13 August 2026

1QFY26 Results Update | Sector: Footwear

Bata India

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	BATA IN
Equity Shares (m)	129
M.Cap.(INRb)/(USDb)	93.7 / 1
52-Week Range (INR)	1283 / 605
1, 6, 12 Rel. Per (%)	4/-10/-33
12M Avg Val (INR M)	259

Financials & Valuations (INR b)

Y/E March	FY27E	FY28E	FY29E
Sales	36.7	39.1	41.9
EBITDA	8.1	8.9	9.6
Adj. PAT	2.3	2.6	3.0
EBITDA Margin (%)	22.2	22.8	23.0
Adj. EPS (INR)	17.9	20.2	23.0
EPS Gr. (%)	12.1	12.7	13.7
BV/Sh. (INR)	133.1	143.2	154.7
Ratios			
Net D:E	0.1	0.0	-0.2
RoE (%)	13.9	14.6	15.4
RoCE (%)	10.9	11.3	11.7
RoIC (%)	13.3	15.8	17.8
Valuations			
P/E (x)	40.6	36.1	31.7
EV/EBITDA (x)	12.1	10.9	9.7
EV/Sales (X)	2.7	2.5	2.2
Div. Yield (%)	1.2	1.2	1.2

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	50.2	50.2	50.2
DII	27.2	28.4	29.4
FII	6.4	6.4	6.9
Others	16.2	15.0	13.6

FII includes depository receipts

CMP: INR729 TP: INR645 (-12%) Neutral

Earnings recovery underway; topline acceleration remains key; reiterate Neutral

- Bata India delivered **4% revenue growth in 1QFY27**, while underlying PBT grew 23% YoY. The earnings improvement reflects better merchandise productivity and cost efficiency.
- Gross margin expanded 130bp, with an underlying improvement of ~230bp after adjusting for the channel mix. Better inventory quality and higher full-price sales are improving merchandise economics, with further upside from premiumization and lower markdowns.
- Redesigned product funnel is now entering stores, with a larger rollout planned over the next few quarters. Management believes greater design authority, comfort, technology, and premiumization should broaden the proposition while supporting higher ASPs.
- Franchise and digital expansion are broadening Bata's growth runway, with franchise delivering sustained high-single-digit LFL growth and >600 potential trade areas still available.
- While operational initiatives are gaining traction**,** a sustained growth recovery will depend on the new product cycle translating into stronger consumer traction.
- We, therefore, retain a measured earnings recovery, forecasting FY26–28E revenue/pre-IND AS EBITDA/adj. PAT CAGR of 6%/13%/13% on a low base. **Reiterate Neutral with TP of INR645 at 30x Sep'28E EPS.**

Stronger gross margin supports earnings recovery

- Revenue **grew 4% YoY** to INR9.8b (**in line**). Growth was driven by a combination of premiumization and volume growth, alongside strong consumer engagement across channels.
- **Gross margin expanded 127bp YoY to 54.8%** (160bp ahead), supported by higher full-price sales and lower markdowns, despite continued RM pressures. Gross profit consequently grew 6% YoY to INR5.4b.
- Employee costs declined 2% YoY, partly offsetting 16% YoY higher SG&A, primarily due to a ~25% increase in advertising spends.
- **EBITDA grew 3% YoY to INR2.0b** (4% below estimates), with margin contracting 27bp YoY to 20.8%, as higher brand investments offset gross margin gains.
- Depreciation/finance costs dipped 3%/5%. Other income grew 6% YoY.
- **Adjusted PAT grew 13% YoY to INR640m** (15% ahead), supported by lower depreciation and finance costs.
  - ➢ One-offs of INR51m included forex and ERP implementation costs.

Research Analyst - Avinash Karumanchi (Avinash.Karumanchi@motilaloswal.com) | **Aditya Bansal** (Aditya.Bansal@MotilalOswal.com)
Research Analyst: Siddhesh Chaudhari (Siddhesh.Chaudhari@MotilalOswal.com) | **Niraj Harwande** (Niraj.Harwande@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Key takeaways from the management commentary

- Profitability is improving ahead of sales, supported by lower markdowns, better inventory quality, employee-cost efficiencies, and a favorable channel mix. Premium products continued to outperform.
- Redesigned product funnel is now entering stores, with a broader rollout planned over the next few quarters. Greater design authority, comfort, technology, and premiumization should broaden the proposition while supporting higher ASPs and gross margins.
- ZBM has achieved broad penetration across the COCO network, with 775 stores contributing ~80% of retail revenue, driving better proposition and merchandising productivity**.** ZBM 2.0 is now focused on building further gains through a sharper assortment.
- Franchise is also scaling, with 750 stores and 600 newly identified trade areas.
- Further, manufacturing consolidation and employee-cost initiatives are improving efficiency, while higher marketing spends support the new product cycle.

Valuation and view

- Strategic initiatives are gaining traction, led by franchise expansion, product premiumization, sharper youth-focused offerings, and continued investment in inventory productivity, omnichannel capabilities, and brand building.
- While operating metrics are improving, **we expect revenue growth and margin recovery to remain gradual**, as the benefits of these initiatives take time to scale. Profitability is likely to remain below pre-COVID levels, even by FY28E.
- We, therefore, retain a measured earnings recovery, forecasting FY26–28E revenue/pre-IND AS EBITDA/adj. PAT CAGR of 6%/13%/21% on a low base.
- Potential demand recovery in the organized value-footwear segment following GST rationalization provides some downside support. **Reiterate Neutral with TP of INR645 at 30x** Sep'28E **EPS.**

Consolidated quarterly earnings **(INR m)**

Y/E March	FY26				FY27E				FY26	FY27	FY27E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1QE	Var (%)
Revenue	**9,419**	**8,013**	**9,447**	**8,276**	**9,789**	**8,337**	**9,748**	**8,778**	**35,155**	**36,652**	**9,846**	**-0.6**
YoY Change (%)	-0.3	-4.3	2.8	5.1	3.9	4.0	3.2	6.1	0.8	4.3		
Gross Profit	5,038	4,439	5,291	4,670	5,360	4,669	5,556	5,032	19,434	20,617	5,233	2.4
Gross margin%	53.5	55.4	56.0	56.4	54.8	56.0	57.0	57.3	55.3	56.3	53.2	3
Total Expenditure	7,430	6,564	7,326	6,544	7,750	6,653	7,330	6,801	27,868	28,534	7,724	0.3
EBITDA	**1,988**	**1,449**	**2,120**	**1,732**	**2,040**	**1,684**	**2,417**	**1,977**	**7,287**	**8,118**	**2,122**	**-3.9**
EBITDA margin	21.1	18.1	22.4	20.9	20.8	20.2	24.8	22.5	20.7	22.2	21.6	-3
Change YoY (%)	7.5	-17.0	6.3	-1.2	-1.3	11.7	10.5	7.6	-0.7	11.4		
Depreciation	1,061	1,050	1,040	1,050	1,034	1,122	1,195	1,142	4,201	4,492	1,259	-17.9
Interest	349	338	323	336	327	375	379	346	1,346	1,427	345	-5.3
Other Income	170	214	210	195	180	200	234	265	786	879	224	-19.4
PBT before EO expense	**748**	**276**	**968**	**541**	**859**	**388**	**1,077**	**755**	**2,526**	**3,079**	**741**	**15.9**
Extra-Ord expense	48	83	79	505	0	0	0	0	714	0		
PBT	**701**	**193**	**889**	**36**	**859**	**388**	**1,077**	**755**	**1,812**	**3,079**	**741**	**15.9**
Tax	181	54	228	15	219	98	271	187	476	775	187	17.3
Rate (%)	25.8	28.0	25.6	42.6	25.5	25.2	25.2	24.7	26.3	25.2	25.2	
Reported PAT	**520**	**139**	**661**	**21**	**640**	**290**	**806**	**568**	**1,336**	**2,304**	**554**	**15.4**
Adj PAT	**568**	**222**	**740**	**525**	**640**	**290**	**806**	**568**	**2,055**	**2,304**	**554**	**15.4**
YoY Change (%)	-33	-57	11	21	13	31	9	8	-17	12	-2	
Margins (%)	6.0%	2.8%	7.8%	6.3%	6.5%	3.5%	8.3%	6.5%	5.8%	6.3%	5.6%	

E: MOFSL Estimates

Exhibit 1: Valuation based on Sep'28E

Dec'27	(INR/share)
EPS (INR)	22
Target P/E (x)	30
Target Price (INR/share)	**645**
CMP	729
Upside (%)	-12%

Source: MOFSL, Company

Exhibit 2: Relative valuation

FY26-28E CAGR (%)	M.Cap	MOSL			P/E (X)		EV/EBITDA (x)		EV/Sales (X)		RoE (%)	
	INR b	Sales	EBITDA	PAT	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
VMM	516	19.1	24.8	26.6	48.8	38.4	31.1	24.4	3.2	2.6	13.3	14.7
V-Mart	65	18.7	27.5	33.9	43.4	29.0	22.5	16.7	1.4	1.2	14.6	18.5
Value Retailers		**18.9**	**26.2**	**30.2**	**46.1**	**33.7**	**26.8**	**20.5**	**2.3**	**1.9**	**13.9**	**16.6**
D-Mart	2,645	16.7	16.1	16.3	76.3	65.8	46.8	40.3	3.3	2.8	13.7	13.7
Trent	1,600	20.3	25.9	23.4	76.1	60.3	46.1	36.3	6.6	5.4	27.6	27.8
Lenskart	1,025	26.9	47.5	55.1	113.9	79.8	62.1	45.3	8.7	6.9	9.7	12.3
ABLBL	112	8.3	12.3	20.3	42.3	37.1	17.1	14.0	1.3	1.2	17.4	17.5
Vedant fashions	127	6.3	11.1	5.5	33.4	30.2	23.5	20.2	7.4	6.7	20.1	20.7
Arvind fas	60	12.0	23.0	25.1	37.5	26.0	13.4	11.3	1.0	0.9	15.8	19.5
Traditional retailers		**13.3**	**21.2**	**24.1**	**53.7**	**41.9**	**28.9**	**23.0**	**3.8**	**3.2**	**14.4**	**15.8**
Metro	259	16.3	15.3	15.6	54.2	46.7	36.8	31.8	7.3	6.3	21.7	21.3
Relaxo	105	5.9	7.9	10.7	51.1	44.9	29.1	26.0	3.5	3.3	9.1	9.7
Bata	**90**	**5.4**	**13.4**	**12.4**	**39.0**	**34.6**	**18.3**	**15.8**	**2.1**	**1.9**	**13.9**	**14.6**
Campus	67	12.8	19.3	19.3	38.9	31.3	21.7	17.7	3.3	2.9	18.4	19.4
Footwear		**10.1**	**13.8**	**16.6**	**46.3**	**38.2**	**26.6**	**22.9**	**4.1**	**3.6**	**15.6**	**16.8**

Source: MOFSL, Company

Detailed takeaways from the management commentary

- Revenue rose 3.9% YoY and volume increased 2.3%, while underlying PBT grew 22%. Lower markdowns, better inventory quality, employee-cost efficiencies, and a favorable channel mix are allowing profitability to outpace revenue growth.
- **Premium products** continued to outperform with higher ASPs, while lower price points remained resilient but relatively moderate. Hush Puppies, Floatz, and Bata led brand performance, while North Star remained a drag amid line rationalization.
- **Redesigned product** funnel is now entering stores, with a larger rollout planned over the next few quarters. Greater design authority, comfort, technology, and premiumization should broaden the proposition while supporting higher ASPs and gross margins.
- **Pricing actions** are broadly offsetting RM inflation (~5–6%). Given the ~150-day inventory cycle, the benefit of revised pricing will become more visible as higher-cost inventory flows through from September.
- **Gross margin** expansion is gaining structural quality, with ~230bp underlying improvement after adjusting for the channel mix. Better inventory and ~89% full-price sales are reducing markdown, providing a further uplift. Faster

franchise/ecommerce growth remain a drag on reported GM but accretive for EBITDA.

- **ZBM is** driving measurable **productivity gains**, with 775 stores now covering ~80% of retail revenue and delivering mid-single-digit higher growth than the rest of the network. Project Elevate/ZBM 2.0 should extend these gains as rollout nears completion.
- **Franchise** continues to scale well with 750 stores, sustained high-single-digit LFL growth, and partner RoI of ~18–24%. With more than 600 potential trade areas identified, the format provides significant expansion headroom while remaining more EBIT-accretive than COCO.
- **Inventory quality continues to drive productivity gains**, with availability up ~12% and store lines reduced to 68% of the level two years ago. Further assortment rationalization toward ~60% should support lower markdowns and better full-price sell-through.
- **Manufacturing consolidation** has reduced the vendor base to ~70 from 100–120 partners, and targets to reach ~30 over the next 3–5 years. Lower kits, moulds, and material complexity should support procurement and manufacturing efficiencies, with **~200bp of savings targeted over the journey**.
- **VRS and technology-led** organization redesign over the past 24 months are improving employee-cost efficiency, while manpower redeployment toward franchise and distribution channels should support growth without a proportional increase in employee costs.
- **Marketing spends** increased 25% YoY in 1QFY27, following double-digit growth over the previous three quarters. Spend is now ~3–3.5% of sales vs ~2.5% earlier and is expected to remain elevated over the next few quarters to support the new product range.

Exhibit 3: Quarterly performance

Consol P&L (INR m)	1QFY26	4QFY26	1QFY27	YoY%	QoQ%	1QFY27E	v/s Est (%)
Total Revenue	**9,419**	**8,276**	**9,789**	**4**	**18**	**9,846**	**-1**
Raw Material cost	4,381	3,606	4,429	1	23	4,613	-4
Gross Profit	**5,038**	**4,670**	**5,360**	**6**	**15**	**5,233**	**2**
Gross margin (%)	**53.5**	**56.4**	**54.8**	**127.2**	**-167.3**	**53.2**	**160.7**
Employee Costs	1,163	1,132	1,136	-2	0	1,191	-5
SGA Expenses	1,887	1,807	2,185	16	21	1,920	14
EBITDA	**1,988**	**1,732**	**2,040**	**3**	**18**	**2,122**	**-4**
EBITDA margin (%)	**21.1**	**20.9**	**20.8**	**-27.2**	**-8.7**	**21.6**	**-71.4**
Depreciation and amortization	1,061	1,050	1,034	-3	-2	1,259	-18
EBIT	927	682	1,006	8	48	863	17
EBIT margin (%)	9.8	8.2	10.3	43.1	203.8	8.8	151.1
Finance Costs	349	336	327	-6	-3	345	-5
Other income	170	195	180	6	-8	224	-19
Exceptional item	48	505	0			0	NM
Profit before Tax	**700**	**36**	**859**	**23**	**2,295**	**741**	**16**
Tax	181	15	219	21	1,326	187	17
Tax rate (%)	25.8	42.9	25.5	-1.1	-1735.5	25.2	NM
Profit after Tax	**520**	**20**	**640**	**23**	**3,023**	**554**	**15**
Adj. Profit after Tax	**568**	**525**	**640**	**13**	**22**	**554**	**15**

Source: MOFSL, Company

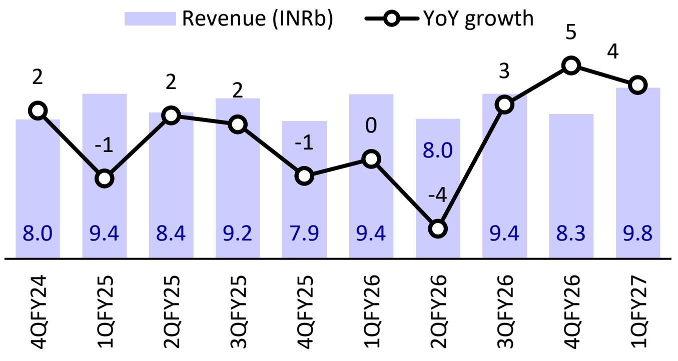
Exhibit 4: Revisions to our estimates

	FY27E	FY28E	FY29E
Revenue (INR m)			
Old	37,190	39,071	
Actual/New	36,652	39,073	41,855
Change (%)	-1.4	0.0	
EBITDA (INR m)			
Old	4,440	5,158	
Actual/New	4,211	4,689	5,296
Change (%)	-5.2	-9.1	
EBITDA margin (%)			
Old	11.9	13.2	
Actual/New	11.5	12.0	12.7
Change (%)	-45	-120	
Net Profit (INR)			
Old	2,290	3,063	
Actual/New	2,304	2,597	2,952
Change (%)	0.6	-15.2	

Source: MOFSL, Company

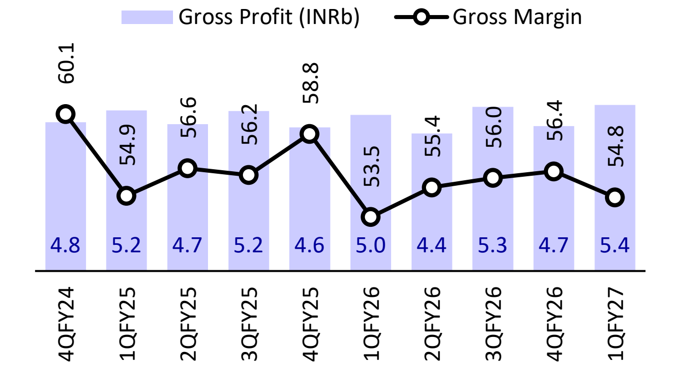
Story in charts

Exhibit 5: Revenue grew 4% YoY



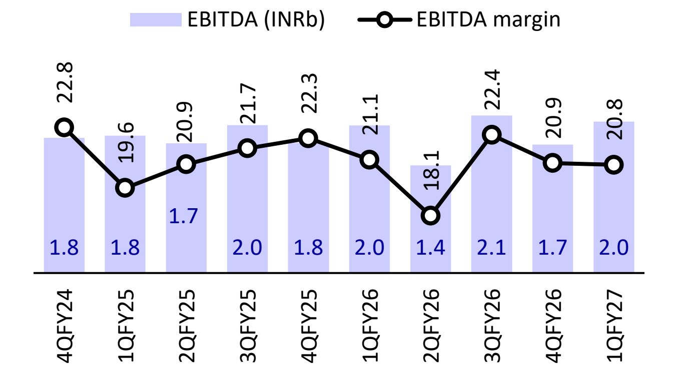
Source: MOFSL, Company

Exhibit 6: GM declined ~130bp YoY



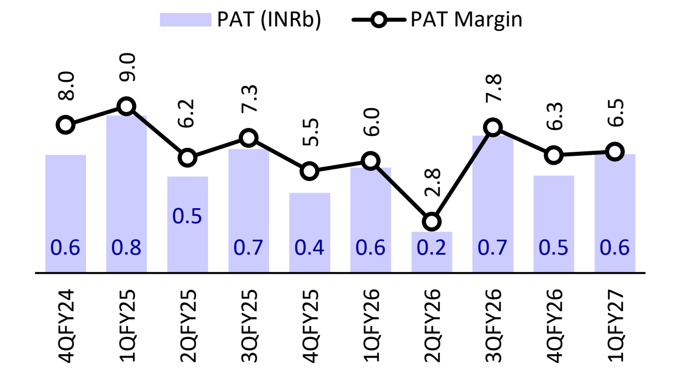
Source: MOFSL, Company

Exhibit 7: Reported EBITDA grew 3%, while margin contracted ~25bp



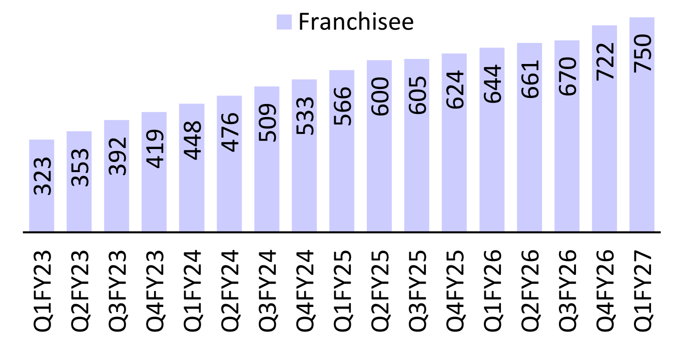
Source: MOFSL, Company

Exhibit 8: PAT grew 13%



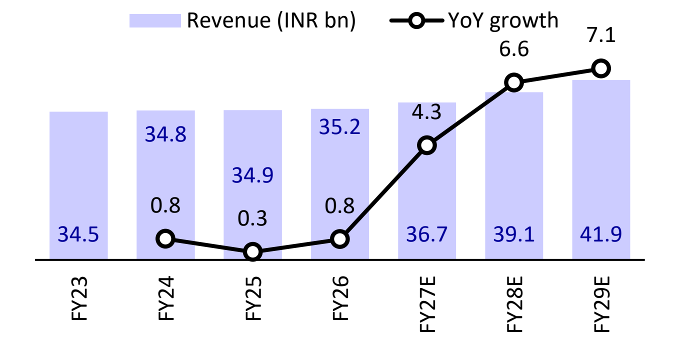
Source: MOFSL, Company

Exhibit 9: Franchisee stores' expansion continues



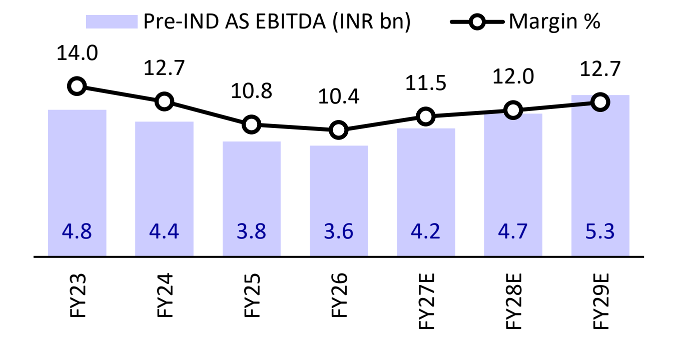
Source: MOFSL, Company

Exhibit 10: Expect 6% revenue CAGR over FY26-29



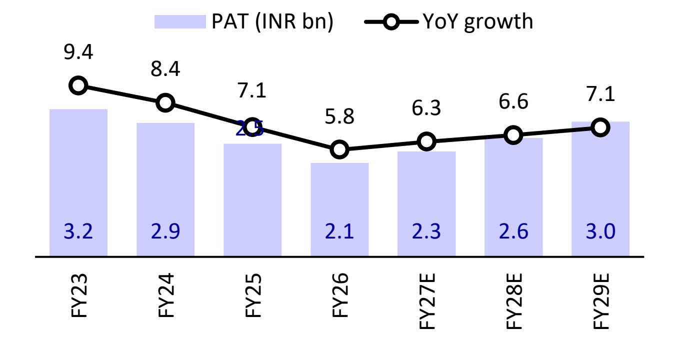
Source: MOFSL, Company

Exhibit 11: Expect 13% EBITDA CAGR over FY26-29



Source: MOFSL, Company

Exhibit 12: Expect 13% Adj. PAT CAGR over FY26-29



Source: MOFSL, Company

Financials and valuations

Consolidated - Income Statement								(INR m)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**	**FY29E**
Total Income from Operations	**23,877**	**34,516**	**34,786**	**34,888**	**35,155**	**36,652**	**39,073**	**41,855**
Change (%)	39.8	44.6	0.8	0.3	0.8	4.3	6.6	7.1
Raw Materials	10,868	15,137	14,922	15,087	15,721	16,035	16,997	18,102
Gross Profit	**13,009**	**19,379**	**19,864**	**19,801**	**19,434**	**20,617**	**22,076**	**23,753**
Margin (%)	54.5	56.1	57.1	56.8	55.3	56.3	56.5	56.8
Employees Cost	3,787	4,187	4,200	4,616	4,522	4,582	4,884	5,232
Other Expenses	5,037	7,256	7,805	7,845	7,625	7,917	8,303	8,894
Total Expenditure	**19,692**	**26,579**	**26,927**	**27,548**	**27,868**	**28,534**	**30,184**	**32,228**
% of Sales	82.5	77.0	77.4	79.0	79.3	77.9	77.3	77.0
EBITDA	**4,185**	**7,936**	**7,859**	**7,339**	**7,287**	**8,118**	**8,889**	**9,627**
Margin (%)	17.5	23.0	22.6	21.0	20.7	22.2	22.8	23.0
Depreciation	2,420	2,948	3,391	3,712	4,201	4,492	4,922	5,430
EBIT	**1,765**	**4,989**	**4,468**	**3,628**	**3,087**	**3,626**	**3,968**	**4,197**
Int. and Finance Charges	928	1,078	1,170	1,284	1,346	1,427	1,481	1,483
Other Income	560	386	617	670	786	879	984	1,232
PBT bef. EO Exp.	**1,397**	**4,296**	**3,915**	**3,013**	**2,526**	**3,079**	**3,471**	**3,945**
EO Items	0	0	409	-1,232	714	0	0	0
PBT after EO Exp.	**1,397**	**4,296**	**3,506**	**4,245**	**1,812**	**3,079**	**3,471**	**3,945**
Total Tax	367	1,067	881	957	476	775	874	993
Tax Rate (%)	26.3	24.8	25.1	22.5	26.3	25.2	25.2	25.2
Minority Interest	-	-	-	-	-	-	-	-
Reported PAT	**1,030**	**3,229**	**2,625**	**3,288**	**1,336**	**2,304**	**2,597**	**2,952**
Adjusted PAT	**1,030**	**3,229**	**2,927**	**2,470**	**2,055**	**2,304**	**2,597**	**2,952**
Change (%)	-220.1	213.5	-9.4	-15.6	-16.8	12.1	12.7	13.7
Margin (%)	4.3	9.4	8.4	7.1	5.8	6.3	6.6	7.1

Consolidated - Balance Sheet								(INR m)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**	**FY29E**
Equity Share Capital	643	643	643	643	643	643	643	643
Total Reserves	17,504	13,739	14,626	15,106	15,313	16,465	17,764	19,240
Net Worth	**18,147**	**14,382**	**15,269**	**15,749**	**15,956**	**17,108**	**18,406**	**19,883**
Minority Interest	0	0	0	0	0	0	0	0
Total Loans	10,942	12,464	13,573	14,465	13,866	14,761	15,430	15,482
Lease Liabilities	10,942	12,464	13,573	14,465	13,866	14,761	15,430	15,482
Deferred Tax Liabilities	0	0	0	0	0	0	0	0
Other Liabilities	20	5	140	295	318	318	318	318
Capital Employed	**29,109**	**26,851**	**28,982**	**30,509**	**30,139**	**32,186**	**34,155**	**35,682**
Gross Block	18,661	23,268	22,686	26,432	26,518	39,517	43,617	47,217
Less: Accum. Deprn.	6,402	9,350	7,599	8,437	10,013	23,405	28,326	33,757
Net Fixed Assets	**12,259**	**13,918**	**15,087**	**17,995**	**16,505**	**16,112**	**15,291**	**13,461**
Capital WIP	52	38	37	145	44	44	44	44
Total Investments	**1,899**	**1,492**	**1,601**	**1,487**	**3,125**	**3,125**	**3,125**	**3,125**
Curr. Assets, Loans&Adv.	**20,000**	**16,135**	**15,505**	**17,097**	**16,518**	**18,932**	**22,201**	**26,109**
Inventory	8,709	9,046	9,296	8,147	7,076	7,218	7,650	8,148
Account Receivables	717	826	801	1,118	1,841	803	856	917
Cash and Bank Balance	9,688	5,311	4,275	6,239	5,311	9,811	12,522	15,788
Loans and Advances	886	952	1,133	1,593	2,291	1,100	1,172	1,256
Curr. Liability & Prov.	**6,143**	**5,865**	**4,516**	**7,626**	**7,645**	**7,619**	**8,098**	**8,649**
Account Payables	4,562	4,093	2,997	3,492	3,306	3,954	4,191	4,464
Other Current Liabilities	1,491	1,696	1,472	2,177	2,435	1,466	1,563	1,674
Provisions	90	76	47	1,956	1,904	2,199	2,344	2,511
Net Current Assets	**13,858**	**10,270**	**10,989**	**9,471**	**8,873**	**11,313**	**14,102**	**17,460**
Deferred Tax assets	1,042	1,133	1,267	1,422	1,592	1,592	1,592	1,592
Misc Expenditure	0	0	0	0	0	0	0	0
Appl. of Funds	**29,109**	**26,851**	**28,982**	**30,519**	**30,139**	**32,186**	**34,154**	**35,681**

Financials and valuations

Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E
Basic (INR)								
EPS (diluted from FY17)	**8.0**	**25.1**	**22.8**	**19.2**	**16.0**	**17.9**	**20.2**	**23.0**
Cash EPS (diluted from FY17)	26.8	48.1	49.2	48.1	48.7	52.9	58.5	65.2
BV/Share (diluted from FY17)	141.2	111.9	118.8	122.5	124.1	133.1	143.2	154.7
DPS	54.5	12.5	12.0	12.0	12.0	9.0	9.0	9.0
Payout (%)	680.1	49.8	58.8	46.9	115.5	50.0	44.4	39.0
Valuation (x)								
P/E	90.9	29.0	32.0	37.9	45.6	40.6	36.1	31.7
Cash P/E	27.1	15.2	14.8	15.1	15.0	13.8	12.5	11.2
P/BV	5.2	6.5	6.1	5.9	5.9	5.5	5.1	4.7
EV/Sales	4.0	2.9	3.0	2.9	2.9	2.7	2.5	2.2
EV/EBITDA	22.7	12.7	13.1	13.9	14.0	12.1	10.9	9.7
Dividend Yield (%)	7.5	1.7	1.6	1.6	1.6	1.2	1.2	1.2
FCF per share	12.7	41.9	27.6	52.1	41.2	68.5	57.1	61.8
Return Ratios (%)								
RoE	5.8	19.9	19.7	15.9	13.0	13.9	14.6	15.4
RoCE	6.0	14.4	13.7	11.3	9.5	10.9	11.3	11.7
RoIC	8.1	20.0	15.5	12.3	10.3	13.3	15.8	17.8
Working Capital Ratios								
Fixed Asset Turnover (x)	1.3	1.5	1.5	1.3	1.3	0.9	0.9	0.9
Asset Turnover (x)	0.8	1.3	1.2	1.1	1.2	1.1	1.1	1.2
Inventory (Days)	292	218	227	197	164	164	164	164
Debtor (Days)	11	9	8	12	19	8	8	8
Creditor (Days)	153	99	73	84	77	90	90	90
Leverage Ratio (x)								
Current Ratio	3.3	2.8	3.4	2.2	2.2	2.5	2.7	3.0
Interest Cover Ratio	1.9	4.6	3.8	2.8	2.3	2.5	2.7	2.8
Net Debt/Equity	0.0	0.4	0.5	0.4	0.3	0.1	0.0	-0.2

Consolidated - Cash Flow Statement (INR m)

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E
OP/(Loss) before Tax	1,397	4,298	3,506	4,237	1,820	3,079	3,471	3,945
Depreciation	2,420	2,948	3,391	3,713	4,201	4,492	4,922	5,430
Interest & Finance Charges	928	1,079	1,170	1,285	1,346	1,427	1,481	1,483
Direct Taxes Paid	-68	-974	-949	-1,196	-812	-775	-874	-993
(Inc)/Dec in WC	-1,982	-776	-2,041	1,210	-125	2,061	-79	-91
CF from Operations	**2,694**	**6,575**	**5,078**	**9,249**	**6,431**	**10,284**	**8,921**	**9,774**
Others	-579	-287	-547	-1,872	-482	-879	-984	-1,232
CF from Operating incl EO	**2,115**	**6,288**	**4,531**	**7,377**	**5,949**	**9,405**	**7,936**	**8,542**
(Inc)/Dec in FA	-477	-897	-979	-683	-647	-600	-600	-600
Free Cash Flow	**1,638**	**5,391**	**3,552**	**6,694**	**5,301**	**8,805**	**7,336**	**7,942**
(Pur)/Sale of Investments	940	4,963	992	834	-1,958	0	0	0
Others	466	319	391	380	33	879	984	1,232
CF from Investments	**928**	**4,385**	**404**	**531**	**-2,573**	**279**	**384**	**632**
Issue of Shares	0	0	0	0	0	0	0	0
Inc/(Dec) in Debt	0	0	0	-2,819	-1,157	-1,152	-1,298	-1,476
Interest Paid	-9	0	0	0	0	0	0	0
Dividend Paid	-514	-6,989	-1,731	-2,819	-1,157	-1,152	-1,298	-1,476
Others	-2,886	-3,117	-3,433	-3,534	-3,642	-3,907	-4,200	-4,331
CF from Fin. Activity	**-3,410**	**-10,106**	**-5,164**	**-9,173**	**-5,956**	**-6,211**	**-6,797**	**-7,284**
Inc/Dec of Cash	**-367**	**567**	**-230**	**-1,265**	**-2,581**	**3,473**	**1,524**	**1,891**
Opening Balance	543	176	743	514	-752	-3,332	141	1,664
Closing Balance	**176**	**743**	**514**	**-752**	**-3,332**	**141**	**1,664**	**3,555**
Other Bank Balance	**9,512**	**4,568**	**3,762**	**6,991**	**8,643**	**9,671**	**10,857**	**12,233**
Net Closing Balance	**9,688**	**5,311**	**4,275**	**6,239**	**5,311**	**9,811**	**12,522**	**15,788**

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx. As per Regulatory requirements, Research Audit Report is uploaded on www.motilaloswal.com > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the"1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore.This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL .

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

.

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
   MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
   Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
   MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report:No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
   MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
   MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).

6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

****

The associates of MOFSL may have:
financial interest in the subject company
actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
received compensation/other benefits from the subject company in the past 12 months
any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
Served subject company as its clients during twelve months preceding the date of distribution of the research report.
The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report
Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.
This report is meant for the clients of Motilal Oswal only.
Investment in securities market are subject to market risks. Read all the related documents carefully before investing.
Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN .: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.
Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.