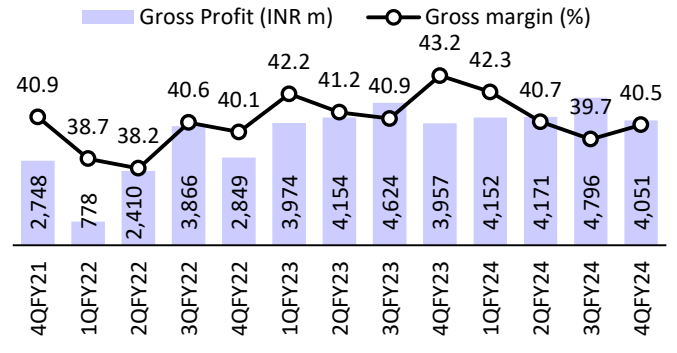
<b>Standalone performance</b>	<b>FY25E</b>	<b>FY26E</b>
<b>Revenue (INR m)</b>		
Old	48,059	55,245
Actual/New	47,847	55,301
<i>Change (%)</i>	-0.4	0.1
<b>EBITDA (INR m)</b>		
Old	8,573	10,090
Actual/New	8,622	10,227
<i>Change (%)</i>	0.6	1.4
<b>EBITDA margin (%)</b>		
Old	17.8	18.3
Actual/New	18.0	18.5
<i>Change (bp)</i>	18	23
<b>Net Profit (INR m)</b>		
Old	1,261	1,190
Actual/New	1,234	1,541
<i>Change (%)</i>	-2.1	29.5
<b>EPS (INR)</b>		
Old	15.1	14.3
Actual/New	14.8	18.5
<i>Change (%)</i>	-2.1	29.5

Story in charts

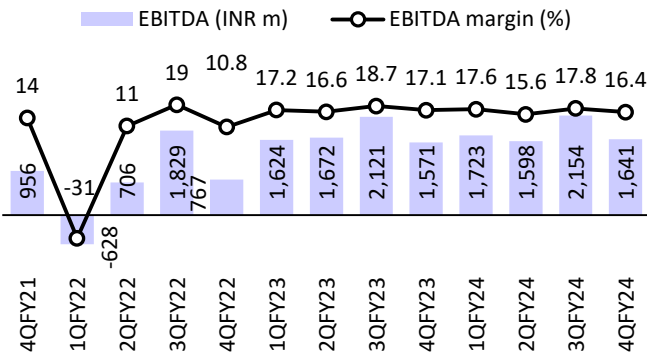
**Exhibit 4: Standalone revenue grew 9% YoY led by store adds, while SSSG was flat**



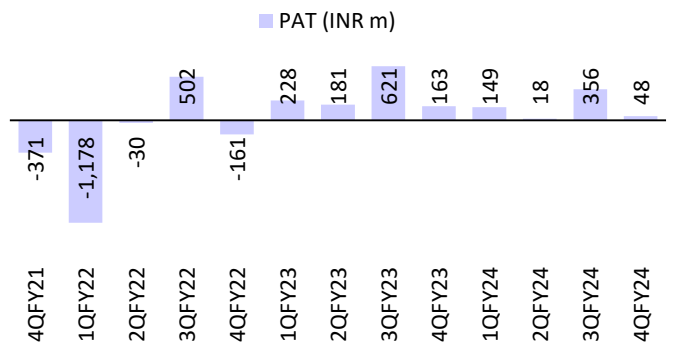
**Exhibit 5: GM declined 270bp YoY due to inventory write-off, EOSS and decline in private labels**



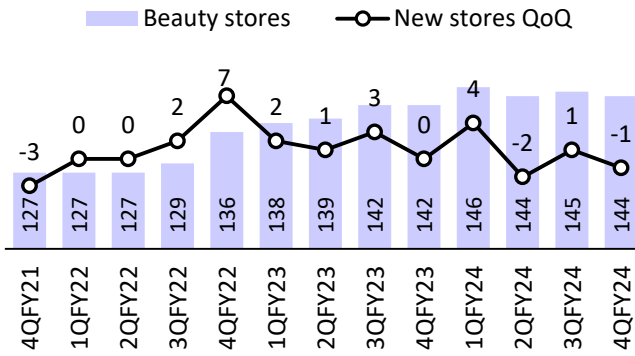
**Exhibit 6: Standalone margin contracted 70bp YoY due to GM**



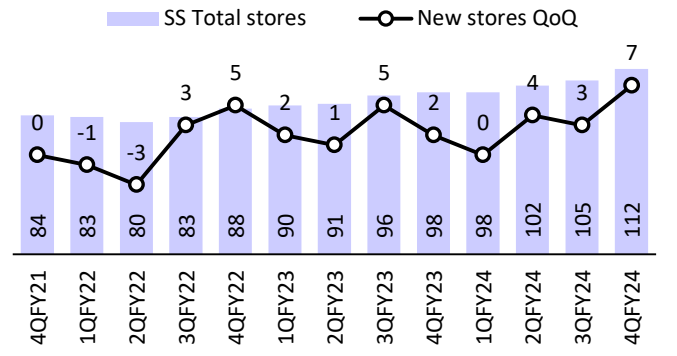
**Exhibit 7: PAT hit by subdued revenue growth and lower GM**



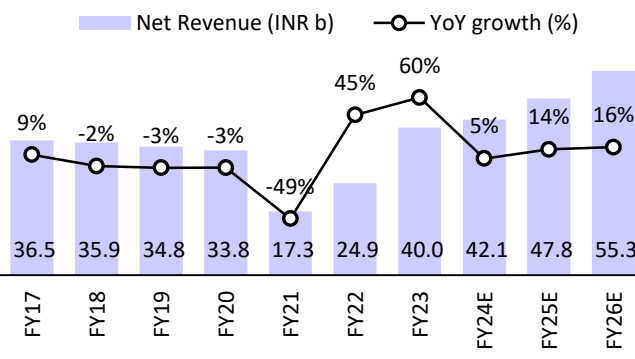
**Exhibit 8: Beauty store count stood at 144 including SIS**



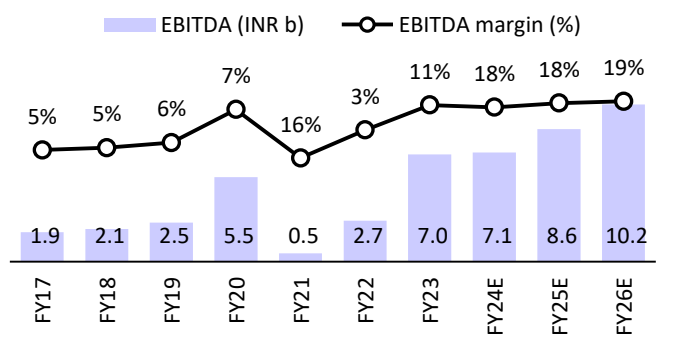
**Exhibit 9: Added net seven departmental stores**



**Exhibit 10: Standalone revenue trajectory**



**Exhibit 11: Expect EBITDA margin to improve gradually**



Source: MOFSL, Company

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## Standalone financials and valuations

Standalone - Income Statement								(INR m)
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
<b>Total Income from Operations</b>	<b>34,813</b>	<b>33,810</b>	<b>17,251</b>	<b>24,938</b>	<b>39,984</b>	<b>42,132</b>	<b>47,847</b>	<b>55,301</b>
Change (%)	-3.1	-2.9	-49.0	44.6	60.3	5.4	13.6	15.6
Raw Materials	20,272	19,676	10,651	15,034	23,274	24,963	27,847	31,936
Employees Cost	3,145	3,219	2,575	2,693	3,493	3,818	4,345	4,953
Lease Rentals	3,863	560	0	0	0	0	0	0
Other Expenses	5,000	4,860	3,492	4,536	6,229	6,235	7,034	8,185
<b>Total Expenditure</b>	<b>32,280</b>	<b>28,315</b>	<b>16,717</b>	<b>22,263</b>	<b>32,996</b>	<b>35,016</b>	<b>39,226</b>	<b>45,074</b>
% of Sales	92.7	83.7	96.9	89.3	82.5	83.1	82.0	81.5
<b>EBITDA</b>	<b>2,533</b>	<b>5,494</b>	<b>534</b>	<b>2,675</b>	<b>6,988</b>	<b>7,116</b>	<b>8,622</b>	<b>10,227</b>
Margin (%)	7.3	16.3	3.1	10.7	17.5	16.9	18.0	18.5
Depreciation	1,351	4,392	3,847	3,520	3,816	4,361	4,943	5,879
<b>EBIT</b>	<b>1,182</b>	<b>1,102</b>	<b>-3,313</b>	<b>-844</b>	<b>3,172</b>	<b>2,754</b>	<b>3,679</b>	<b>4,348</b>
Int. and Finance Charges	124	1,944	2,200	2,054	2,092	2,236	2,421	2,680
Other Income	179	335	2,188	1,661	561	557	392	392
<b>PBT bef. EO Exp.</b>	<b>1,237</b>	<b>-507</b>	<b>-3,325</b>	<b>-1,238</b>	<b>1,641</b>	<b>1,076</b>	<b>1,650</b>	<b>2,060</b>
EO Items	0	-200	-224	-150	-20	-65	0	0
<b>PBT after EO Exp.</b>	<b>1,237</b>	<b>-707</b>	<b>-3,549</b>	<b>-1,388</b>	<b>1,621</b>	<b>1,011</b>	<b>1,650</b>	<b>2,060</b>
Total Tax	449	703	-797	-521	429	272	416	519
Tax Rate (%)	36.3	-99.5	22.5	37.5	26.4	26.9	25.2	25.2
Minority Interest	0	0	0	0	0	0	0	0
<b>Reported PAT</b>	<b>788</b>	<b>-1,409</b>	<b>-2,752</b>	<b>-867</b>	<b>1,192</b>	<b>739</b>	<b>1,234</b>	<b>1,541</b>
<b>Adjusted PAT</b>	<b>1,001</b>	<b>-1,609</b>	<b>-2,976</b>	<b>-717</b>	<b>1,212</b>	<b>605</b>	<b>1,234</b>	<b>1,541</b>
Change (%)	30.8	-260.8	84.9	-75.9	-269.2	-50.1	104.0	24.8
Margin (%)	2.9	-4.8	-17.3	-2.9	3.0	1.4	2.6	2.8

Standalone - Balance Sheet								(INR m)
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Equity Share Capital	440	440	547	548	548	550	550	550
Total Reserves	9,337	926	1,270	435	1,771	2,690	3,924	5,465
<b>Net Worth</b>	<b>9,776</b>	<b>1,366</b>	<b>1,817</b>	<b>983</b>	<b>2,320</b>	<b>3,240</b>	<b>4,474</b>	<b>6,015</b>
Total Loans	0	21,915	20,054	20,934	23,527	27,317	37,434	48,750
Lease Liabilities		20,678	19,116	18,995	22,487	26,069	26,069	26,069
Deferred Tax Liabilities	-320	-2,641	-3,424	-3,740	-3,312	-3,043	-3,043	-3,043
<b>Capital Employed</b>	<b>9,457</b>	<b>20,640</b>	<b>18,447</b>	<b>18,177</b>	<b>22,535</b>	<b>27,513</b>	<b>38,864</b>	<b>51,722</b>
Gross Block	9,907	11,457	11,923	14,913	13,432	15,414	16,284	19,344
Less: Accum. Deprn.	3,959	5,930	6,912	10,432	8,820	9,966	11,364	13,037
<b>Net Fixed Assets</b>	<b>5,948</b>	<b>5,527</b>	<b>5,011</b>	<b>4,481</b>	<b>4,612</b>	<b>5,448</b>	<b>4,920</b>	<b>6,307</b>
Right to use assets		13,257	12,096	12,764	16,361	20,299	29,095	38,132
Capital WIP	351	443	29	140	339	211	339	339
<b>Total Investments</b>	<b>2,935</b>	<b>2,057</b>	<b>1,279</b>	<b>1,464</b>	<b>734</b>	<b>554</b>	<b>554</b>	<b>554</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>15,199</b>	<b>16,727</b>	<b>13,902</b>	<b>15,240</b>	<b>20,629</b>	<b>22,831</b>	<b>27,940</b>	<b>33,044</b>
Inventory	10,535	12,239	8,472	10,075	14,863	16,153	17,042	18,181
Account Receivables	444	351	348	382	304	703	799	923
Cash and Bank Balance	167	13	416	321	254	162	3,503	6,315
Loans and Advances	4,052	4,125	4,666	4,462	5,208	5,813	6,596	7,624
<b>Curr. Liability &amp; Prov.</b>	<b>14,977</b>	<b>17,370</b>	<b>13,870</b>	<b>15,913</b>	<b>20,139</b>	<b>21,830</b>	<b>23,984</b>	<b>26,654</b>
Account Payables	12,542	14,967	11,399	14,419	18,259	19,547	21,362	23,624
Other Current Liabilities	2,341	2,295	2,409	1,409	1,841	2,283	2,622	3,030
Provisions	93	108	62	86	39	0	0	0
<b>Net Current Assets</b>	<b>222</b>	<b>-643</b>	<b>32</b>	<b>-673</b>	<b>490</b>	<b>1,001</b>	<b>3,956</b>	<b>6,389</b>
<b>Appl. of Funds</b>	<b>9,456</b>	<b>20,640</b>	<b>18,447</b>	<b>18,177</b>	<b>22,535</b>	<b>27,513</b>	<b>38,865</b>	<b>51,721</b>

## Standalone financials and valuations

### Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
<b>Basic (INR)</b>								
EPS	12.0	-19.3	-35.6	-8.6	14.5	7.2	14.8	18.5
Cash EPS	28.2	33.3	10.4	33.6	60.2	59.5	74.0	88.9
BV/Share	117.1	16.4	21.8	11.8	27.8	38.8	53.6	72.0
DPS	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout (%)	9.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Valuation (x)</b>								
P/E	60.0	-37.3	-20.2	-83.8	49.5	99.2	48.6	39.0
Cash P/E	25.5	21.6	69.0	21.4	11.9	12.1	9.7	8.1
P/BV	6.1	43.9	33.0	61.1	25.9	18.5	13.4	10.0
EV/Sales	1.8	2.5	5.7	4.0	2.6	2.5	2.4	2.2
EV/EBITDA	24.9	15.5	184.2	37.1	14.6	14.9	13.1	11.9
Dividend Yield (%)	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF per share	11.1	43.8	-6.6	25.8	38.1	40.5	50.3	63.9
<b>Return Ratios (%)</b>								
RoE	10.4	-28.9	-187.0	-51.2	73.4	21.8	32.0	29.4
RoCE	8.6	17.3	-3.9	2.3	11.5	8.6	8.4	7.3
RoIC	11.8	18.2	-14.7	-3.2	12.5	8.4	9.0	8.2
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	3.5	3.0	1.4	1.7	3.0	2.7	2.9	2.9
Asset Turnover (x)	3.7	1.6	0.9	1.4	1.8	1.5	1.2	1.1
Inventory (Days)	110	132	179	147	136	140	130	120
Debtor (Days)	5	4	7	6	3	6	6	6
Creditor (Days)	132	162	241	211	167	169	163	156
<b>Leverage Ratio (x)</b>								
Current Ratio	1.0	1.0	1.0	1.0	1.0	1.0	1.2	1.2
Interest Cover Ratio	9.5	0.6	-1.5	-0.4	1.5	1.2	1.5	1.6
Net Debt/Equity	-0.3	14.5	10.1	19.5	9.7	8.2	7.5	7.0

### Standalone - Cash Flow Statement

(INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
OP/(Loss) before Tax	1,237	-707	-3,549	-1,388	1,621	1,011	1,650	2,060
Depreciation	1,351	4,392	3,847	3,520	3,816	4,361	4,943	5,879
Interest & Finance Charges	124	1,944	2,200	2,054	2,092	2,236	2,421	2,680
Direct Taxes Paid	-565	-422	124	210	-36	53	-416	-519
(Inc)/Dec in WC	-24	538	-575	899	-1,683	-1,116	386	379
<b>CF from Operations</b>	<b>2,124</b>	<b>5,745</b>	<b>2,046</b>	<b>5,295</b>	<b>5,810</b>	<b>6,544</b>	<b>8,984</b>	<b>10,479</b>
Others	-24	-101	-1,948	-1,403	-188	-381	-392	-392
<b>CF from Operating incl EO</b>	<b>2,100</b>	<b>5,644</b>	<b>99</b>	<b>3,892</b>	<b>5,622</b>	<b>6,164</b>	<b>8,592</b>	<b>10,086</b>
(Inc)/Dec in FA	-1,123	-1,786	-823	-1,067	-1,444	-1,712	-3,060	-3,060
<b>Free Cash Flow</b>	<b>977</b>	<b>3,858</b>	<b>-724</b>	<b>2,824</b>	<b>4,178</b>	<b>4,452</b>	<b>5,532</b>	<b>7,026</b>
(Pur)/Sale of Investments	-224	-1,033	578	-55	796	332	0	0
Others	-864	421	-721	-666	-365	-391	-13	-13
<b>CF from Investments</b>	<b>-2,211</b>	<b>-2,397</b>	<b>-965</b>	<b>-1,788</b>	<b>-1,013</b>	<b>-1,772</b>	<b>-3,073</b>	<b>-3,073</b>
Issue of Shares	11	0	2,960	25	27	98	0	0
Inc/(Dec) in Debt	-398	-400	1,500	-773	-1,102	-26	3,102	2,605
Interest Paid	-124	-1,944	-2,195	-2,056	-2,094	-2,233	-2,421	-2,680
Dividend Paid	-80	-80	0	0	0	0	0	0
Others	0	-1,809	-558	0	-2,203	-2,816	-3,264	-4,531
<b>CF from Fin. Activity</b>	<b>-591</b>	<b>-4,232</b>	<b>1,707</b>	<b>-2,804</b>	<b>-5,372</b>	<b>-4,977</b>	<b>-2,583</b>	<b>-4,606</b>
<b>Inc/Dec of Cash</b>	<b>-702</b>	<b>-986</b>	<b>841</b>	<b>-701</b>	<b>-763</b>	<b>-585</b>	<b>2,936</b>	<b>2,407</b>
Opening Balance	869	998	-425	1,022	1,017	747	567	3,908
<b>Closing Balance</b>	<b>167</b>	<b>12</b>	<b>416</b>	<b>321</b>	<b>254</b>	<b>162</b>	<b>3,503</b>	<b>6,315</b>

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