

Estimate change



TP change



Rating change

**CMP: INR1,354**

**TP: INR1,225 (-10%)**

**Neutral**

## Sustainable volume growth recovery remains key

- Bata India (BATA) delivered a tepid revenue growth of 2% YoY (4% miss) in 3QFY25, led by a volume uptick across channels.
- EBITDA was up 9% YoY (5% miss) as various cost-control initiatives led to margin expansion (gross margin +10bp YoY, EBITDA margin: +150bp YoY).
- The company delivered volume-led growth after a few quarters, driven by better execution on EoSS and improvement in customer value proposition. However, we believe BATA needs to deliver volume growth on a sustained basis over the medium term for the stock to re-rate.
- We trim our FY26-27E revenue by 2-3% and PAT by 2-4%. We build in a CAGR of 5%/6%/10% in revenue/EBITDA/adj. PAT over FY24-27E. **We reiterate our Neutral rating with a TP of INR1,225 (based on 40x Mar'27E EPS).**

## Revenue growth muted; cost control drives margin improvement

- Revenue at INR9.2b (4% miss) grew by a modest ~2% YoY, majorly driven by volume growth.
- BATA closed net 2 stores during 3Q, taking the total store count to 1,953. Gross store addition was normal; however, the company closed a higher number of unprofitable stores during 3Q.
- Gross profit inched up 2% YoY to INR5.2b (~5% miss) as gross margin expanded ~10bp YoY to 56.2% (down ~40bp QoQ, 80bp miss).
- Gross margin was boosted by improved sourcing, efficient in-house production and lower salience of discounted product.
- EBITDA increased 9% YoY to INR2b (5% miss) on good cost control as SG&A cost declined ~4% YoY, while employee cost inched up only ~1% YoY.
- EBITDA margin expanded 150bp YoY to 21.7% (broadly in line).
- Reported PAT at INR587m was up by a modest ~1% YoY (22% miss). BATA reported ~INR108m of VRS cost as an exceptional item.
- Adjusted for the cost, PAT grew 15% YoY to INR669m, but missed our estimate by 11% due to lower EBITDA and lower other income (-11% YoY).

## Key takeaways from the management interaction

- **Volume growth:** Management indicated that volume growth was broad-based across channels, majorly led by better execution of the EOSS calendar and the company's initiative on providing superior value proposition to customers.
- **Margins:** Gross margin improvement was driven by better sourcing, efficient in-house manufacturing, and lower salience of a discounted product. Benefits of IHM factory closure have also started to yield results as per management. Management indicated that gross margin may be lower amid the rising share of franchise in store mix, but EBITDA should not see any significant impact.
- **Store additions:** Gross store additions during 3Q remained normative, while the company closed a higher number of unprofitable stores. Management indicated that store closures will continue for the next couple of quarters. However, it intends to add 30-40 stores per quarter, including through the franchise model.

Bloomberg	BATA IN
Equity Shares (m)	129
M.Cap.(INRb)/(USDdb)	174 / 2
52-Week Range (INR)	1633 / 1228
1, 6, 12 Rel. Per (%)	-3/1/-11
12M Avg Val (INR M)	560

### Financials & Valuations (INR b)

Y/E March	FY25E	FY26E	FY27E
Sales	35.4	37.8	40.2
EBITDA	7.6	8.4	9.3
Adj. PAT	2.8	3.2	3.9
EBITDA Margin (%)	21.4	22.3	23.2
Adj. EPS (INR)	22.1	25.0	30.4
EPS Gr. (%)	-3.2	13.2	21.8
BV/Sh. (INR)	136.1	148.6	163.8

### Ratios

Net D:E	0.3	0.2	0.1
RoE (%)	17.3	17.5	19.5
RoCE (%)	12.0	12.3	13.4
RoIC (%)	13.8	15.4	17.3

### Valuations

P/E (x)	61.4	54.2	44.5
EV/EBITDA (x)	23.8	21.3	19.1
EV/Sales (X)	5.1	4.8	4.4
Div. Yield (%)	0.8	0.9	1.1

### Shareholding Pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	50.2	50.2	50.2
DII	29.2	27.1	29.7
FII	7.5	8.8	7.9
Others	13.2	13.9	12.3

FII includes depository receipts

- **Zero Base Merchandising (ZBM):** There are 17 stores under the initiative now (from 8 earlier). The benefits from ZBM include an ~8% increase in footfalls, a reduction in lines in these stores by 60%, ~7% increase in sales per sq.ft, inventory reduction (0.62x), and an increase in store RoIC. Initially, management aims to roll out the ZBM initiative in ~100 stores, which collectively contribute ~25% to BATA's turnover. Further, management indicated that a ~33% reduction in the planned range for stores led to clutter reduction and improved customer experience.

#### Valuation and view

- Over the last couple of years, following the change in management, a renewed focus on growth has been evident, characterized by a brand refresh, the introduction of new product lines (such as Sneakers), and enhancements in the backend supply-chain infrastructure.
- A robust balance sheet, marked by a net cash position, healthy FCF generation, and an impressive return profile, enables BATA well to tap the growth opportunities in the footwear category.
- BATA's focus on premiumization (Hush Puppies, Power), steady network rollout, and a product revamp (including apparel and sneakers) could boost growth and offset the weak demand trends in the value category.
- We trim our FY26-27E revenue by 2-3% and PAT by 2-4%. We build in a CAGR of 5%/6%/10% in revenue/EBITDA/adj. PAT over FY24-27E. **We reiterate our Neutral rating with a TP of INR1,225 (based on 40x Mar'27E EPS).** A sustainable volume recovery remains the key trigger for the stock.

#### Consolidated - Quarterly Earning

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E 3QE	Est Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
<b>Revenue</b>	<b>9,581</b>	<b>8,191</b>	<b>9,035</b>	<b>7,979</b>	<b>9,446</b>	<b>8,371</b>	<b>9,188</b>	<b>8,409</b>	<b>34,786</b>	<b>35,415</b>	<b>9,584</b>	<b>-4.1</b>
YoY Change (%)	1.6	-1.3	0.4	2.5	-1.4	2.2	1.7	5.4	0.8	1.8	6.1	
Gross Profit	5,246	4,755	5,065	4,798	5,182	4,740	5,163	5,102	19,864	20,186	5,463	-5.5
Gross margin%	54.7	58.1	56.1	60.1	54.9	56.6	56.2	60.7	57.1	57.0	57.0	
Total Expenditure	7,186	6,375	7,210	6,156	7,597	6,625	7,193	6,421	26,927	27,836	7,495	-4.0
<b>EBITDA</b>	<b>2,395</b>	<b>1,817</b>	<b>1,824</b>	<b>1,823</b>	<b>1,849</b>	<b>1,746</b>	<b>1,995</b>	<b>1,988</b>	<b>7,859</b>	<b>7,579</b>	<b>2,089</b>	<b>-4.5</b>
EBITDA margin	25.0	22.2	20.2	22.8	19.6	20.9	21.7	23.6	22.6	21.4	21.8	
Change YoY (%)	-2.1	12.9	-11.5	0.2	-22.8	-3.9	9.4	9.1	-1.0	-3.6	14.5	
Depreciation	811	817	860	903	872	902	902	869	3,391	3,545	922	-2.2
Interest	281	284	295	310	308	318	311	301	1,170	1,238	327	-4.8
Other Income	133	155	111	219	162	172	99	246	617	679	170	-41.9
<b>PBT before EO expense</b>	<b>1,436</b>	<b>870</b>	<b>780</b>	<b>829</b>	<b>832</b>	<b>698</b>	<b>881</b>	<b>1,065</b>	<b>3,915</b>	<b>3,475</b>	<b>1,010</b>	<b>-12.8</b>
Extra-Ord expense	0	409	0	0	-1,340	0	108	0	409	-1,232	0	
<b>PBT</b>	<b>1,436</b>	<b>461</b>	<b>780</b>	<b>829</b>	<b>2,171</b>	<b>698</b>	<b>773</b>	<b>1,065</b>	<b>3,506</b>	<b>4,707</b>	<b>1,010</b>	<b>-23.5</b>
Tax	367	121	201	193	431	178	186	268	881	1,063	255	-26.9
Rate (%)	25.5	26.3	25.7	23.2	19.8	25.5	24.1	25.2	25.1	22.6	25.2	
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
<b>Reported PAT</b>	<b>1,069</b>	<b>340</b>	<b>580</b>	<b>636</b>	<b>1,741</b>	<b>520</b>	<b>587</b>	<b>797</b>	<b>2,625</b>	<b>3,644</b>	<b>755</b>	<b>-22.3</b>
<b>Adj PAT</b>	<b>1,069</b>	<b>641</b>	<b>580</b>	<b>636</b>	<b>849</b>	<b>520</b>	<b>669</b>	<b>797</b>	<b>2,927</b>	<b>2,834</b>	<b>755</b>	<b>-11.5</b>
YoY Change (%)	-10	17	-30	-3	-21	-19	15	25	-9	-3	30	
Margins (%)	11%	8%	6%	8%	9%	6%	7%	9%	8%	8%	8%	

E: MOFSL Estimates

**Exhibit 1: Valuation based on Mar'27E**

Mar'27	(INR/share)
EPS (INR)	31
Target P/E (x)	40
<b>Target Price (INR/share)</b>	<b>1225</b>
CMP	1,354
<b>Upside (%)</b>	<b>-9.5%</b>

Source: MOFSL, Company

**Detailed takeaways from the management interaction**

- **Volume growth:** Management indicated that volume growth was broad-based across channels, majorly led by better execution of the EOSS calendar and the company's initiative on providing superior value proposition to customers.
- **Margins:** Gross margin improved owing to better sourcing, efficient in-house manufacturing, and lower salience of a discounted product. Benefits of IHM factory closure have also started to yield results as per management. Management indicated that gross margin may be lower amid the rising share of franchise in store mix, but EBITDA should not see any significant impact.
- **Store additions:** Gross store additions during 3Q remained normative, while there were aggressive closures of unprofitable stores. Management indicated that store closures will continue for next couple of quarters. However, BATA intends to add 30-40 stores per quarter, including through franchise.
- **Zero Base Merchandising (ZBM):** There are 17 stores under the initiative now (from 8 earlier). The benefits from ZBM include an ~8% increase in footfalls, a reduction in lines in these stores by 60%, 7% growth in sales per sq.ft, inventory reduction (0.62x), and increase in store RoIC. Initially, management aims to roll out the ZBM initiative in 100 stores, which collectively contribute 25% to BATA's turnover. Further, management indicated that a ~33% reduction in the planned range for stores led to clutter reduction and improved customer experience.
- **Floatz:** Floatz maintained the growth momentum, with its contribution rising to 8-10% of turnover in certain stores. There was slight supply disruption during 3Q, which has now been smoothened out. Floatz released its new collection of Dual density and launched kids' collection in collaboration with Marvel and Disney, which is expected to be scaled up in the coming quarters.
- **Power:** It is the second-largest brand for the company after Bata and is a key growth driver. Power brand sales volume grew 9% YoY in 3Q. The company has launched its new collections under Easy slides and Staima series, which are ASP accretive. The turnover and trade density have improved sequentially.
- **Bata contribution in mix:** In line with the rising trend of premiumization, growth in Sneakers and Hush Puppies has outpaced growth in Bata banner. Bata is also migrating to more relevant variants such as Comfit, Bata red label and Floatz by Bata. Products with a price point of below INR500 in MBO channel are showing some early signs of recovery, but in the long term they have declined in the overall mix.
- **Customer focus:** Management indicated that the company focuses on core consumers of Bata. It is looking to seed other formats like Power and Floatz, as Bata brand may not be able to straddle across customer segments.
- The company added its product on quick commerce platform Zepto, with many others in the pipeline.

**Exhibit 2: Quarterly performance**

Consol P&L (INR m)	3QFY24	2QFY25	3QFY25	YoY%	QoQ%	3QFY25E	v/s Est (%)
<b>Total Revenue</b>	<b>9,035</b>	<b>8,371</b>	<b>9,188</b>	<b>2</b>	<b>10</b>	<b>9,584</b>	<b>-4</b>
Raw Material cost	3,970	3,631	4,025	1	11	4,121	-2
<b>Gross Profit</b>	<b>5,065</b>	<b>4,740</b>	<b>5,163</b>	<b>2</b>	<b>9</b>	<b>5,463</b>	<b>-5</b>
<b>Gross margin (%)</b>	<b>56.1</b>	<b>56.6</b>	<b>56.2</b>	<b>12.6</b>	<b>-43.4</b>	<b>57.0</b>	<b>-81.2</b>
Employee Costs	1,027	1,138	1,034	1	-9	1,073	-4
SGA Expenses	2,213	1,856	2,133	-4	15	2,300	-7
<b>EBITDA</b>	<b>1,824</b>	<b>1,746</b>	<b>1,995</b>	<b>9</b>	<b>14</b>	<b>2,089</b>	<b>-5</b>
<b>EBITDA margin (%)</b>	<b>20.2</b>	<b>20.9</b>	<b>21.7</b>	<b>152.2</b>	<b>85.9</b>	<b>21.8</b>	<b>-8.5</b>
Depreciation and amortization	860	902	902	5	0	922	-2
EBIT	964	844	1,093	13	30	1,167	-6
<b>EBIT margin (%)</b>	<b>10.7</b>	<b>10.1</b>	<b>11.9</b>	<b>122.5</b>	<b>182.1</b>	<b>12.2</b>	<b>-27.8</b>
Finance Costs	295	318	311	6	-2	327	-5
Other income	111	172	99	-11	-43	170	-42
Exceptional item	0	0	108			0	NM
<b>Profit before Tax</b>	<b>780</b>	<b>698</b>	<b>773</b>	<b>-1</b>	<b>11</b>	<b>1,010</b>	<b>-23</b>
Tax	201	178	186	-7	5	255	-27
<b>Tax rate (%)</b>	<b>25.7</b>	<b>25.5</b>	<b>24.1</b>	<b>-6.4</b>	<b>-143.7</b>	<b>25.2</b>	<b>NM</b>
<b>Profit after Tax</b>	<b>580</b>	<b>520</b>	<b>587</b>	<b>1</b>	<b>13</b>	<b>755</b>	<b>-22</b>
<b>Adj. Profit after Tax</b>	<b>580</b>	<b>520</b>	<b>669</b>	<b>15</b>	<b>29</b>	<b>755</b>	<b>-11</b>

Source: MOFSL, Company

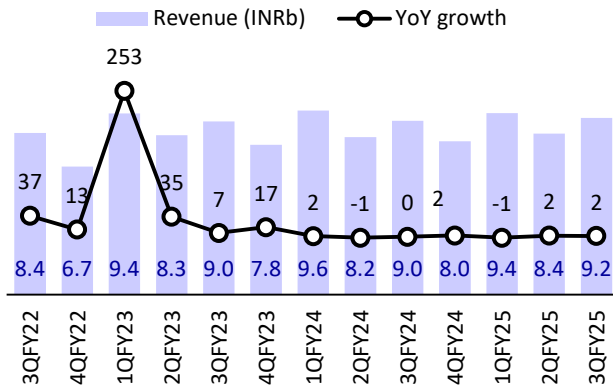
**Exhibit 3: Summary of our revised estimates**

	FY25E	FY26E	FY27E
<b>Revenue (INR m)</b>			
Old	36,119	38,684	41,430
Actual/New	35,415	37,754	40,247
Change (%)	-2.0	-2.4	-2.9
<b>Gross margin (%)</b>			
Old	57.3	58.0	58.5
Actual/New	57.0	57.5	58.0
Change (%)	-25	-50	-50
<b>EBITDA (INR m)</b>			
Old	7,820	8,975	10,005
Actual/New	7,579	8,419	9,337
Change (%)	-3.1	-6.2	-6.7
<b>EBITDA margin (%)</b>			
Old	21.7	23.2	24.2
Actual/New	21.4	22.3	23.2
Change (bp)	-25	-90	-95
<b>Net Profit (INR m)</b>			
Old	2,903	3,342	3,975
Actual/New	2,834	3,209	3,909
Change (%)	-2.4	-4.0	-1.7
<b>EPS (INR)</b>			
Old	23	26	31
Actual/New	22	25	30
Change (%)	-2.4	-4.0	-1.7

Source: MOFSL, Company

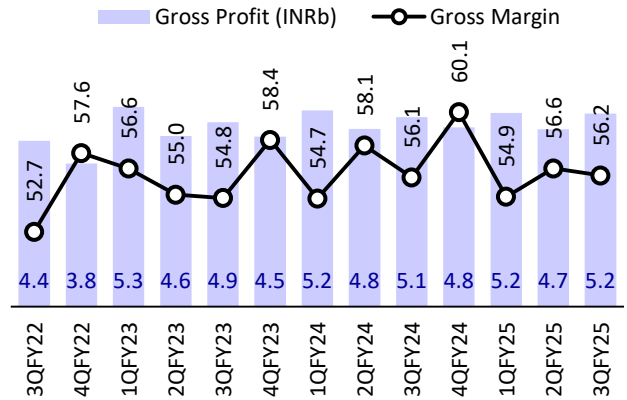
Story in charts

Exhibit 4: Revenue growth remained modest at 2% YoY



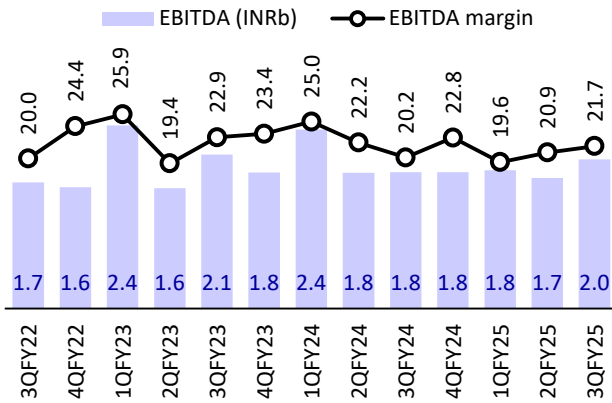
Source: MOFSL, Company

Exhibit 5: GM expanded 10bp YoY



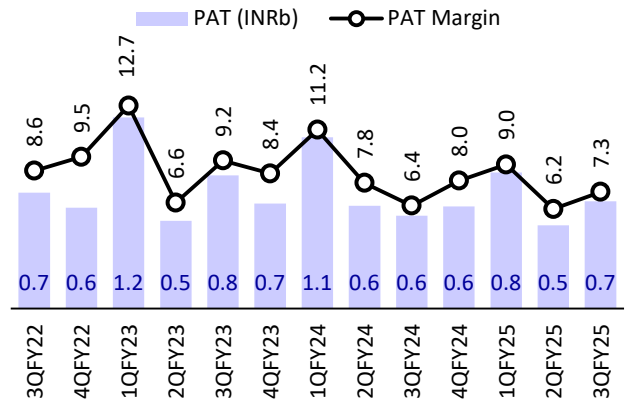
Source: MOFSL, Company

Exhibit 6: EBITDA increased 9% YoY as margins expanded



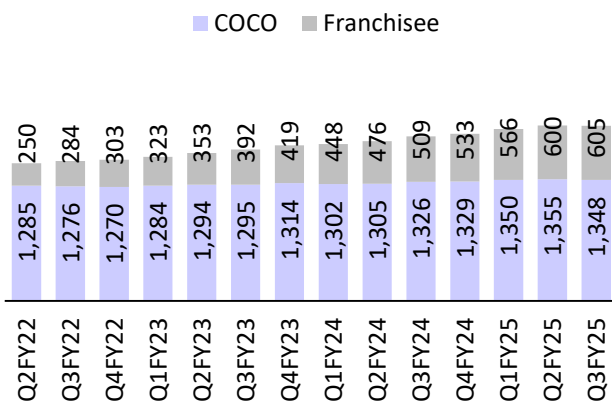
Source: MOFSL, Company

Exhibit 7: Adj. PAT increased 15% YoY



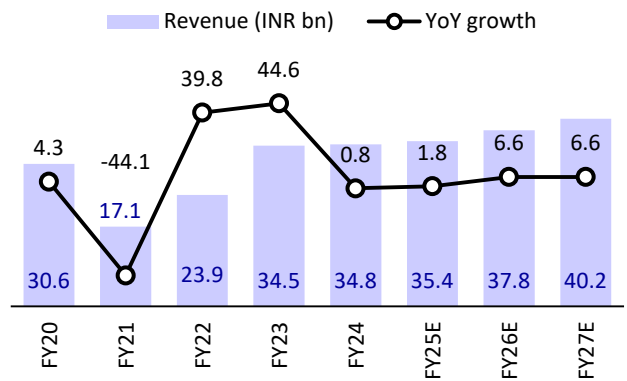
Source: MOFSL, Company

Exhibit 8: Closed 2 net stores QoQ (-7/+5 COCO/FOFO)



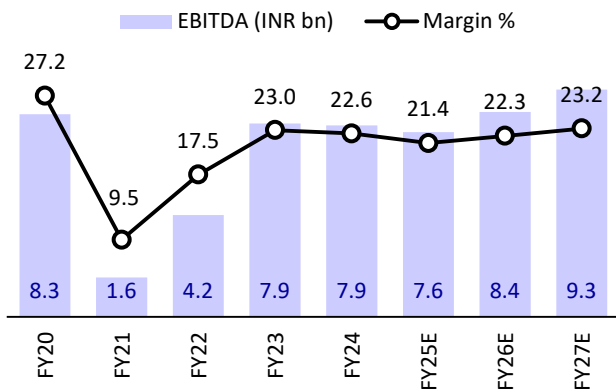
Source: MOFSL, Company

Exhibit 9: Expect 5% revenue CAGR over FY24-27



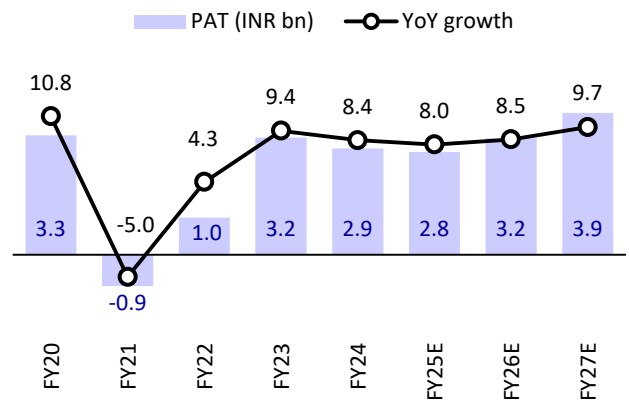
Source: MOFSL, Company

**Exhibit 10: Expect 6% EBITDA CAGR over FY24-27**



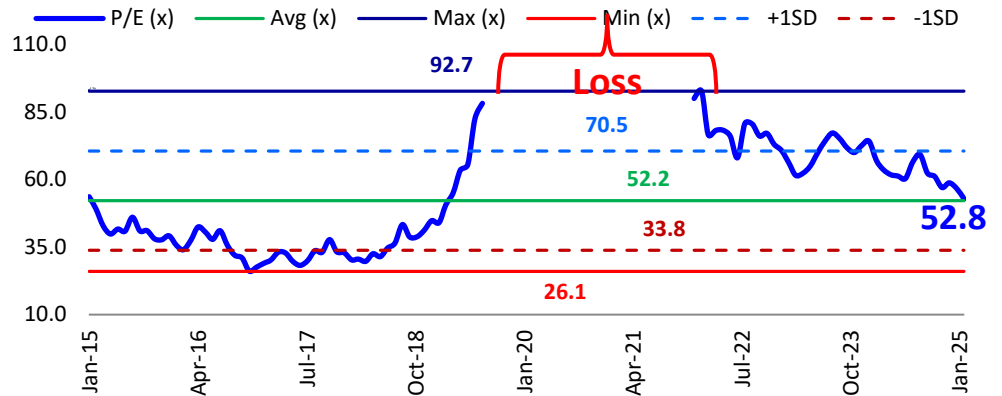
Source: MOFSL, Company

**Exhibit 11: Expect 10% PAT CAGR over FY24-27**



Source: MOFSL, Company

**Exhibit 12: BATA is trading at ~50x one-year forward P/E (vs. ~40x LT average pre COVID)**



## Financials and valuations

Consolidated - Income Statement								(INR m)
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
<b>Total Income from Operations</b>	<b>30,561</b>	<b>17,085</b>	<b>23,877</b>	<b>34,516</b>	<b>34,786</b>	<b>35,415</b>	<b>37,754</b>	<b>40,247</b>
Change (%)	4.3	-44.1	39.8	44.6	0.8	1.8	6.6	6.6
Raw Materials	12,966	8,375	10,868	15,137	14,922	15,228	16,045	16,904
<b>Gross Profit</b>	<b>17,595</b>	<b>8,710</b>	<b>13,009</b>	<b>19,379</b>	<b>19,864</b>	<b>20,186</b>	<b>21,708</b>	<b>23,343</b>
Margin (%)	57.6	51.0	54.5	56.1	57.1	57.0	57.5	58.0
Employees Cost	3,764	3,398	3,787	4,187	4,200	4,498	4,719	4,950
Other Expenses	5,510	3,690	5,037	7,256	7,805	8,110	8,570	9,056
<b>Total Expenditure</b>	<b>22,240</b>	<b>15,463</b>	<b>19,692</b>	<b>26,579</b>	<b>26,927</b>	<b>27,836</b>	<b>29,335</b>	<b>30,910</b>
% of Sales	72.8	90.5	82.5	77.0	77.4	78.6	77.7	76.8
<b>EBITDA</b>	<b>8,321</b>	<b>1,622</b>	<b>4,185</b>	<b>7,936</b>	<b>7,859</b>	<b>7,579</b>	<b>8,419</b>	<b>9,337</b>
Margin (%)	27.2	9.5	17.5	23.0	22.6	21.4	22.3	23.2
Depreciation	2,958	2,648	2,420	2,948	3,391	3,545	3,718	3,840
<b>EBIT</b>	<b>5,363</b>	<b>-1,026</b>	<b>1,765</b>	<b>4,989</b>	<b>4,468</b>	<b>4,034</b>	<b>4,701</b>	<b>5,497</b>
Int. and Finance Charges	1,177	1,035	928	1,078	1,170	1,238	1,174	1,125
Other Income	687	941	560	386	617	679	760	852
<b>PBT bef. EO Exp.</b>	<b>4,872</b>	<b>-1,120</b>	<b>1,397</b>	<b>4,296</b>	<b>3,915</b>	<b>3,475</b>	<b>4,288</b>	<b>5,223</b>
EO Items	0	46	0	0	409	-1,232	0	0
<b>PBT after EO Exp.</b>	<b>4,872</b>	<b>-1,166</b>	<b>1,397</b>	<b>4,296</b>	<b>3,506</b>	<b>4,707</b>	<b>4,288</b>	<b>5,223</b>
Total Tax	1,583	-273	367	1,067	881	1,063	1,079	1,315
Tax Rate (%)	32.5	23.4	26.3	24.8	25.1	22.6	25.2	25.2
Minority Interest	0	0	0	0	0	0	0	0
<b>Reported PAT</b>	<b>3,290</b>	<b>-893</b>	<b>1,030</b>	<b>3,229</b>	<b>2,625</b>	<b>3,644</b>	<b>3,209</b>	<b>3,909</b>
<b>Adjusted PAT</b>	<b>3,290</b>	<b>-858</b>	<b>1,030</b>	<b>3,229</b>	<b>2,927</b>	<b>2,834</b>	<b>3,209</b>	<b>3,909</b>
Change (%)	4.1	-126.1	-220.1	213.5	-9.4	-3.2	13.2	21.8
Margin (%)	10.8	-5.0	4.3	9.4	8.4	8.0	8.5	9.7

Consolidated - Balance Sheet								(INR m)
Y/E March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Equity Share Capital	643	643	643	643	643	643	643	643
Total Reserves	18,323	16,938	17,504	13,739	14,626	16,853	18,458	20,412
<b>Net Worth</b>	<b>18,966</b>	<b>17,581</b>	<b>18,147</b>	<b>14,382</b>	<b>15,269</b>	<b>17,496</b>	<b>19,100</b>	<b>21,055</b>
Minority Interest	0	0	0	0	0	0	0	0
Total Loans	12,491	10,323	10,942	12,464	13,573	14,555	15,256	15,755
Lease Liabilities	12,491	10,323	10,942	12,464	13,573	14,555	15,256	15,755
Deferred Tax Liabilities	0	0	0	0	0	0	0	0
Other Liabilities	25	21	20	5	140	140	140	140
<b>Capital Employed</b>	<b>31,482</b>	<b>27,924</b>	<b>29,109</b>	<b>26,851</b>	<b>28,982</b>	<b>32,190</b>	<b>34,496</b>	<b>36,950</b>
Gross Block	19,125	17,670	18,661	23,268	27,828	23,936	25,804	27,552
Less: Accum. Deprn.	5,431	6,475	6,402	9,350	12,741	8,231	9,317	10,406
<b>Net Fixed Assets</b>	<b>13,675</b>	<b>11,195</b>	<b>12,259</b>	<b>13,918</b>	<b>15,087</b>	<b>15,705</b>	<b>16,487</b>	<b>17,147</b>
Capital WIP	138	336	52	38	37	37	37	37
<b>Total Investments</b>	<b>2,370</b>	<b>1,832</b>	<b>1,899</b>	<b>1,492</b>	<b>1,601</b>	<b>1,601</b>	<b>1,601</b>	<b>1,601</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>20,056</b>	<b>18,578</b>	<b>20,000</b>	<b>16,135</b>	<b>15,505</b>	<b>19,594</b>	<b>21,463</b>	<b>23,622</b>
Inventory	8,737	6,083	8,709	9,046	9,296	9,486	9,995	10,530
Account Receivables	612	794	717	826	801	776	827	882
Cash and Bank Balance	9,684	10,968	9,688	5,311	4,275	8,269	9,508	11,002
Loans and Advances	1,023	733	886	952	1,133	1,062	1,133	1,207
<b>Curr. Liability &amp; Prov.</b>	<b>5,867</b>	<b>5,400</b>	<b>6,143</b>	<b>5,865</b>	<b>4,516</b>	<b>6,014</b>	<b>6,359</b>	<b>6,724</b>
Account Payables	5,032	4,397	4,562	4,093	2,997	4,172	4,396	4,631
Other Current Liabilities	752	917	1,491	1,696	1,472	1,771	1,888	2,012
Provisions	83	86	90	76	47	71	76	80
<b>Net Current Assets</b>	<b>14,189</b>	<b>13,178</b>	<b>13,858</b>	<b>10,270</b>	<b>10,989</b>	<b>13,580</b>	<b>15,104</b>	<b>16,898</b>
Deferred Tax assets	1,110	1,384	1,042	1,133	1,267	1,267	1,267	1,267
Misc Expenditure	0	0	0	0	0	0	0	0
<b>Appl. of Funds</b>	<b>31,482</b>	<b>27,924</b>	<b>29,109</b>	<b>26,851</b>	<b>28,982</b>	<b>32,190</b>	<b>34,496</b>	<b>36,950</b>

## Financials and valuations

### Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
<b>Basic (INR)</b>								
<b>EPS (diluted from FY17)</b>	<b>25.6</b>	<b>-6.7</b>	<b>8.0</b>	<b>25.1</b>	<b>22.8</b>	<b>22.1</b>	<b>25.0</b>	<b>30.4</b>
Cash EPS (diluted from FY17)	48.6	13.9	26.8	48.1	49.2	49.6	53.9	60.3
BV/Share (diluted from FY17)	147.6	136.8	141.2	111.9	118.8	136.1	148.6	163.8
DPS	4.0	4.0	54.5	12.5	12.0	11.0	12.5	15.2
Payout (%)	15.6	-57.6	680.1	49.8	58.8	38.9	50.0	50.0
<b>Valuation (x)</b>								
P/E	52.9	-202.8	168.9	53.9	59.4	61.4	54.2	44.5
Cash P/E	27.8	97.2	50.4	28.2	27.5	27.3	25.1	22.5
P/BV	9.2	9.9	9.6	12.1	11.4	9.9	9.1	8.3
EV/Sales	5.8	10.1	7.3	5.3	5.3	5.1	4.8	4.4
EV/EBITDA	21.2	106.9	41.9	22.8	23.3	23.8	21.3	19.1
Dividend Yield (%)	0.3	0.3	4.0	0.9	0.9	0.8	0.9	1.1
FCF per share	38.4	33.1	12.7	41.9	27.6	56.5	47.1	52.3
<b>Return Ratios (%)</b>								
RoE	18.1	-4.7	5.8	19.9	19.7	17.3	17.5	19.5
RoCE	16.7	-0.2	6.0	14.4	13.7	12.0	12.3	13.4
RoIC	26.6	-4.6	8.1	20.0	15.5	13.8	15.4	17.3
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	1.6	1.0	1.3	1.5	1.3	1.5	1.5	1.5
Asset Turnover (x)	1.0	0.6	0.8	1.3	1.2	1.1	1.1	1.1
Inventory (Days)	246	265	292	218	227	227	227	227
Debtor (Days)	7	17	11	9	8	8	8	8
Creditor (Days)	142	192	153	99	73	100	100	100
<b>Leverage Ratio (x)</b>								
Current Ratio	3.4	3.4	3.3	2.8	3.4	3.3	3.4	3.5
Interest Cover Ratio	4.6	-1.0	1.9	4.6	3.8	3.3	4.0	4.9
Net Debt/Equity	0.0	-0.1	0.0	0.4	0.5	0.3	0.2	0.1

### Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
OP/(Loss) before Tax	4,851	-1,167	1,397	4,298	3,506	3,475	4,288	5,223
Depreciation	2,958	2,627	2,420	2,948	3,391	3,545	3,718	3,840
Interest & Finance Charges	1,177	1,035	928	1,079	1,170	1,238	1,174	1,125
Direct Taxes Paid	-1,869	468	-68	-974	-949	-1,063	-1,079	-1,315
(Inc)/Dec in WC	-719	2,066	-1,982	-776	-2,041	1,403	-285	-299
<b>CF from Operations</b>	<b>6,398</b>	<b>5,030</b>	<b>2,694</b>	<b>6,575</b>	<b>5,078</b>	<b>8,598</b>	<b>7,815</b>	<b>8,575</b>
Others	-600	-420	-579	-287	-547	-679	-760	-852
<b>CF from Operating incl EO</b>	<b>5,798</b>	<b>4,611</b>	<b>2,115</b>	<b>6,288</b>	<b>4,531</b>	<b>7,919</b>	<b>7,055</b>	<b>7,723</b>
(Inc)/Dec in FA	-857	-357	-477	-897	-979	-663	-1,000	-1,000
<b>Free Cash Flow</b>	<b>4,941</b>	<b>4,254</b>	<b>1,638</b>	<b>5,391</b>	<b>3,552</b>	<b>7,257</b>	<b>6,055</b>	<b>6,723</b>
(Pur)/Sale of Investments	-1,669	-920	940	4,963	992	0	0	0
Others	653	750	466	319	391	1,911	760	852
<b>CF from Investments</b>	<b>-1,873</b>	<b>-527</b>	<b>928</b>	<b>4,385</b>	<b>404</b>	<b>1,248</b>	<b>-240</b>	<b>-148</b>
Issue of Shares	0	0	0	0	0	0	0	0
Inc/(Dec) in Debt	0	0	0	0	0	-1,417	-1,604	-1,954
Interest Paid	-13	-11	-9	0	0	0	0	0
Dividend Paid	-969	-515	-514	-6,989	-1,731	-1,417	-1,604	-1,954
Others	-3,379	-3,165	-2,886	-3,117	-3,433	-3,756	-3,972	-4,126
<b>CF from Fin. Activity</b>	<b>-4,361</b>	<b>-3,691</b>	<b>-3,410</b>	<b>-10,106</b>	<b>-5,164</b>	<b>-6,590</b>	<b>-7,181</b>	<b>-8,035</b>
<b>Inc/Dec of Cash</b>	<b>-435</b>	<b>393</b>	<b>-367</b>	<b>567</b>	<b>-230</b>	<b>2,577</b>	<b>-366</b>	<b>-460</b>
Opening Balance	586	150	543	176	743	514	3,091	2,725
<b>Closing Balance</b>	<b>150</b>	<b>543</b>	<b>176</b>	<b>743</b>	<b>514</b>	<b>3,091</b>	<b>2,725</b>	<b>2,265</b>
<b>Other Bank Balance</b>	<b>9,533</b>	<b>10,425</b>	<b>9,512</b>	<b>4,568</b>	<b>3,762</b>	<b>5,179</b>	<b>6,783</b>	<b>8,737</b>
<b>Net Closing Balance</b>	<b>9,684</b>	<b>10,968</b>	<b>9,688</b>	<b>5,311</b>	<b>4,275</b>	<b>8,269</b>	<b>9,508</b>	<b>11,002</b>

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