ADD Aditya Birla Fashion & Retail

Weak 1Q; TP cut led by slow start across most segments

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Retail ▸ Result Update ▸ **August 11, 2026**

CMP (Rs): 61 | TP (Rs): 70

We maintain ADD on ABFRL, albeit reducing our DCF-based TP by ~13% to Rs70 (vs Rs80 earlier; Exhibit 1). ABFRL's topline growth of 10.6% in 1Q was led by ~30% growth in the Luxury segment (~10% of sales); TMRW/Pantaloons (~60% of sales) grew in line at 10-11%, while the ethnic portfolio (~30% of sales) grew slower at 4%. The key reasons behind the TP cut are growth moderation for Pantaloons in 1Q (4% LTL vs ~7% in 2HFY26) and a slower start for the Ethnic/D2C segments in 1Q (vs 20-30% expectations). However, ABFRL expects growth to recover strongly in the rest of FY27—the ethnic portfolio was impacted by lower weddings/subdued international travel, Pantaloons saw abrupt moderation in Jun-26, and there was a mismatch between primary and secondary growth in TMRW (D2C). While ABFRL maintained its outlook of 20-25% growth for Ethnic/TMRW and high-single-digit LFL for Pantaloons in FY27, we prefer to remain conservative. On margins, Pantaloons's gross margin may come under pressure in the rest of FY27, as only ~50% of the 4% RM inflation has been passed on to consumers. Standalone gross cash stood at ~Rs10bn at 1Q-end, and ABFRL expects cash utilization of ~Rs5bn each in FY27/FY28, after which it expects to turn FCF-positive. TMRW has recently raised ~Rs5bn, which will suffice for its growth expectations.

Slow start across segments; growth investments weigh on EBITDA margins

Consolidated revenue at Rs20.2bn rose ~11% yoy. The Luxury/TMWR/Pantaloons segments saw 30%/11%/10% yoy growth, respectively. While Ethnic business growth was lower at ~4% yoy; excluding TCNS, though, the ethnic portfolio grew ~14% yoy. In Pantaloons, 10% growth was led by 7% growth in the core Pantaloons format (4% LTL) and 55% growth in 'OWND'. No net new stores were opened in Pantaloons, while 9 new OWND stores were added. ABFRL expects to add 20 gross stores for Pantaloons in FY27. The Luxury segment reported robust 30% yoy growth, led by double-digit LTL for TCMB and scale-up of Galleries Lafayette. Pantaloons EBITDA margin, at 15.9%, was down ~120bps, largely due to growth investment in OWND, while consolidated EBITDA margin, at 5.9%, was down ~30bps yoy. APAT loss at Rs2.15bn was slightly lower than the expectation of Rs2.3bn loss.

Expects ethnic portfolio to clock >20% growth; TMRW to turn profitable by FY30

The ethnic portfolio grew slower at ~4% in 1Q, impacted by lower wedding days and subdued international travel, although ABFRL remains confident of >20% growth in FY27, indicating a strong recovery as the demand environment normalizes. Within Ethnic, the designer portfolio brands are already profitable, while TCNS and Tasva remain the key drag on profitability. TMRW delivered ~11% growth (primary), while secondary growth was faster at ~16% yoy. ABFRL expects the portfolio to grow >20% in FY27. TMRW cash losses narrowed in 1Q, and ABFRL expects brand-level cash profitability in the next 12-18 months, and the overall TMRW portfolio to turn profitable by FY30. The segment's profitability is likely to improve through scale-led operating leverage, better brand-level gross margins driven by premiumization and price increases, and tighter cost efficiencies.

Target Price – 12M	Jun-27
Change in TP (%)	**(12.5)**
Current Reco.	ADD
Previous Reco.	ADD
Upside/(Downside) (%)	14.8

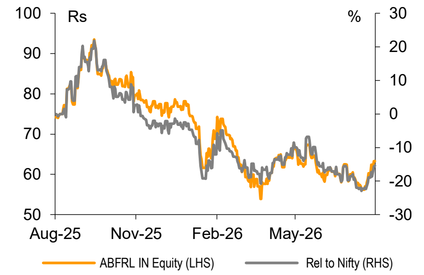
Stock Data	**ABFRL IN**
52-week High (Rs)	95
52-week Low (Rs)	54
Shares outstanding (mn)	1,220.5
Market-cap (Rs bn)	75
Market-cap (USD mn)	782
Net-debt, FY27E (Rs mn)	7,085.3
ADTV-3M (mn shares)	6.0
ADTV-3M (Rs mn)	357.2
ADTV-3M (USD mn)	3.7
Free float (%)	35.0
Nifty-50	24,583.8
INR/USD	95.3

Shareholding,Jun-26	
Promoters (%)	46.6
FPIs/MFs (%)	12.9/5.7

Price Performance

(%)	**1M**	**3M**	**12M**
Absolute	1.7	(7.9)	(17.7)
Rel. to Nifty	0.2	(9.5)	(18.4)

1-Year share price trend (Rs)



Aditya Birla Fashion & Retail: Financial Snapshot (Consolidated)

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	73,547	81,769	95,377	112,393	132,938
EBITDA	6,764	6,866	10,471	15,056	18,967
Adj. PAT	(7,053)	(7,360)	(6,323)	(4,609)	(3,338)
Adj. EPS (Rs)	(5.8)	(6.0)	(5.2)	(3.8)	(2.7)
EBITDA margin (%)	9.2	8.4	11.0	13.4	14.3
EBITDA growth (%)	82.8	1.5	52.5	43.8	26.0
Adj. EPS growth (%)	0	0	0	0	0
RoE (%)	(13.0)	(11.6)	(11.4)	(9.3)	(7.3)
RoIC (%)	(6.5)	(9.4)	(5.1)	(1.5)	1.2
P/E (x)	(10.6)	(10.1)	(11.8)	(16.2)	(22.3)
EV/EBITDA (x)	9.6	11.1	7.8	5.4	4.3
P/B (x)	1.1	1.3	1.4	1.6	1.7
FCFF yield (%)	38.2	(3.1)	8.2	12.7	15.9

Source: Company, Emkay Research

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Earnings call KTAs

Demand trends

- The demand environment was broadly stable and was in line with trends seen in the last few quarters.
- Occasion-led consumption saw some moderation yoy, as Adhik Maas disrupted peak wedding-related consumption.

Pantaloons and OWND

- In Pantaloons, April started slightly weaker vs the 7% LTL reported over the Nov-25 to Mar-26 period but May saw double-digit LTL growth. However, June again saw weakness, resulting in overall LTL of 4% in 1Q. For FY27, ABFRL expects high-single-digit LTL for Pantaloons.
- The core Pantaloons business grew 7%, with the remaining ~2.5% growth from the OWND portfolio. The company is tracking ~18% margin in the core Pantaloons format. OWND continues to be in the investment phase, and hence profitability is being driven by the core Pantaloons format.
- In 1H, 20-22 OWND stores are expected to be added, with the expansion count expected to be higher in 2H. For Pantaloons, ~20 gross stores are expected to open in FY27.
- 150 stores, contributing more than half the revenue, have undergone a change in the Pantaloons format.
- LTL, gross margin, and sell-through are the key parameters the company tracks in OWND. The company has created a new team for OWND and expects a large part of FY27 to remain focused on getting the format and store profitability right.
- The company has witnessed inflation of ~4% in both businesses. In Pantaloons, it has chosen to keep the price hike lower, as it believes the cost increase is transient (50% of it is passed on). Gross margins are likely to be impacted in the rest of FY27.

TCNS

- Retail revenue grew 10% yoy, supported by low-single-digit LTL and the rest via store additions.1Q was one of the quarters where LTL was low and below the management's expectations.
- The company expects to add 35-40 stores (10% of the store base).

Ethnic and luxury brands

- The designer portfolio segment is profitable. TCNS and Tasva are the brands that are dragging profitability in the ethnic portfolio.
- Tasva delivered double-digit LTL growth in 1Q. The retail portfolio is currently at 90 stores, and the company plans to add 25-30 stores. The brand is likely to become profitable at a Rs4-5bn revenue run-rate.
- GL is operationally loss-making. Between TCMB and GL, the company expects to break even in 2H at the combined level. The company believes GL has the potential to open 1 store in every 2-3 years, once the Mumbai store is settled in terms of operational parameters. The company's goal is to open a new store in Delhi in the next 2-3 years. TCMB is a steady business, with profitability in the mid-to-high teens.

Others

- At the standalone level, the company has a gross cash balance of Rs10bn, sufficient to fund investment requirements for the next two years (Rs5-5.5bn annual cash requirement). The company expects to generate positive FCF by FY29-FY30.
- On an annual basis, the company expects lower losses in FY27, which will further reduce in FY28.
- The company expects to incur capex of ~Rs3bn on new stores and renovation in Pantaloons.

Story in charts

Exhibit 1: ABFRL – DCF-based valuation

(Rs mn)	
Cash flow at FY35-end	9,183
Terminal growth rate	6.0%
WACC	11.4%
Terminal value	178,941
Discounted terminal value	77,241
PV of firm till terminal year	8,909
Total discounted value of the firm	**78,358**
Net cash balance + D2C investment	10,000
Jun-27E market cap	**88,358**
Implied EBITDA multiple (ABFRL, excluding TMRW)	**35.6**
Fair value/Jun-27E TP (Rs)	**70**

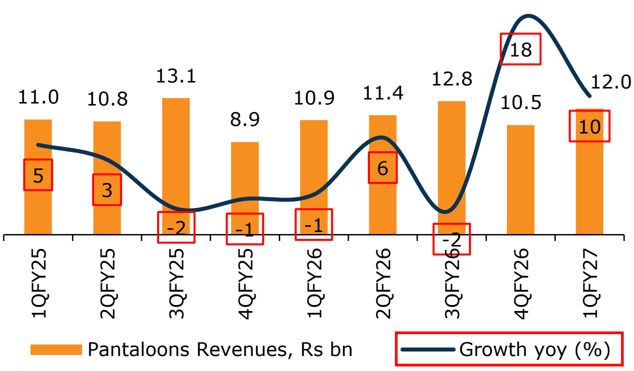
Source: Company, Emkay Research

Exhibit 2: Key growth/margin assumptions

(Rs mn)	FY25	FY30E	FY35E	*FY25-30E	*FY30-35E
[A] ABFRL - Revenue (ex-TMRW)	67,040	138,127	265,126	15.6	13.9
[1] Masstige Value Retail	43,730	82,220	157,629	13.5	13.9
[2] Ethnic	19,560	46,135	89,989	18.7	14.3
[3] Luxury Retail	5,170	11,585	20,783	17.5	12.4
[B] ABFRL - EBITDA (ex-TMRW)	-26	5,577	20,117		
EBITDA margin	0.0%	4.0%	7.6%		
[1] Masstige Value Retail	1,050	2,451	11,047		
EBITDA margin	2.4%	3.0%	7.0%		
[2] Ethnic	-1,103	4,069	9,325		
EBITDA margin	-5.6%	8.8%	10.4%		
[3] Luxury Retail	517	348	2,078		
EBITDA margin	10.0%	3.0%	10.0%		

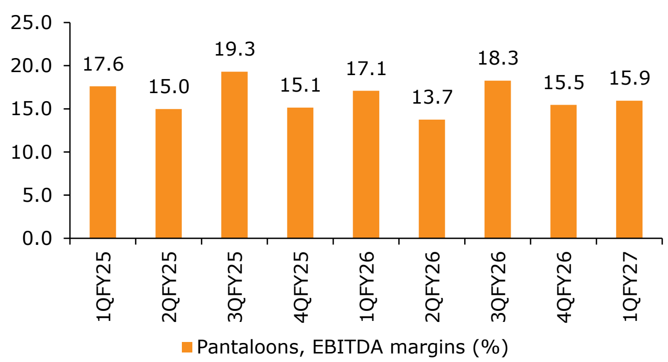
*Source: Company, Emkay Research; Note: EBITDA estimates are pre-IndAS; *CAGR*

Exhibit 3: Pantaloons segment – Revenue grew ~10%, led by 55%/7% growth in 'OWND' /Pantaloons



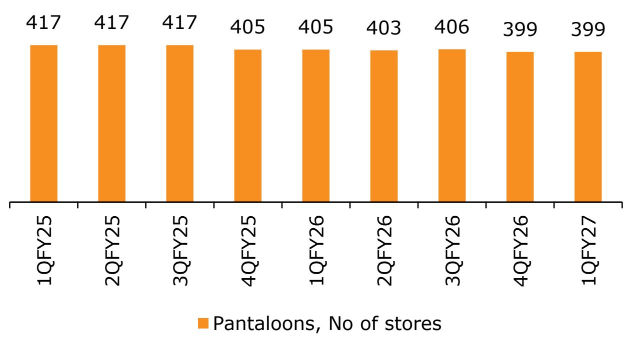
Source: Company, Emkay Research

Exhibit 4: Pantaloons's EBITDA margin declined ~120bps due to ramp-up of OWND



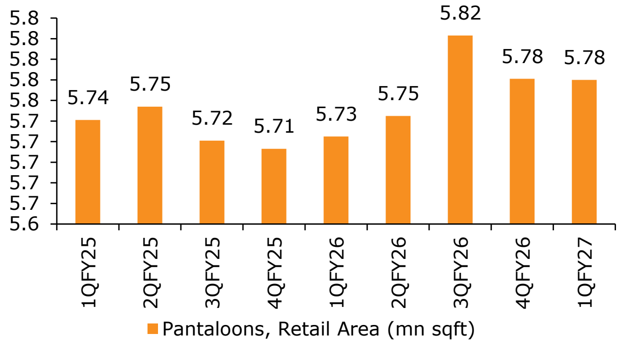
Source: Company, Emkay Research

Exhibit 5: Pantaloons – no net additions in 1Q, though store closure pace moderated to 1 store in 1Q vs 11 in 4QFY26



Source: Company, Emkay Research

Exhibit 6: Retail area remained flat in 1Q after moderation in 4Q



Source: Company, Emkay Research

Exhibit 7: Summary of quarterly results

Y/E, Mar (Rs mn)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy (%)	qoq (%)	FY26TD	FY27TD	yoy (%)
Revenue	**18,315**	**19,817**	**23,737**	**19,901**	**20,256**	**10.6**	**1.8**	**18,315**	**20,256**	10.6
Expenditure	**17,198**	**19,129**	**20,649**	**17,927**	**19,086**	**11.0**	**6.5**	**17,198**	**19,086**	**11.0**
Consumption of RM	7,812	8,347	9,778	8,735	8,790	12.5	0.6	**7,812**	**8,790**	12.5
as % of sales	*42.7%*	*42.1%*	*41.2%*	*43.9%*	*43.4%*			*42.7%*	*43.4%*	
Other expenditure	9,386	10,782	10,872	9,193	10,297	9.7	12.0	**9,386**	**10,297**	9.7
as % of sales	*51.2%*	*54.4%*	*45.8%*	*46.2%*	*50.8%*			*51.2%*	*50.8%*	
EBITDA	**1,117**	**688**	**3,087**	**1,974**	**1,169**	**4.7**	**-40.8**	**1,117**	**1,169**	**4.7**
Depreciation	3,156	3,252	3,495	3,492	3,497	10.8	0.1	**3,156**	**3,497**	10.8
EBIT	**-2,039**	**-2,564**	**-408**	**-1,518**	**-2,328**			**-2,039**	**-2,328**	
Other income	635	545	680	1,235	560	-11.8	-54.7	**635**	**560**	-11.8
Interest	1,134	1,242	1,325	1,457	1,371	20.9	-5.9	**1,134**	**1,371**	20.9
PBT	**-2,538**	**-3,260**	**-1,053**	**-1,739**	**-3,139**			**-2,538**	**-3,139**	
Total tax	258	380	36	309	715	177.6	131.2	**258**	**715**	177.6
(Profit)/loss from JVs/Ass/MI	160	247	-220	59	271	69.4	356.2	**160**	**271**	69.4
APAT after MI	**-2,120**	**-2,633**	**-1,238**	**-1,370**	**-2,152**			**-2,120**	**-2,152**	
Extraordinary items	0	0	285	114	0			**0**	**0**	
PAT	**-2,120**	**-2,633**	**-1,522**	**-1,484**	**-2,152**			**-2,120**	**-2,152**	
EPS (Rs)	**-1.7**	**-2.2**	**-1.5**	**-1.2**	**-1.8**			**-1.7**	**-1.8**	

(%)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy (%)	qoq (%)	FY26TD	FY27TD	(bps)
EBITDAM	6.1	3.5	13.0	9.9	5.8	-30	-410	6.1	5.8	-30
EBITM	-11.1	-12.9	-1.7	-7.6	-11.5	-40	-390	-11.1	-11.5	-40
EBTM	-13.9	-16.5	-4.4	-8.7	-15.5	-160	-680	-13.9	-15.5	-160
PATM	-11.6	-13.3	-5.2	-6.9	-10.6	90	-370	-11.6	-10.6	90
Effective tax rate	-10.2	-11.6	-3.4	-17.8	-22.8	-1260	-500	-10.2	-22.8	-1,260

Source: Company, Emkay Research

Exhibit 8: Actual vs estimates (1QFY27)

(Rs mn)	Actual	Estimates		Variation		Comments
		Emkay	Consensus	Emkay	Consensus	
Net sales	20,256	20,238	20,527	0.1%	-1.3%	Topline was in line with our estimate
EBITDA	1,169	1,261	1,634	-7.3%	-28.4%	EBITDA miss due to lower-than-expected gross margins
EBITDA margin	5.8%	6.2%	8.0%	-46	-219	
APAT	-2,152	-2,283	-2,427			APAT loss is slightly lower than expectation, largely on account of higher-than-expected other income

Source: Company, Emkay Research

Exhibit 9: Changes in estimates

(Rs mn)	FY27E			FY28E			FY29E		
	Old	New	Change (%)	Old	New	Change (%)	Old	New	Change (%)
Net sales	97,244	95,377	-1.9	117,571	112,393	-4.4	NA	132,938	NA
EBITDA	10,796	10,471	-3.0	14,993	15,056	0.4	NA	18,967	NA
EBITDA margin (%)	11.1	11.0	-10 bps	12.8	13.4	60 bps	NA	14.3	NA
PAT	-6,271	-6,323	NA	-4,410	-4,609	NA	NA	-3,338	NA
EPS (Rs)	-5.1	-5.2	NA	-3.6	-3.8	NA	NA	-2.7	NA

Source: Company, Emkay Research

Exhibit 10: Valuation comparison across our coverage companies

Company	CMP (Rs)	Mcap (Rs bn)	Reco	Target price (Rs)	EPS (Rs)			PER (x)			EV/EBITDA (x)*		
					FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Titan Company	5,098	4,527	ADD	5,600	74.4	88.2	105.7	68.5	57.8	48.2	42.2	36.3	30.9
Varun Beverages	447	1,510	BUY	525	9.7	11.4	13.8	46.0	39.2	32.3	25.9	23.0	20.2
Ethos	2,835	76	BUY	3,200	49.7	66.9	85.6	57.1	42.4	33.1	24.4	18.2	14.1
Page Industries	38,680	431	ADD	46,800	776.7	894.3	1,025.1	49.8	43.3	37.7	33.7	29.4	25.8
ABFRL	**61**	**75**	**ADD**	**70**	**-5.2**	**-3.8**	**-2.7**	**NA**	**NA**	**NA**	**7.8**	**5.4**	**4.3**
Jubilant FoodWorks	494	326	BUY	550	6.0	7.9	10.2	82.3	62.3	48.3	16.6	14.2	12.3
Devyani International	133	165	BUY	160	0.2	1.0	1.6	618.4	132.1	81.2	16.8	14.0	12.2
Westlife Foodworld	584	91	ADD	550	1.8	5.3	8.7	331.7	111.1	67.1	23.6	17.4	14.2
Sapphire Foods	221	71	BUY	300	1.6	2.3	2.9	138.8	95.1	76.4	12.3	9.9	8.7
Senco Gold	398	65	BUY	575	21.2	26.2	30.4	18.8	15.2	13.1	11.9	9.9	8.5
Metro Brands	966	263	BUY	1,250	17.7	21.0	25.2	54.7	46.0	38.3	25.7	21.8	18.6
ABLBL	92	112	BUY	140	2.3	3.1	4.0	40.1	29.4	22.6	7.9	6.8	6.0
Vishal Mega Mart	109	512	BUY	170	2.3	2.9	3.6	48.1	37.2	30.3	21.7	17.9	15.2
Lenskart	586	1,019	BUY	675	4.1	6.1	7.2	142.5	95.8	80.9	41.9	32.0	25.9
DMART	3,900	2,544	SELL	3,700	56.3	63.0	70.4	69.3	61.9	55.4	41.6	36.1	31.6

*Source: Company, Emkay Research; Note: *Post-IndAS-116 EBITDA; **FY27E is CY26 and likewise for Varun Beverages*

Aditya Birla Fashion & Retail: Consolidated Financials and Valuations

Profit & Loss

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	**73,547**	**81,769**	**95,377**	**112,393**	**132,938**
Revenue growth (%)	14.2	11.2	16.6	17.8	18.3
EBITDA	**6,764**	**6,866**	**10,471**	**15,056**	**18,967**
EBITDA growth (%)	82.8	1.5	52.5	43.8	26.0
Depreciation & Amortization	11,664	13,395	14,867	16,349	17,881
EBIT	**(4,900)**	**(6,529)**	**(4,395)**	**(1,293)**	**1,087**
EBIT growth (%)	0	0	0	0	0
Other operating income	-	-	-	-	-
Other income	1,957	3,096	2,500	2,000	1,600
Financial expense	5,674	5,157	6,089	6,468	6,815
PBT	**(8,616)**	**(8,589)**	**(7,985)**	**(5,761)**	**(4,128)**
Extraordinary items	0	0	0	0	0
Taxes	(942)	(982)	(2,012)	(1,452)	(1,040)
Minority interest	800	540	0	0	0
Income from JV/Associates	(179)	(294)	(350)	(300)	(250)
Reported PAT	**(7,053)**	**(7,360)**	**(6,323)**	**(4,609)**	**(3,338)**
PAT growth (%)	0	0	0	0	0
Adjusted PAT	**(7,053)**	**(7,360)**	**(6,323)**	**(4,609)**	**(3,338)**
Diluted EPS (Rs)	**(5.8)**	**(6.0)**	**(5.2)**	**(3.8)**	**(2.7)**
Diluted EPS growth (%)	0	0	0	0	0
DPS (Rs)	**0**	**0**	**0**	**0**	**0**
Dividend payout (%)	**0**	**0**	**0**	**0**	**0**
EBITDA margin (%)	9.2	8.4	11.0	13.4	14.3
EBIT margin (%)	(6.7)	(8.0)	(4.6)	(1.2)	0.8
Effective tax rate (%)	10.9	11.4	25.2	25.2	25.2
NOPLAT (pre-IndAS)	**(4,364)**	**(5,782)**	**(3,288)**	**(967)**	**813**
Shares outstanding (mn)	1,220	1,221	1,221	1,221	1,221

Source: Company, Emkay Research

Balance Sheet

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	12,203	12,205	12,205	12,205	12,205
Reserves & Surplus	55,919	46,185	39,863	35,253	31,915
Net worth	**68,122**	**58,391**	**52,068**	**47,459**	**44,121**
Minority interests	11	4,238	4,588	4,888	5,138
Non current liab. & prov.	33,136	40,852	47,917	54,718	61,410
Total debt	**14,386**	**16,946**	**16,946**	**16,946**	**16,946**
Total liabilities & equity	**115,655**	**120,427**	**121,519**	**124,011**	**127,615**
Net tangible fixed assets	22,594	23,493	22,511	21,687	20,984
Net intangible assets	14,918	15,406	15,892	16,379	16,865
Net ROU assets	29,919	38,126	43,904	49,392	54,729
Capital WIP	1,810	879	879	879	879
Goodwill	26,707	26,707	26,707	26,707	26,707
Investments [JV/Associates]	1,585	1,789	1,789	1,789	1,789
Cash & equivalents	**23,673**	**15,455**	**9,861**	**6,213**	**3,422**
Current assets (ex-cash)	42,542	51,526	59,767	70,756	83,624
Current Liab. & Prov.	48,094	53,052	59,890	69,890	81,483
NWC (ex-cash)	**(5,553)**	**(1,526)**	**(123)**	**865**	**2,141**
Total assets	**115,655**	**120,427**	**121,519**	**124,011**	**127,615**
Net debt	(9,287)	1,491	7,085	10,733	13,524
Capital employed	115,655	120,427	121,519	124,011	127,615
Invested capital	**58,668**	**64,178**	**65,086**	**65,737**	**66,796**
BVPS (Rs)	55.8	47.8	42.7	38.9	36.1
Net Debt/Equity (x)	(0.1)	-	0.1	0.2	0.3
Net Debt/EBITDA (x)	(1.4)	0.2	0.7	0.7	0.7
Interest coverage (x)	(1.0)	(1.4)	(1.0)	(0.6)	(0.3)
RoCE (%)	**(3.4)**	**(4.2)**	**(2.5)**	**1.0**	**4.0**

Source: Company, Emkay Research

Cash flows

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	(10,574)	(11,685)	(10,485)	(7,761)	(5,728)
Others (non-cash items)	0	0	0	0	0
Taxes paid	5,128	(465)	1,603	776	264
Change in NWC	5,361	(4,027)	(1,403)	(988)	(1,276)
Operating cash flow	**17,253**	**2,375**	**10,671**	**14,844**	**17,955**
Capital expenditure	7,670	(4,728)	(4,000)	(4,500)	(5,000)
Acquisition of business	(508)	(204)	0	0	0
Interest & dividend income	1,957	3,096	2,500	2,000	1,600
Investing cash flow	**1,985**	**3,456**	**9,150**	**(2,500)**	**(3,400)**
Equity raised/(repaid)	42,253	24	0	0	0
Debt raised/(repaid)	(27,666)	2,560	0	0	0
Payment of lease liabilities	(21,777)	(14,188)	(12,665)	(13,992)	(15,446)
Interest paid	(2,701)	(1,627)	(2,100)	(2,000)	(1,900)
Dividend paid (incl tax)	0	0	0	0	0
Others	(6,240)	4,474	0	0	0
Financing cash flow	**(16,131)**	**(8,756)**	**(14,765)**	**(15,992)**	**(17,346)**
Net chg in Cash	3,107	(2,926)	5,056	(3,647)	(2,791)
OCF	17,253	2,375	10,671	14,844	17,955
Adj. OCF (w/o NWC chg.)	11,892	6,401	12,074	15,832	19,231
FCFF	24,923	(2,354)	6,671	10,344	12,955
FCFE	24,180	(884)	7,071	10,344	12,655
OCF/EBITDA (%)	255.1	34.6	101.9	98.6	94.7
FCFE/PAT (%)	(342.8)	12.0	(111.8)	(224.4)	(379.1)
FCFF/NOPLAT (%)	**(571.1)**	**40.7**	**(202.9)**	**(1,069.3)**	**1,593.9**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E March	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	(10.6)	(10.1)	(11.8)	(16.2)	(22.3)
P/CE(x)	(22.2)	(23.4)	(40.8)	327.0	39.7
P/B (x)	1.1	1.3	1.4	1.6	1.7
EV/Sales (x)	0.9	0.9	0.9	0.7	0.6
EV/EBITDA (x)	9.6	11.1	7.8	5.4	4.3
EV/EBIT(x)	(13.3)	(11.6)	(18.6)	(63.1)	75.1
EV/IC (x)	1.1	1.2	1.3	1.2	1.2
FCFF yield (%)	38.2	(3.1)	8.2	12.7	15.9
FCFE yield (%)	32.4	(1.2)	9.5	13.9	17.0
Dividend yield (%)	0	0	0	0	0
DuPont-RoE split					
Net profit margin (%)	(9.6)	(9.0)	(6.6)	(4.1)	(2.5)
Total asset turnover (x)	0.8	1.0	1.2	1.5	1.8
Assets/Equity (x)	1.6	1.3	1.4	1.5	1.6
RoE (%)	**(13.0)**	**(11.6)**	**(11.4)**	**(9.3)**	**(7.3)**
DuPont-RoIC					
NOPLAT margin (%)	(5.9)	(7.1)	(3.4)	(0.9)	0.6
IC turnover (x)	1.1	1.3	1.5	1.7	2.0
RoIC (%)	**(6.5)**	**(9.4)**	**(5.1)**	**(1.5)**	**1.2**
Operating metrics					
Core NWC days	(27.6)	(6.8)	(0.5)	2.8	5.9
Total NWC days	**(27.6)**	**(6.8)**	**(0.5)**	**2.8**	**5.9**
Fixed asset turnover	0.9	1.0	1.1	1.3	1.4
Opex-to-revenue (%)	47.6	49.2	46.7	45.0	44.8

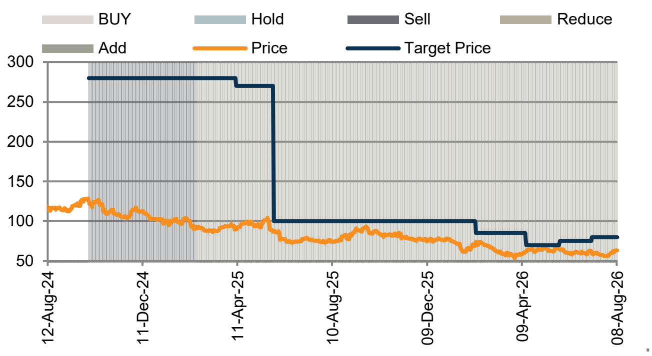
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
07-Jul-26	60	80	Add	Devanshu Bansal
27-May-26	64	75	Add	Devanshu Bansal
14-Apr-26	62	70	Add	Devanshu Bansal
09-Feb-26	74	85	Add	Devanshu Bansal
10-Jan-26	75	100	Add	Devanshu Bansal
06-Nov-25	78	100	Add	Devanshu Bansal
27-May-25	88	100	Add	Devanshu Bansal
09-Apr-25	90	270	Add	Devanshu Bansal
04-Apr-25	94	280	Add	Devanshu Bansal
18-Feb-25	91	280	Add	Devanshu Bansal
10-Jan-25	100	280	Sell	Devanshu Bansal
09-Nov-24	108	280	Sell	Devanshu Bansal
03-Oct-24	125	280	Sell	Devanshu Bansal

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

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