

Avenue Supermarts

Estimate changes	↔
TP change	↑
Rating change	↔

Bloomberg	DMART IN
Equity Shares (m)	651
M.Cap.(INRb)/(USDb)	2811.4 / 31.7
52-Week Range (INR)	4950 / 3337
1, 6, 12 Rel. Per (%)	-8/-9/-7
12M Avg Val (INR M)	2845

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	696	820	968
EBITDA	51	61	74
Adj. PAT	29	35	42
EBITDA Margin (%)	7.3	7.4	7.6
Adj. EPS (INR)	45	54	65
EPS Gr. (%)	8	20	20
BV/Sh. (INR)	374	428	493

Ratios

Net D:E	0.0	0.0	0.1
RoE (%)	12.8	13.4	14.1
RoCE (%)	12.7	13.3	13.7
Payout (%)	0.0	0.0	0.0

Valuations

P/E (x)	96.1	80.2	66.7
EV/EBITDA (x)	55.4	46.2	38.5
EV/Sales (X)	4.0	3.4	2.9
Div. Yield (%)	0.0	0.0	0.0
FCF Yield (%)	0.1	0.0	0.0

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	74.7	74.7	74.7
DII	9.3	9.2	8.0
FII	8.3	8.2	9.2
Others	7.8	8.0	8.1

FII Includes depository receipts

CMP: INR4,320 TP: INR5,000 (+16%) Buy

Largely in-line results; pressure on gross margin eases

- Avenue Supermarts (DMART) posted in-line results in 2QFY26 standalone EBITDA grew 11% YoY as margin contracted 30 bp YoY to 7.6% (in line).
- After three quarters of contraction, DMART's gross margin (GM) expanded 5bp YoY to 14.2% (~20bp beat) in 2QFY26. However, cost of retailing (CoR) remained elevated, with ~7% YoY uptick on a per sqft basis (+35bp YoY).
- DMART's 2Q standalone revenue grew ~15% YoY, driven by ~13% store area addition and 6.8% like-for-like (LFL) growth (on a low base of 5.5% YoY).
- DMART added eight stores in 2QFY26 (17 in 1H vs 12 YoY). Acceleration in store additions remains the primary growth driver for the company. We continue to build in 60 store additions in FY26 and note a YoY increase of ~9%/38% in cash capex and CWIP, respectively, during 1HFY26.
- With quick commerce (QC) players potentially shifting their focus to profitable growth, we believe the peak of competitive intensity may be behind us. However, increased pricing competition from the entry of large online/offline retailers into QC remains a key monitorable.
- We raise our FY26 EBITDA by ~2%, led by a higher GM, while keeping FY27-28 estimates broadly unchanged. Our FY26-28E PAT is also broadly unchanged.
- We build in a CAGR of 18%/18%/16% in DMART's consol. revenue/EBITDA/PAT over FY25-28E, driven by 15% CAGR in store additions and ~7% LTL growth.
- We assign a ~46x Dec'27 EV/EBITDA multiple (implying ~80x Dec'27 P/E) to arrive at our revised TP of INR5,000. **We reiterate our BUY on DMART.**

In-line 11% YoY standalone EBITDA growth; rising interest/D&A costs hurt PAT (5% YoY)

- Standalone revenue rose ~15% YoY to INR162b (in-line), driven by ~13% area additions and **6.8% LFL growth (vs. 7.1% in 1Q and 5.5% YoY)**.
 - The company added **eight stores**/0.3m sqft area to reach 432 stores and 17.9m sqft. This implies addition of an average 37.5k sqft stores in 2QFY26 (which is relatively lower than average store size of 41.5k sqft).
 - DMART's store count rose ~15% YoY, while the annualized revenue per store rose ~1% YoY to INR1.5b and annualized revenue/sq. ft grew ~1.5% YoY to INR36.6k.
- Standalone gross profit stood at INR23.1b (**up ~16% YoY**, 2% above estimates) as GM **expanded ~5bp YoY to 14.2% (~20bp beat)**.
 - The share of the higher-margin GM&A category remained stable YoY, while the share of the Foods category increased ~40bp YoY, at the expense of Non-food FMCG.
- Standalone EBITDA at INR12.3b (in line), **rose ~11% YoY**, as margins **contracted 30bp YoY to 7.6% (in line)** due to a 7% YoY increase in the CoR per sq. ft. (~35bp YoY, 20bp above estimates).
 - Employee costs surged 33% YoY, while other expenses grew 17% YoY, as DMART continues to spend on improving service levels amid cost inflation in entry-level jobs.

- Standalone PAT at INR7.5b (in line) rose by modest ~5% YoY, with PAT margin moderating 45bp YoY to 4.6% due to higher depreciation (+23% YoY), interest cost (2.4x YoY), and tax rate.

OCF up 41% YoY, but FCF outflow continued due to rising capex

- DMART's 1HFY26 standalone revenue/EBITDA/PAT grew 16%/9%/4% YoY.
- Based on our estimates, the implied revenue/EBITDA/PAT growth for 2HFY25 is 18%/17%/13%.
- DMART's 1HFY26 OCF (after interest and leases) rose 41% YoY to INR12.7b, driven by 9% YoY EBITDA growth and favorable WC movement.
- With a 9% YoY increase in cash capex, DMART's 1HFY26 FCF outflow stood at INR4.3b (vs. INR6.6b outflow in 1HFY25).
- DMART's net debt, excluding leases, stood at INR835m (vs. INR2.6b/INR3.3b net cash as of Sep'24/Mar'25).

Foods share grew 40bp YoY at the expense of FMCG; GM&A stable YoY

- **General merchandise and apparel (GM&A): 2Q growth stood at ~15.1% YoY** (vs. ~15.4% YoY in 1QFY26) with share in DMART's category mix stable YoY at 22% (down ~10bp YoY to 23.3% in 1HFY26)
- **Food:** Foods, the largest contributor to DMART's revenue, saw a moderation in growth to **~16% YoY in 2Q (vs. ~18% YoY in 1QFY26)**. However, the category's contribution to DMART's mix increased 40bp YoY to 58.4% in 2QFY26 (up 60bp YoY to 57% in 1HFY26)
- **Non-food FMCG:** The non-food FMCG **continued to remain the weakest segment**, with ~13.3% YoY growth (vs. ~12.6% YoY in 1QFY26) as its share in DMART's mix declined ~40bp YoY to 19.6% in 2QFY26 (down 50bp YoY to 19.7% in 1HFY26).

Consolidated EBITDA rises 11% YoY as margins contract ~30bp YoY

- Consolidated revenue grew 15.5% YoY to INR167b (in line).
- Consol. GP grew 17% YoY to INR25.1b (2% above), as GM expanded ~15bp YoY to 15.1% (~30bp beat).
- Consol. EBITDA rose 11% YoY to INR12.1b (in line) as margins contracted ~30bp YoY to 7.3% due to higher CoR in store operations and ~3.6% operating loss margin in subsidiaries (vs. -3.3% QoQ and -2.9% YoY).
- Consol PAT grew by modest ~4% YoY to INR6.85b (2% lower). PAT margins contracted ~45bp YoY to 4.1% (-10bp QoQ).

DMART Ready consolidates its city footprint with a focus on large metros

- **Leadership transition:** The CEO-designate, Mr. Anshul Asawa, took charge of all operational aspects of DMART's B&M stores business during the quarter.
- **Bill cuts and ABV:** Total bill cuts for 2QFY26 stood at 97m, rising ~14% YoY, while the average basket value (ABV) rose 1% YoY to INR1,672.
- **DMART Ready:** DMART Ready added 10 new fulfilment centers in its existing markets and continued to invest and deepen its presence in large metros. However, it has **ceased operations in five cities** (Amritsar, Belgavi, Bhilai, Chandigarh, and Ghaziabad) and is now present in 19 cities (vs. 25 at FY25-end).

- **GST Passthrough:** Following the government's recent announcement on GST reforms, the company has passed on the benefit of reduced GST rates.

Valuation and view

- With QC players potentially shifting their focus to profitable growth, we believe the peak of competitive intensity may be behind us. However, increased pricing competition from the entry of large online/offline retailers in QC remains a key monitorable and could weigh on DMART's near-term growth and margins.
- We believe DMART's value-focused model and superior store economics will ensure its competitiveness and customer relevance over the longer term despite QC's convenience-focused model.
- Acceleration in store addition remains the key growth trigger for DMART. We build in ~60 store additions in FY26 (vs. 17/50 store additions in 1H FY26/FY25).
- We raise our FY26E EBITDA by ~2%, driven by higher GM, while keeping FY27-28 estimates broadly unchanged. Our FY26-28E PAT is broadly unchanged.
- We build in a CAGR of 18%/18%/16% in DMART's consol. revenue/EBITDA/PAT over FY25-28E, driven by a 15% CAGR in store additions and ~7% LTL growth.
- We roll forward our valuation base to Dec'27 (vs. Sep'27 earlier) and assign ~46x EV/EBITDA multiple (implying ~80x Dec'27 P/E) to arrive at our **revised TP of INR5,000 (earlier INR4,800). We reiterate our BUY rating on DMART.**

Consolidated quarterly earnings

Y/E March	FY25				FY26E				FY25	FY26E	FY26 2QE	Est Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Revenue	140.7	144.4	159.7	148.7	163.6	166.8	188.1	177.4	594	696	167.0	(0.2)
YoY Change (%)	18.6	14.4	17.7	16.9	16.3	15.5	17.8	19.3	16.9	17.2	15.6	
Total Expenditure	128.5	133.5	147.6	139.2	150.6	154.6	174.0	165.9	549	645	154.9	(0.2)
EBITDA	12.2	10.9	12.2	9.6	13.0	12.1	14.2	11.5	45	51	12.1	0.3
EBITDA margin (%)	8.7	7.6	7.6	6.4	7.9	7.3	7.5	6.5	7.6	7.3	7.2	
Change YoY (%)	18.0	8.8	8.7	1.2	6.4	11.0	16.5	20.5	9.3	13.2	10.7	
Depreciation	1.9	2.1	2.3	2.4	2.3	2.5	2.8	2.9	9	11	2.5	1.5
Interest	0.2	0.2	0.2	0.2	0.3	0.3	0.4	0.4	1	1	0.3	25.6
Other Income	0.4	0.3	0.2	0.3	0.2	0.2	0.3	0.3	1	1	0.2	
PBT	10.5	9.0	10.0	7.2	10.6	9.4	11.3	8.5	37	40	9.5	(0.7)
Tax	2.8	2.4	2.7	1.7	2.8	2.6	3.0	2.1	10	11	2.5	
Rate (%)	26.6	27.0	27.3	23.5	26.9	27.3	26.5	25.1	26.3	26.5	26.5	
Reported PAT	7.7	6.6	7.2	5.5	7.7	6.9	8.3	6.4	27	29	7.0	(1.8)
Adj. PAT	7.7	6.6	7.2	5.5	7.7	6.9	8.3	6.4	27	29	7.0	(1.8)
YoY Change (%)	17.5	5.8	4.7	(2.2)	(0.1)	4.1	14.7	15.6	7	8	6.0	

E: MOFSL Estimates

Exhibit 1: Valuation based on Dec'27E EBITDA

	Methodology	Driver (INR b)	Multiple	Fair Value (INR b)	Value/sh (INR)
EBITDA	Dec'27 EV/EBITDA	70	46	3,254	5,012
Less Net debt				8	12
Equity value				3,246	5,000
Shares o/s (m)				651	
CMP (INR)					4,320
Upside (%)					15.7

Source: MOFSL, Company

Exhibit 2: Standalone quarterly results summary

Standalone Quarterly	2QFY25	1QFY26	2QFY26	YoY%	QoQ%	2QFY26E	v/s est (%)
Revenue	1,40,503	1,59,321	1,62,188	15.4	1.8	1,62,188	0.0
Raw Material cost	1,20,579	1,35,998	1,39,090	15.4	2.3	1,39,433	-0.2
Gross Profit	19,924	23,323	23,098	15.9	-1.0	22,755	1.5
Gross Margin (%)	14.2	14.6	14.2	6bps	-40bps	14.0	21bps
Employee Costs	2,483	3,018	3,311	33.4	9.7	3,033	9.2
Other Expenses	6,391	7,172	7,487	17.1	4.4	7,461	0.3
Total Expenses	1,29,453	1,46,188	1,49,888	15.8	2.5	1,49,926	0.0
EBITDA	11,051	13,133	12,300	11.3	-6.3	12,261	0.3
EBITDA margin (%)	7.9	8.2	7.6	-28bps	-66bps	7.6	2bps
Depreciation and amortization	1,849	2,096	2,282	23.4	8.9	2,266	0.7
EBIT	9,201	11,037	10,017	8.9	-9.2	9,995	0.2
EBIT margin (%)	6.5	6.9	6.2	-37bps	-75bps	6.2	1bps
Finance Costs	134	266	318	138.0	19.6	253	25.9
Other income	465	341	329	-29.2	-3.5	301	9.3
Profit before Tax	9,533	11,113	10,028	5.2	-9.8	10,044	-0.2
Tax	2,429	2,815	2,563	5.5	-9.0	2,491	2.9
Tax rate (%)	25.5	25.3	25.6	8bps	22bps	24.8	75bps
Profit after Tax	7,104	8,297	7,465	5.1	-10.0	7,553	-1.2
PAT margin (%)	5.1	5.2	4.6	-45bps	-60bps	4.7	-5bps

Source: MOFSL, Company

Exhibit 3: Standalone key operating metrics

	2QFY25	1QFY26	2QFY26	YoY%	QoQ%	2QFY26E	v/s est (%)
Total stores	377	424	432	14.6	1.9	432	0.0
Store adds	6	9	8			8	0.0
Total area (m sqft)	15.8	17.6	17.90	13.3	1.7	17.9	-0.1
Average store size (sqft)	41,910	41,509	41,435	-1.1	-0.2	41,481	-0.1
Average new store size added (sqft)	66,667	44,444	37,500	-43.7	-15.6	40,000	-6.2
Annualized revenue per sqft (INR)	36,026	36,626	36,549	1.5	-0.2	36,529	0.1
Annualized revenue per store (INRb)	1,503	1,519	1,516	0.9	-0.2	1,516	0.0

Source: MOFSL, Company

Exhibit 4: Consolidated quarterly results summary

Consolidated Quarterly	2QFY25	1QFY26	2QFY26	YoY%	QoQ%	2QFY26E	v/s est (%)
Revenue	1,44,445	1,63,597	1,66,763	15.5	1.9	1,67,017	-0.2
Raw Material cost	1,22,897	1,38,550	1,41,630	15.2	2.2	1,42,320	-0.5
Gross Profit	21,548	25,047	25,133	16.6	0.3	24,696	1.8
Gross Margin (%)	14.9	15.3	15.1	15bps	-24bps	14.8	28bps
Employee Costs	2,852	3,469	3,768	32.1	8.6	3,457	9.0
Other Expenses	7,758	8,588	9,228	18.9	7.4	9,136	1.0
EBITDA	10,938	12,990	12,136	11.0	-6.6	12,103	0.3
EBITDA margin (%)	7.6	7.9	7.3	-29bps	-66bps	7.2	3bps
Depreciation and amortization	2,078	2,317	2,535	22.0	9.4	2,498	1.5
EBIT	8,860	10,673	9,602	8.4	-10.0	9,606	0.0
EBIT margin (%)	6.1	6.5	5.8	-38bps	-77bps	5.8	1bps
Finance Costs	163	293	350	114.2	19.3	278	25.6
Other income	335	194	196	-41.6	0.7	183	7.1
Profit before Tax	9,032	10,575	9,448	4.6	-10.7	9,510	-0.7
Tax	2,438	2,847	2,582	5.9	-9.3	2,520	2.4
Tax rate (%)	27.0	26.9	27.3	34bps	41bps	26.5	83bps
Profit after Tax	6,594	7,728	6,866	4.1	-11.2	6,990	-1.8
PAT margin (%)	4.6	4.7	4.1	-45bps	-61bps	4.2	-7bps

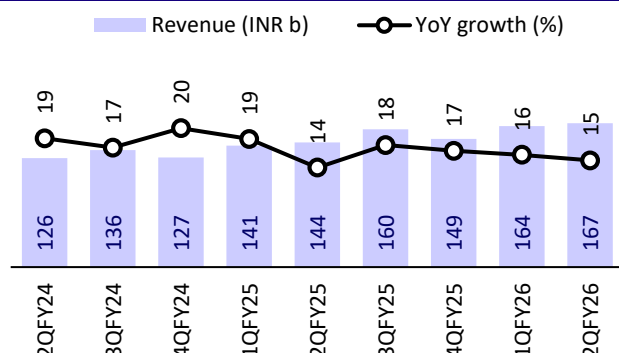
Source: MOFSL, Company

Exhibit 5: Summary of changes to our consolidated estimates

	FY26E	FY27E	FY28E
Revenue (INR b)			
Old	693	822	969
Actual/New	696	820	968
Change (%)	0.4	-0.1	-0.2
Gross Profit (INR b)			
Old	102	122	145
Actual/New	103	123	146
Change (%)	1.2	0.3	0.3
Gross margin (%)			
Old	14.7	14.9	15.0
Actual/New	14.8	14.9	15.1
Change (bp)	12bps	7bps	7bps
EBITDA (INR b)			
Old	50	61	73
Actual/New	51	61	74
Change (%)	1.6	0.2	0.0
EBITDA margin (%)			
Old	7.2	7.4	7.6
Actual/New	7.3	7.4	7.6
Change (bp)	8bps	3bps	2bps
Net Profit (INR b)			
Old	29	35	42
Actual/New	29	35	42
Change (%)	1.4	-0.2	-0.4
EPS (INR)			
Old	44.4	54.0	65.1
Actual/New	45.0	53.9	64.8
Change (%)	1.4	-0.2	-0.4

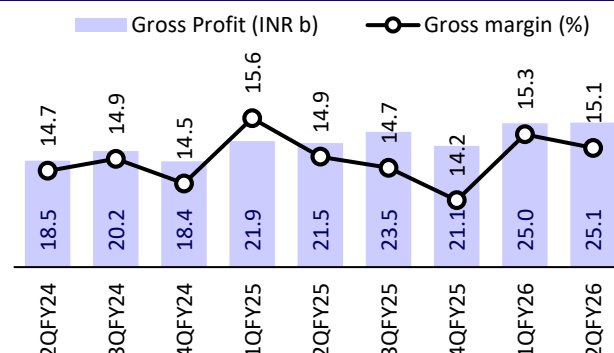
Story in charts

Exhibit 6: Consol. revenue was up ~15% YoY, led by ~13% store area additions and ~6.8% LFL growth



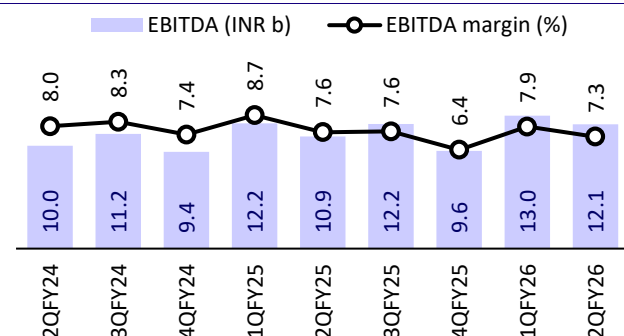
Source: Company, MOFSL

Exhibit 7: After three quarters of YoY contraction, GM expanded ~15bp YoY in 2QFY26



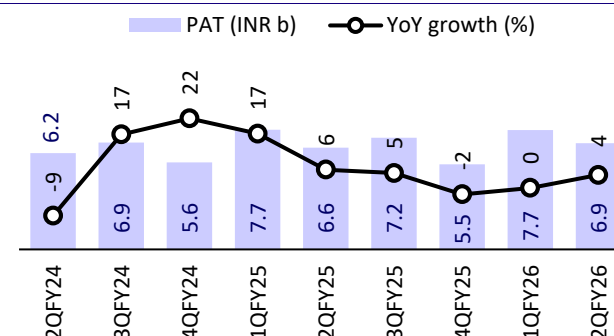
Source: Company, MOFSL

Exhibit 8: Consol. EBITDA grew 11% YoY; margin contracted ~30bp YoY due to continued higher cost of retailing



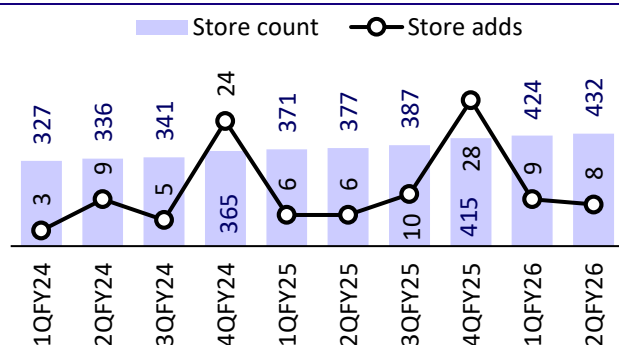
Source: MOFSL, Company

Exhibit 9: Consol. PAT rose by a modest 4% YoY in 2QFY26 due to higher interest and depreciation expenses



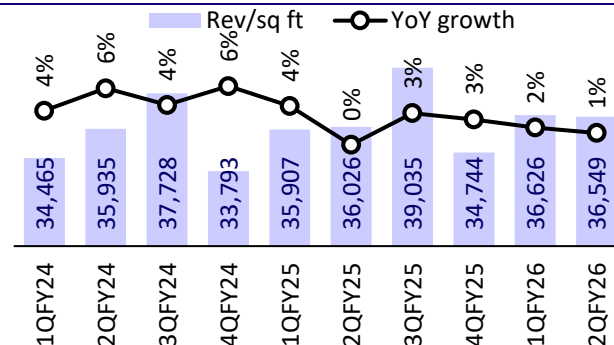
Source: MOFSL, Company

Exhibit 10: Added 8 stores and 0.3 m sqft area in 2QFY26



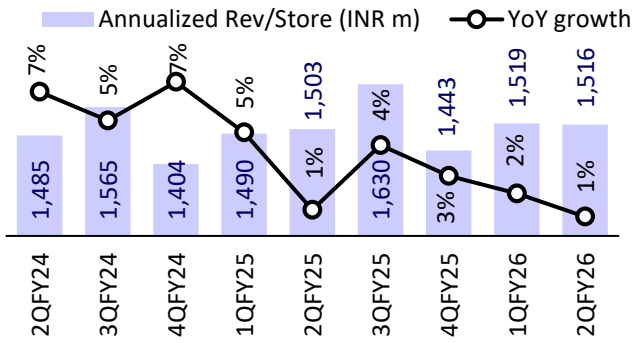
Source: MOFSL, Company

Exhibit 11: Annualized revenue/sqft rose by modest ~1% YoY



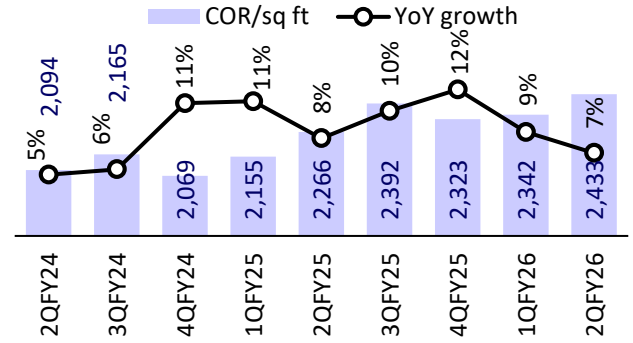
Source: MOFSL, Company

Exhibit 12: Annualized revenue/store grew 1% YoY



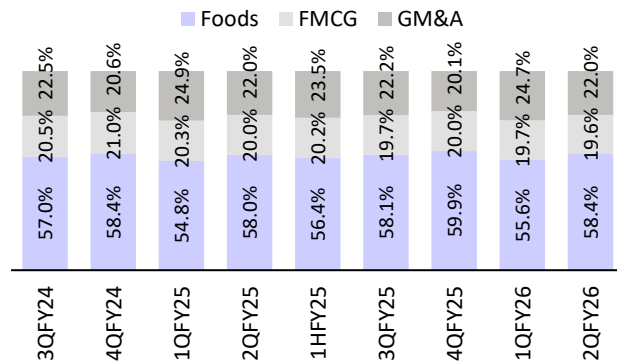
Source: MOFSL, Company

Exhibit 13: Annualized CoR/sqft up ~7% YoY during 2QFY26



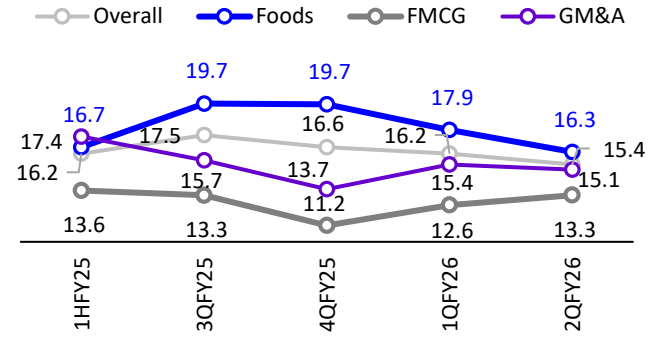
Source: MOFSL, Company

Exhibit 14: The share of Foods rose 40bp YoY at the expense of non-Food FMCG, while GM&A remained stable YoY



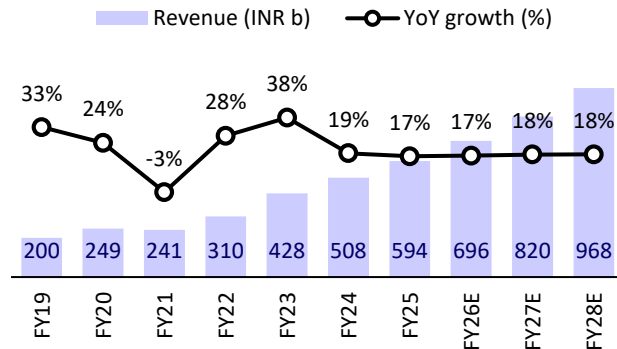
Source: MOFSL, Company

Exhibit 15: Non-food FMCG growth remained weaker (+13% YoY), while GM&A growth was steady at ~15% YoY in 2Q



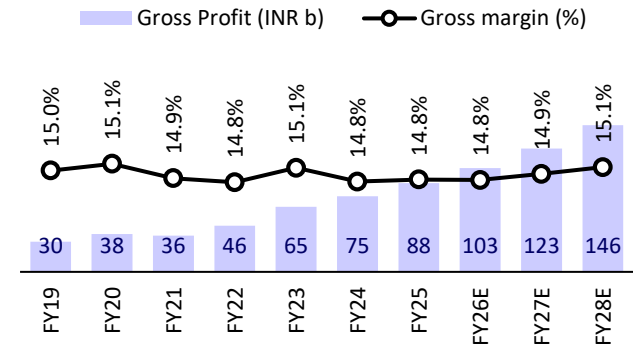
Source: MOFSL, Company

Exhibit 16: Expect ~18% consol. revenue CAGR over FY25-28



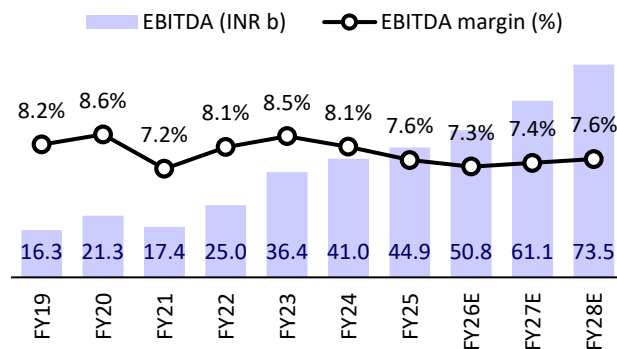
Source: MOFSL, Company

Exhibit 17: Expect ~18% gross profit CAGR over FY25-28



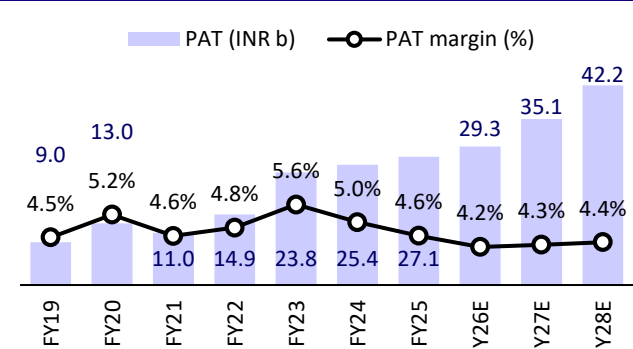
Source: MOFSL, Company

Exhibit 18: Expect ~18% EBITDA CAGR over FY25-28



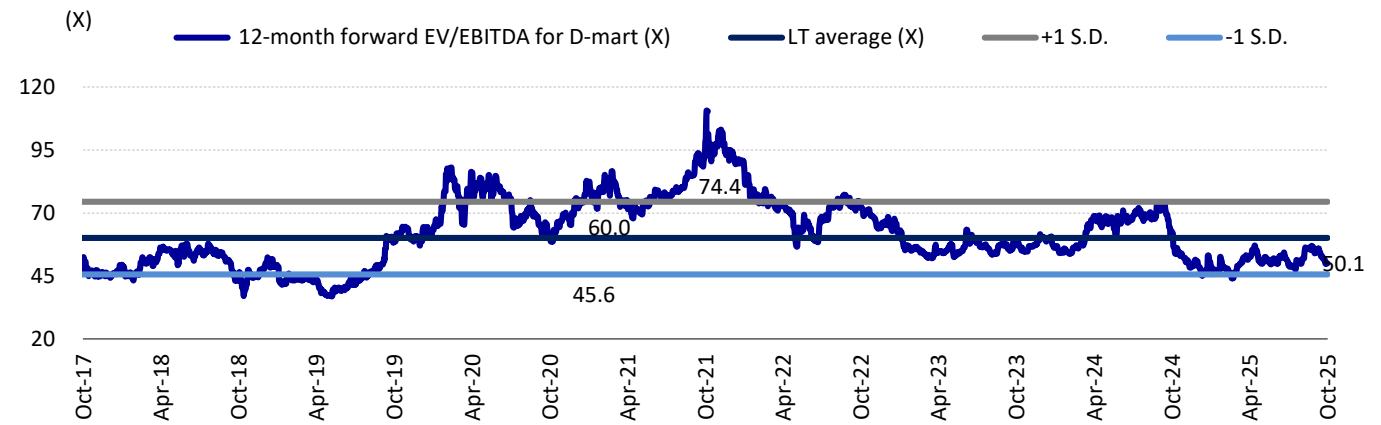
Source: MOFSL, Company

Exhibit 19: Expect ~16% PAT CAGR over FY25-28



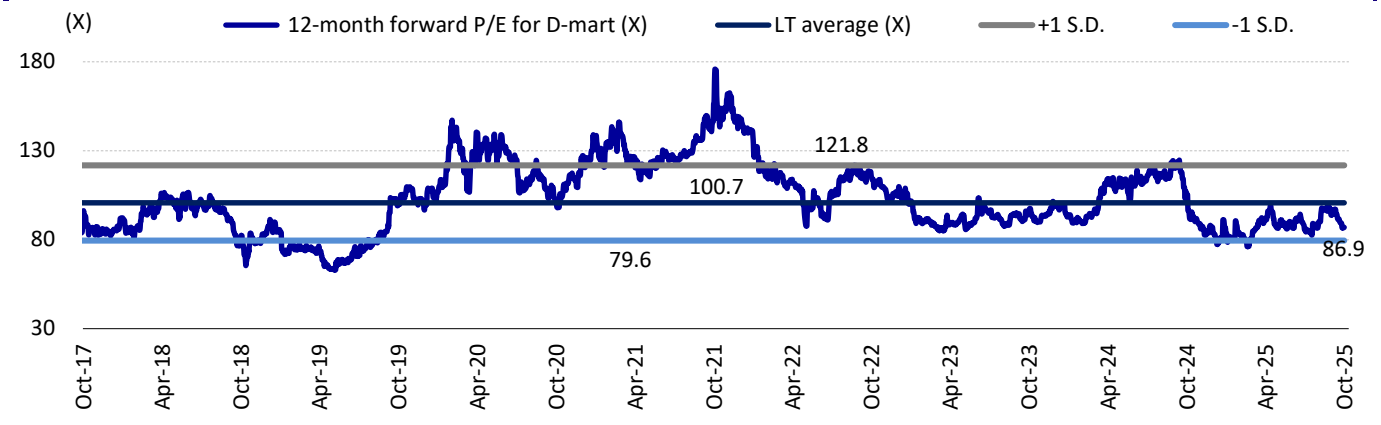
Source: MOFSL, Company

Exhibit 20: DMART is currently trading at ~50x (~17% below its LT average) one-year forward rolling EV/EBITDA



Source: MOFSL, Company

Exhibit 21: DMART is currently trading at ~87x (~15% below its LT average) one-year forward rolling P/E



Source: MOFSL, Company

Financials and valuation

Consolidated - Income Statement

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Total Income from Operations	2,41,431	3,09,763	4,28,396	5,07,888	5,93,581	6,95,911	8,20,387	9,67,586
Change (%)	-2.9	28.3	38.3	18.6	16.9	17.2	17.9	17.9
Raw Materials	2,05,547	2,63,974	3,63,840	4,32,745	5,05,517	5,92,726	6,97,773	8,21,678
Gross Profit	35,884	45,789	64,556	75,143	88,064	1,03,186	1,22,613	1,45,907
Margin (%)	14.9	14.8	15.1	14.8	14.8	14.8	14.9	15.1
Employees Cost	5,366	6,162	7,470	9,061	11,659	14,788	17,392	20,464
Other Expenses	13,088	14,642	20,716	25,044	31,531	37,579	44,137	51,911
Total Expenditure	2,24,000	2,84,778	3,92,025	4,66,851	5,48,707	6,45,093	7,59,302	8,94,054
% of Sales	92.8	91.9	91.5	91.9	92.4	92.7	92.6	92.4
EBITDA	17,431	24,985	36,370	41,038	44,873	50,818	61,084	73,532
Margin (%)	7.2	8.1	8.5	8.1	7.6	7.30	7.45	7.60
Depreciation	4,142	4,981	6,389	7,308	8,695	10,562	12,779	15,270
EBIT	13,289	20,004	29,982	33,730	36,178	40,257	48,305	58,262
Int. and Finance Charges	417	538	674	581	695	1,372	1,577	1,775
Other Income	1,962	1,175	1,293	1,465	1,243	928	861	580
PBT bef. EO Exp.	14,835	20,641	30,601	34,613	36,727	39,813	47,589	57,067
EO Items	0	0	0	0	0	0	0	0
PBT after EO Exp.	14,835	20,641	30,601	34,613	36,727	39,813	47,589	57,067
Total Tax	3,840	5,717	6,818	9,251	9,652	10,551	12,516	14,894
Tax Rate (%)	25.9	27.7	22.3	26.7	26.3	26.5	26.3	26.1
Minority Interest	0	0	0	0	0	0	0	0
Reported PAT	10,994	14,924	23,783	25,363	27,075	29,263	35,073	42,173
Adjusted PAT	10,994	14,924	23,783	25,363	27,075	29,263	35,073	42,173
Change (%)	-15.5	35.7	59.4	6.6	6.7	8.1	19.9	20.2
Margin (%)	4.6	4.8	5.6	5.0	4.6	4.2	4.3	4.4

Consolidated - Balance Sheet

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	6,478	6,478	6,483	6,507	6,507	6,507	6,507	6,507
Total Reserves	1,15,359	1,30,299	1,54,304	1,80,471	2,07,770	2,37,033	2,72,106	3,14,278
Net Worth	1,21,837	1,36,776	1,60,787	1,86,978	2,14,278	2,43,540	2,78,613	3,20,786
Total Loans	0	0	0	0	0	0	3,500	7,000
Lease Liabilities	3,927	6,469	6,430	5,922	8,196	9,331	10,730	12,307
Deferred Tax Liabilities	512	640	770	919	1,125	1,125	1,125	1,125
Capital Employed	1,26,281	1,43,890	1,67,987	1,93,814	2,23,588	2,53,986	2,93,957	3,41,207
Gross Block	83,178	1,10,486	1,37,381	1,64,929	2,00,278	2,43,829	2,94,639	3,52,707
Less: Accum. Deprn.	13,873	18,669	24,759	31,562	38,996	49,557	62,336	77,606
Net Fixed Assets	69,305	91,817	1,12,622	1,33,367	1,61,282	1,94,272	2,32,302	2,75,101
Right to use assets	9,602	13,887	15,049	15,391	17,417	17,417	17,417	17,417
Capital WIP	10,196	11,293	8,292	9,352	10,994	10,994	10,994	10,994
Total Investments	30	59	2,022	1,067	33	33	33	33
Curr. Assets, Loans&Adv.	56,237	50,758	57,327	67,156	70,037	71,260	77,370	86,745
Inventory	22,483	27,427	32,435	39,273	50,444	50,456	57,487	67,695
Account Receivables	436	669	622	1,664	1,538	1,907	2,248	2,651
Cash and Bank Balance	14,456	2,986	14,083	6,382	3,582	4,424	3,162	1,926
Loans and Advances	18,863	19,677	10,187	19,837	14,474	14,474	14,474	14,474
Curr. Liability & Prov.	10,280	10,838	13,076	17,958	19,615	23,430	27,599	32,523
Account Payables	5,781	5,892	7,538	9,848	10,708	12,991	15,294	18,009
Other Current Liabilities	4,236	4,533	4,965	7,407	8,289	9,743	11,485	13,546
Provisions	262	413	573	702	618	696	820	968
Net Current Assets	45,958	39,920	44,251	49,198	50,422	47,831	49,771	54,222
Deferred Tax assets	10	17	18	47	75	75	75	75
Appl. of Funds	1,26,281	1,43,890	1,67,987	1,93,814	2,23,588	2,53,986	2,93,957	3,41,207

Financials and valuation

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
EPS (diluted from FY17)	17.0	23.0	36.7	39.0	41.6	45.0	53.9	64.8
Cash EPS (diluted from FY17)	23.4	30.7	46.5	50.2	55.0	61.2	73.5	88.3
BV/Share (diluted from FY17)	188.1	211.1	248.0	287.3	329.3	374.3	428.2	493.0
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Valuation (x)								
P/E	254.5	187.5	117.7	110.8	103.8	96.1	80.2	66.7
Cash P/E	184.9	140.6	92.8	86.0	78.6	70.6	58.7	48.9
P/BV	23.0	20.5	17.4	15.0	13.1	11.5	10.1	8.8
EV/Sales	11.5	9.0	6.5	5.5	4.7	4.0	3.4	2.9
EV/EBITDA	159.9	112.1	76.7	68.5	62.7	55.4	46.2	38.5
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF per share	-10.1	-15.7	6.5	0.4	-14.7	6.0	-1.6	-0.2
Return Ratios (%)								
RoE	9.5	11.5	16.0	14.6	13.5	12.8	13.4	14.1
RoCE	9.4	11.4	15.7	14.3	13.3	12.7	13.3	13.7
RoIC	11.0	12.5	17.1	15.4	13.8	13.2	13.7	14.2
Working Capital Ratios								
Fixed Asset Turnover (x)	2.9	2.8	3.1	3.1	3.0	2.9	2.8	2.7
Asset Turnover (x)	1.9	2.2	2.6	2.6	2.7	2.7	2.8	2.8
Inventory (Days)	40	38	33	33	36	31	30	30
Debtor (Days)	1	1	1	1	1	1	1	1
Creditor (Days)	10	8	8	8	8	8	8	8
Leverage Ratio (x)								
Current Ratio	5.5	4.7	4.4	3.7	3.6	3.0	2.8	2.7
Interest Cover Ratio	31.9	37.2	44.5	58.0	52.1	29.3	30.6	32.8
Net Debt/Equity	-0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.1

Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	14,835	20,641	30,601	34,613	36,727	39,813	47,589	57,067
Depreciation	4,142	4,981	6,389	7,308	8,695	10,562	12,779	15,270
Interest & Finance Charges	417	538	674	581	695	1,372	1,577	1,775
Direct Taxes Paid	-2,616	-5,603	-7,089	-7,418	-9,592	-10,551	-12,516	-14,894
(Inc)/Dec in WC	-1,271	-5,825	-3,199	-6,438	-11,127	3,434	-3,202	-5,688
CF from Operations	15,506	14,733	27,376	28,646	25,397	44,630	46,227	53,529
Others	-1,754	-1,009	-1,073	-1,188	-767	-928	-861	-580
CF from Operating incl EO	13,751	13,724	26,303	27,458	24,630	43,702	45,366	52,950
(Inc)/Dec in FA	-20,275	-23,895	-22,065	-27,218	-34,172	-39,793	-46,426	-53,058
Free Cash Flow	-6,524	-10,172	4,238	240	-9,542	3,908	-1,059	-108
(Pur)/Sale of Investments	7,830	10,500	-1,500	-137	1,272	0	0	0
Others	1,345	500	434	2,672	11,047	928	861	580
CF from Investments	-11,100	-12,895	-23,131	-24,683	-21,853	-38,865	-45,565	-52,478
Issue of Shares	0	0	155	748	0	0	0	0
Inc/(Dec) in Debt	-377	0	0	0	0	0	3,500	3,500
Interest Paid	-436	-538	-674	-581	-695	-1,372	-1,577	-1,775
Dividend Paid	0	0	0	0	0	0	0	0
Others	0	-1,255	-1,533	-1,643	-1,899	-2,623	-2,986	-3,433
CF from Fin. Activity	-813	-1,792	-2,051	-1,476	-2,593	-3,994	-1,063	-1,708
Inc/Dec of Cash	1,838	-964	1,120	1,299	184	842	-1,262	-1,237
Opening Balance (without bank bal.)	1,059	1,915	951	2,072	3,371	3,555	4,397	3,135
Closing Balance	2,897	951	2,072	3,370	3,555	4,397	3,135	1,899
Other bank balance	12,541	2,035	12,012	3,012	27	27	27	27
Closing Balance (including bank bal)	15,438	2,986	14,083	6,382	3,582	4,424	3,162	1,926

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