

Campus Activewear

Estimate change



TP change



Rating change



| | |
|-----------------------|-----------|
| Bloomberg | CAMPUS IN |
| Equity Shares (m) | 305 |
| M.Cap.(INRb)/(USD\$) | 87.1 / 1 |
| 52-Week Range (INR) | 372 / 210 |
| 1, 6, 12 Rel. Per (%) | 15/-3/-13 |
| 12M Avg Val (INR M) | 407 |

Financials & Valuations (INR b)

| Y/E March | FY25 | FY26E | FY27E |
|-------------------|------|-------|-------|
| Sales | 15.9 | 18.4 | 21.0 |
| EBITDA | 2.4 | 3.2 | 4.0 |
| Adj. PAT | 1.2 | 1.7 | 2.2 |
| EBITDA Margin (%) | 15.3 | 17.2 | 18.8 |
| Adj. EPS (INR) | 4.0 | 5.5 | 7.3 |
| EPS Gr. (%) | 35.5 | 38.8 | 32.3 |
| BV/Sh. (INR) | 24.7 | 30.2 | 37.5 |

Ratios

| | | | |
|------------|------|------|------|
| Net D:E | 0.3 | 0.2 | 0.0 |
| RoE (%) | 16.0 | 18.2 | 19.4 |
| RoCE (%) | 15.4 | 17.3 | 18.6 |
| Payout (%) | 0.0 | 0.0 | 0.0 |

Valuations

| | | | |
|----------------|------|------|------|
| P/E (x) | 71.7 | 51.6 | 39.0 |
| EV/EBITDA (x) | 36.5 | 28.0 | 21.9 |
| EV/Sales (X) | 5.6 | 4.8 | 4.1 |
| Div. Yield (%) | 0.0 | 0.0 | 0.0 |
| FCF Yield (%) | 0.9 | 1.2 | 2.9 |

Shareholding pattern (%)

| As On | Mar-25 | Dec-24 | Mar-24 |
|----------|--------|--------|--------|
| Promoter | 72.1 | 73.8 | 73.9 |
| DII | 11.1 | 11.4 | 7.8 |
| FII | 6.6 | 5.4 | 5.2 |
| Others | 10.1 | 9.4 | 13.1 |

FII Includes depository receipts

CMP: INR285

TP: INR330 (+16%)

Buy

Good 4Q; growth led by both volume and ASP increase

- Campus Activewear (Campus) delivered a healthy 12% YoY revenue growth, led by 8% increase in volumes and higher ASPs, supported by price hikes in open footwear and increased outright sales online.
- EBITDA grew 12% YoY (7% beat), with margins stable at 17.6%, as increased A&P investments offsets better gross margin (+185bp YoY).
- Campus delivered a 10% YoY revenue growth in FY25, with EBITDA rising 16% YoY, driven by a 70bp margin expansion. This was achieved despite lower ASPs and the impact of non-BIS inventory liquidation, as FY24 was impacted by one-off provisions on inventory and receivables.
- Management indicated that while demand trends improved slightly, they remained subdued; however, Campus was able to grow its market share. With an improvement in the demand environment, the company expects to return to mid-teen growth and deliver margins within the guided range (17-19%).
- We raise our FY26-27E earnings by 5-10%, driven by higher volume growth and EBITDA margin expansion to ~19% by FY27.
- We build in a CAGR of 15%/28%/35% in revenue/EBITDA/PAT over FY25-27. **We reiterate our BUY rating with a TP of INR330, premised on 45x Mar'27 P/E.**

Revenue up 12% YoY; 7% beat on EBITDA (+12% YoY)

- Revenue grew 12% YoY (vs. 9% YoY in 3Q) to INR4.1b (3% beat).
 - Comparatively, Relaxo's 4Q revenue declined ~7% YoY.
- Campus' volume grew ~8% YoY to 6.2m pairs (-10% YoY for Relaxo).
- ASP inched up ~3% YoY to INR658, driven by price hikes in open footwear and higher outright sales through the online channel.
- Gross profit was up 16% YoY to INR2.1b (6% beat).
 - Gross Margin (GM) expanded 185bp YoY to 51.7% (175bp beat).
 - On the other hand, Relaxo's GM contracted ~535bp YoY.
- Other expenses rose 19% YoY (9% ahead), driven by higher A&P spends, while employee costs increased 12% YoY (4% below).
- EBITDA rose 12% YoY to INR715m (7% beat), led by higher revenue and better gross margin.
 - EBITDA margin was broadly stable YoY at 17.6% (70bp beat), as the higher GM was partly offset by higher expenses.
- D&A rose 22% YoY, while finance costs increased 58% YoY.
- As a result, PAT increased 7% YoY to INR350m (5% miss). PAT margin came in at 8.6% (-35bp YoY).

FY25 review: Growth rebounds to double digit; EBITDA margin expands

- Revenue grew ~10% YoY to INR15.9b (on a low base, -2% YoY in FY24).
- Gross profit also grew 10% YoY to INR8.3b, as gross margin contracted ~20bp YoY to 51.8%.
- EBITDA at INR2.4b grew 16% YoY, as margin expanded ~70bp YoY to 15.3%.

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Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

- Reported PAT grew 35% YoY to INR1.2b (on a low base, -24% YoY in FY24).
- Net Working Capital (NWC) days improved to 69 in FY25 (from 79 in FY24), driven mainly by reduction in inventory days (87 vs. 100 YoY).
- FY25 OCF (post interest and leases) stood at INR1.9b (vs. INR2.2b YoY) and FCF (post interest and leases) came in at INR1.35b (vs. INR1.7b YoY).
- Campus declared a dividend of INR1/share for FY25.

Key takeaways from the management commentary

- **Demand trends:** Demand trends remained mixed across regions. North, East, and West regions experienced healthy demand growth, while South and Central India remained flattish. Metros and Tier 1 cities faced a slight dip in salience during 4Q, whereas Tier 2, Tier 3, and rural markets demonstrated better resilience. Overall demand improved but industry growth was still not in line with expectations. Management believes the company was able to increase its market share and anticipates this positive momentum to continue.
- **ASP:** The increase in ASP in 4QFY25 was driven by price hikes in open footwear and higher outright sales in the online segment. For FY25, ASP was lower due to the higher sale of accessories and higher salience of open footwear (~100bp increase YoY to 15.2%).
- **Margins:** Management continues to aim for 17-19% EBITDA margin over the medium term. New product development is seen as the biggest driver of margin expansion as overheads are fairly under control.
- **A&P spends:** Ad spends rose to INR1.3b (8.4% of sales) in FY25, with an additional INR100m jump in 4Q **driven** by brand and performance marketing. Management expects A&P spends to remain at ~8.5% of sales in FY26.

Valuation and view

- Campus' innovative designs, color combinations, and attractive price points make it a market leader in the fast-growing Sports and Athleisure (S&A) category.
- We expect Campus to rebound to mid-teens growth with an improvement in consumer sentiment and gradual overall demand revival. BIS-led tailwinds and stabilization in the D2C online channel are likely to support Campus' margin recovery.
- We raise our FY26-27E earnings by 5-10%, driven by higher volume growth and EBITDA margin expansion to ~19% by FY27.
- We build in a CAGR of 15%/28%/35% in revenue/EBITDA/PAT over FY25-27. We **reiterate our BUY rating with a TP of INR330** (earlier INR300), premised on 45x Mar'27 P/E.

Consolidated - Quarterly Earnings

(InR m)

| Y/E March | FY24 | | | | FY25E | | | | FY24 | FY25E | FY25E | Est |
|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|--------------|-------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | | | 4QE | Var (%) |
| Revenue | 3,538 | 2,587 | 4,720 | 3,639 | 3,392 | 3,333 | 5,148 | 4,057 | 14,483 | 15,930 | 3,951 | 2.7 |
| YoY Change (%) | 4.8 | -22.4 | 1.4 | 4.6 | -4.1 | 28.9 | 9.1 | 11.5 | -2.4 | 10.0 | 8.6 | |
| Gross Profit | 1,888 | 1,406 | 2,420 | 1,815 | 1,797 | 1,745 | 2,617 | 2,098 | 7,528 | 8,257 | 1,974 | 6.3 |
| Gross margin | 53.4 | 54.3 | 51.3 | 49.9 | 53.0 | 52.4 | 50.8 | 51.7 | 52.0 | 51.8 | 50.0 | 174 |
| Total Expenditure | 2,876 | 2,342 | 4,158 | 3,000 | 2,874 | 2,951 | 4,326 | 3,343 | 12,375 | 13,494 | 3,282 | 1.8 |
| EBITDA | 662 | 245 | 563 | 639 | 517 | 382 | 822 | 715 | 2,108 | 2,435 | 669 | 6.9 |
| EBITDA margins (%) | 18.7 | 9.5 | 11.9 | 17.6 | 15.3 | 11.5 | 16.0 | 17.6 | 14.6 | 15.3 | 16.9 | 4 |
| Depreciation | 171 | 181 | 184 | 186 | 162 | 176 | 189 | 228 | 721 | 755 | 185 | 22.8 |
| Interest | 69 | 65 | 58 | 40 | 37 | 45 | 43 | 64 | 232 | 188 | 36 | 76.4 |
| Other Income | 2 | 4 | 14 | 25 | 23 | 34 | 37 | 53 | 45 | 147 | 33 | 62.3 |
| PBT | 424 | 4 | 335 | 438 | 341 | 196 | 626 | 476 | 1,200 | 1,639 | 480 | -0.7 |
| Tax | 109 | 1 | 86 | 110 | 87 | 53 | 162 | 126 | 306 | 428 | 112 | 12.6 |
| Rate (%) | 25.8 | 13.5 | 25.6 | 25.2 | 25.6 | 27.0 | 25.8 | 26.4 | 25.5 | 26.1 | 23.3 | 13.4 |
| Reported PAT | 315 | 3 | 249 | 328 | 254 | 143 | 465 | 350 | 894 | 1,212 | 368 | -4.8 |
| Adj PAT | 314 | 3 | 249 | 328 | 254 | 143 | 465 | 350 | 894 | 1,212 | 368 | -4.8 |
| YoY Change (%) | 1 | -98 | -48 | 43 | -19 | NM | 87 | 7 | -23.6 | 35.5 | 12 | |

E: MOFSL Estimates

Exhibit 1: Valuation based on Mar'27E

| Particulars | INR/Share |
|---------------------------------|------------|
| EPS | 7.3 |
| Target PE (x) | 45 |
| Equity value/share (INR) | 330 |
| CMP (INR) | 284 |
| Upside/(Downside) (%) | 16% |

Source: MOFSL, Company



Detailed takeaways from the management interaction

- **Demand trends:** Demand trends remain mixed across regions. North, East, and West regions experienced healthy demand growth, while South and Central India remained flattish. Metros and Tier 1 cities faced a slight dip in salience during 4Q, whereas Tier 2, Tier 3, and rural markets demonstrated better resilience. While overall demand improved, industry growth was still not in line with expectations. Management believes the company was able to increase its market share and anticipates this positive momentum to continue.
- **ASP:** The increase in ASP in 4QFY25 was driven by price hikes in open footwear and higher outright sales in the online segment. For FY25, ASP was lower due to the higher sale of accessories and higher salience of open footwear (~100bp increase YoY to 15.2%).
- **Margins:** Management continues to aim for 17-19% EBITDA margin over the medium term. New product development is seen as the biggest driver of margin expansion as overheads are fairly under control.
- **A&P spends:** Ad spends rose to INR1.3b (8.4% of sales) in FY25, with an additional INR100m jump in 4Q, driven by brand and performance marketing. Management expects A&P spends to remain at ~8.5% of sales in FY26.
- **Distribution Channel** rebounded with an 8% growth in FY25 (11% YoY in Q4), fueled by enhanced on-ground execution, better distributor alignment, and timely supply. Distributor base was slightly rationalized to 300–350 to optimize geography coverage without sacrificing reach. Expansion is focused on North, Central, and West India, with increasing traction in the South.
- **Online channel** grew 12% YoY in FY25 (15% YoY in Q4), supported by volume growth and higher ASPs due to a stronger premium and higher outright sales mix. Revenue growth outpaced volume due to mix changes. Enhanced online visibility and targeted marketing drove this growth.
- **Profitability:** EBITDA margins expanded to 15.2% (up 73bp YoY) and 17.6% in Q4, supported by lower overhead costs and fewer one-off provisions. Despite a higher mix of open footwear and accessories, margins were protected through strategic price increases and new product launches.
- **BIS impact:** The company is gradually liquidating its non-BIS compliant inventory, albeit slower than initial expectations. The inventory liquidation impacted gross margin by ~20-40bp in FY25, with a similar drag expected in FY26. However, management indicated that imports from China have declined significantly after the BIS implementation, though companies are taking longer to liquidate the non-BIS inventory.
- **Product Category:** Over 250 new styles were launched in FY25 across the men, women, and kids categories, helping to maintain consumer relevance. Sneakers grew 150% YoY and contributed ~8.5% to overall sales, with further volume gains expected as the Haridwar facility will operate at full capacity in FY26. Open footwear's mix rose to 15.2% from 14.2%, diluting the overall ASP. Price increases in this category helped offset some of the impact on ASP. The men's category continues to dominate at 80%, while the focus on women's segment is rising.
- **Higher depreciation and interest cost:** Depreciation included an INR20m one-time hit for outdated DIP machinery, while the depreciation for new Haridwar 2

sneaker facility began production in Mar'25 (guidance of ~INR210m impact over the next 15 years). Interest cost increase was driven by addition of 3 leasehold assets during 4QFY25.

- **Working Capital days** reduced from 92 to 71 in FY25 and are currently at optimal levels. The company has no plans to reduce it further to avoid hurting sales. Supply chain efficiency improved with warehouse consolidation, and a new SAP system was launched in Apr'25.

Exhibit 2: Quarterly performance

| INRM | 4QFY24 | 3QFY25 | 4QFY25 | YoY% | QoQ% | 4QFY25E | v/s Est (%) |
|-------------------------------|--------------|--------------|--------------|------------|------------|--------------|-------------|
| Total Revenue | 3,639 | 5,148 | 4,057 | 12 | -21 | 3,951 | 3 |
| Raw Material cost | 1,824 | 2,531 | 1,959 | 7 | -23 | 1,976 | -1 |
| Gross Profit | 1,815 | 2,617 | 2,098 | 16 | -20 | 1,974 | 6 |
| Gross margin (%) | 49.9% | 50.8% | 51.7% | 185 | 88 | 50.0% | 174 |
| Employee Costs | 272 | 306 | 305 | 12 | 0 | 318 | -4 |
| SGA Expenses | 904 | 1,490 | 1,079 | 19 | -28 | 988 | 9 |
| EBITDA | 639 | 822 | 715 | 12 | -13 | 669 | 7 |
| EBITDA margin (%) | 17.6% | 16.0% | 17.6% | 5 | 165 | 16.9% | 69 |
| Depreciation and amortization | 186 | 189 | 228 | 22 | 20 | 185 | 23 |
| EBIT | 453 | 632 | 487 | 8 | -23 | 483 | 1 |
| EBIT margin (%) | 12.4% | 12.3% | 12.0% | -45 | -29 | 12.2% | -23 |
| Finance Costs | 40 | 43 | 64 | 58 | 48 | 36 | 76 |
| Profit before Tax | 438 | 626 | 476 | 9 | -24 | 480 | -1 |
| Tax | 110 | 162 | 126 | 14 | -22 | 112 | 13 |
| Profit after Tax | 328 | 465 | 350 | 7 | -25 | 368 | -5 |
| PAT margin (%) | 9.0% | 9.0% | 8.6% | -37 | -39 | 9.3% | -68 |

Source: MOFSL, Company

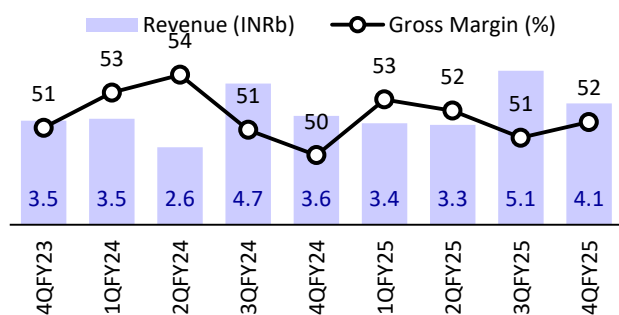
Exhibit 3: Summary of changes to our estimates

| | FY25 | FY26E | FY27E |
|-----------------------------|--------|--------|--------|
| Revenue (INR m) | | | |
| Old | 15,823 | 17,928 | 20,312 |
| Actual/New | 15,930 | 18,399 | 21,036 |
| Change (%) | 0.7 | 2.6 | 3.6 |
| Gross Profit (INR m) | | | |
| Old | 8,133 | 9,278 | 10,562 |
| Actual/New | 8,257 | 9,568 | 10,981 |
| Change (%) | 1.5 | 3.1 | 4.0 |
| Gross margin (%) | | | |
| Old | 51.4% | 51.8% | 52.0% |
| Actual/New | 51.8% | 52.0% | 52.2% |
| Change (bp) | 43 | 25 | 20 |
| EBITDA (INR m) | | | |
| Old | 2,389 | 2,958 | 3,585 |
| Actual/New | 2,435 | 3,155 | 3,960 |
| Change (%) | 1.9 | 6.7 | 10.5 |
| EBITDA margin (%) | | | |
| Old | 15.1% | 16.5% | 17.7% |
| Actual/New | 15.3% | 17.2% | 18.8% |
| Change (bp) | 19 | 65 | 118 |
| Net Profit (INR m) | | | |
| Old | 1,229 | 1,609 | 2,026 |
| Actual/New | 1,212 | 1,681 | 2,224 |
| Change (%) | -1.4 | 4.5 | 9.8 |
| EPS (INR) | | | |
| Old | 4.0 | 5.3 | 6.6 |
| Actual/New | 4.0 | 5.5 | 7.3 |
| Change (%) | -1.4 | 4.5 | 9.8 |

Source: MOFSL, Company

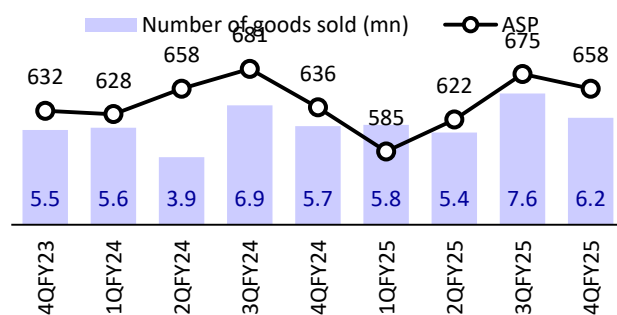
Story in charts

Exhibit 4: Revenue grew 12% YoY, led by volume recovery and ASP improvement; GM expanded ~190bp YoY



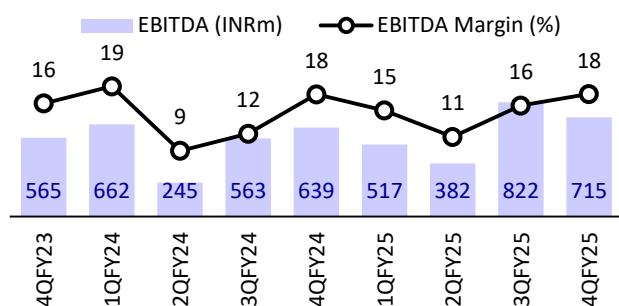
Source: MOFSL, Company

Exhibit 5: Volume grew 8% YoY while ASP increased 3% YoY



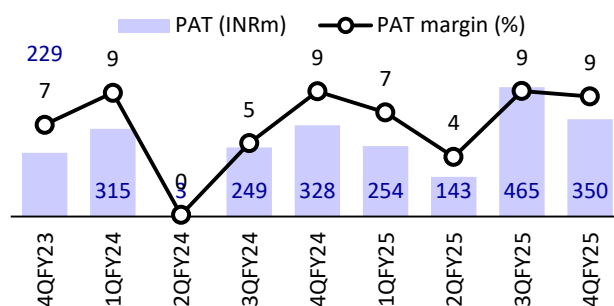
Source: MOFSL, Company

Exhibit 6: EBITDA up 12% YoY; margin remained flat YoY



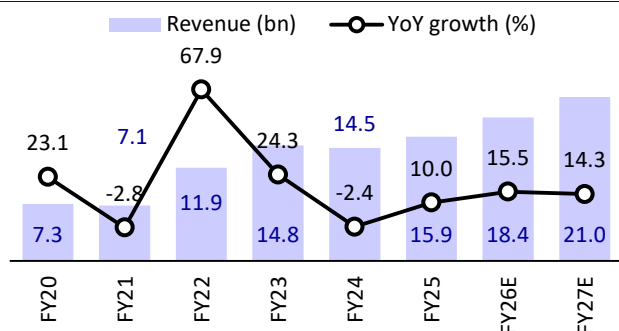
Source: MOFSL, Company

Exhibit 7: PAT rose 7% YoY; margin contracted ~40bp YoY



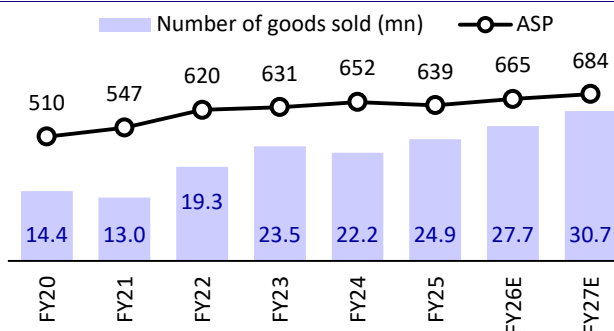
Source: MOFSL, Company

Exhibit 8: Expect 15% revenue CAGR over FY25-27



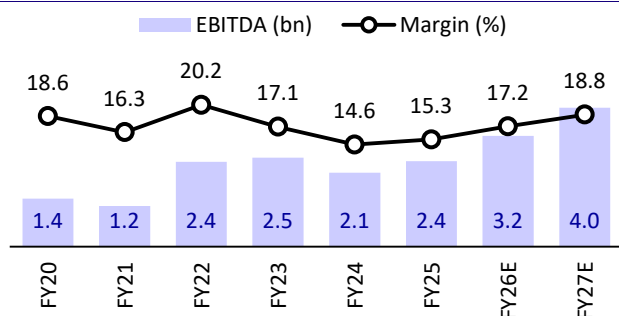
Source: MOFSL, Company

Exhibit 9: Expect 3%/11% ASP/volume CAGR over FY25-27



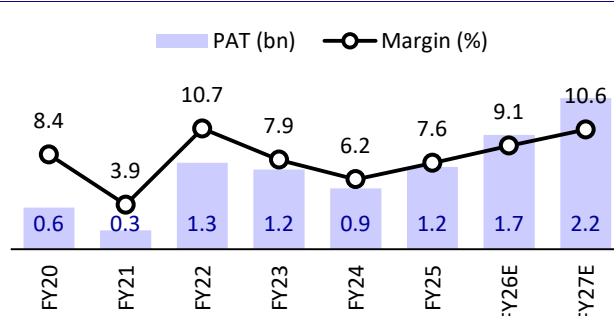
Source: MOFSL, Company

Exhibit 10: Expect 28% EBITDA CAGR over FY25-27, with 350bp margin expansion by FY27



Source: MOFSL, Company

Exhibit 11: Expect 35% PAT CAGR over FY25-27



Source: MOFSL, Company

Financials and valuations

| Consolidated - Income Statement | | | | | | | (INR m) | |
|---------------------------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Y/E March | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
| Revenue from Operations | 7,320 | 7,113 | 11,942 | 14,842 | 14,483 | 15,930 | 18,399 | 21,036 |
| Change (%) | 23 | -3 | 68 | 24 | -2 | 10 | 16 | 14 |
| Raw Materials | 3,801 | 3,744 | 5,973 | 7,520 | 6,955 | 7,673 | 8,832 | 10,055 |
| GROSS PROFIT | 3,519 | 3,369 | 5,968 | 7,323 | 7,528 | 8,257 | 9,568 | 10,981 |
| Margin (%) | 48 | 47 | 50 | 49 | 52 | 52 | 52 | 52 |
| Employees Cost | 570 | 552 | 679 | 802 | 1,015 | 1,190 | 1,260 | 1,341 |
| Other Expenses | 1,586 | 1,657 | 2,874 | 3,985 | 4,405 | 4,632 | 5,152 | 5,680 |
| Total Expenditure | 2,157 | 2,209 | 3,553 | 4,787 | 5,420 | 5,822 | 6,412 | 7,021 |
| % of Sales | 29.5 | 31.1 | 29.8 | 32.3 | 37.4 | 36.5 | 34.9 | 33.4 |
| EBITDA | 1,363 | 1,160 | 2,415 | 2,536 | 2,108 | 2,435 | 3,155 | 3,960 |
| Margin (%) | 18.6 | 16.3 | 20.2 | 17.1 | 14.6 | 15.3 | 17.2 | 18.8 |
| Depreciation | 231 | 327 | 532 | 710 | 721 | 755 | 908 | 1,015 |
| EBIT | 1,132 | 833 | 1,883 | 1,826 | 1,387 | 1,680 | 2,247 | 2,945 |
| Margin (%) | 15.5 | 11.7 | 15.8 | 12.3 | 9.6 | 10.5 | 12.2 | 14.0 |
| Finance costs | 165 | 172 | 196 | 287 | 232 | 188 | 198 | 199 |
| Other Income | 21 | 38 | 24 | 28 | 45 | 147 | 198 | 226 |
| PBT bef. EO Exp. | 988 | 699 | 1,711 | 1,567 | 1,200 | 1,639 | 2,247 | 2,972 |
| Total Tax | 364 | 431 | 634 | 396 | 306 | 428 | 566 | 748 |
| Tax Rate (%) | 36.8 | 61.6 | 37.0 | 25.0 | 25.0 | 25.0 | 25.2 | 25.2 |
| Reported PAT | 624 | 269 | 1,078 | 1,171 | 894 | 1,212 | 1,681 | 2,224 |
| Adjusted PAT | 612 | 279 | 1,273 | 1,171 | 894 | 1,212 | 1,681 | 2,224 |
| Change (%) | 58.4 | -54.5 | 356.9 | -8.0 | -23.6 | 35.5 | 38.8 | 32.3 |
| Margin (%) | 8.4 | 3.9 | 10.7 | 7.9 | 6.2 | 7.6 | 9.1 | 10.6 |

| Consolidated - Balance Sheet | | | | | | | (INR m) | |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
| Y/E March | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
| Equity Share Capital | 1,519 | 1,519 | 1,522 | 1,523 | 1,526 | 1,526 | 1,526 | 1,526 |
| Total Reserves | 1,329 | 1,608 | 2,754 | 3,998 | 4,990 | 6,038 | 7,720 | 9,944 |
| Net Worth | 2,847 | 3,126 | 4,276 | 5,521 | 6,517 | 7,564 | 9,246 | 11,470 |
| Minority Interest | 1 | 4 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Loans | 2,756 | 1,772 | 2,890 | 3,350 | 1,778 | 2,323 | 2,561 | 2,763 |
| Lease Liability | 323 | 416 | 1,147 | 1,542 | 1,535 | 2,323 | 2,561 | 2,763 |
| Capital Employed | 5,604 | 4,902 | 7,166 | 8,871 | 8,294 | 9,887 | 11,807 | 14,233 |
| Gross Block | 2,474 | 3,318 | 4,460 | 5,695 | 6,384 | 8,046 | 9,250 | 10,453 |
| Less: Accum. Deprn. | 429 | 753 | 1,214 | 1,924 | 2,645 | 3,400 | 4,308 | 5,323 |
| Net Fixed Assets | 2,044 | 2,564 | 3,246 | 3,770 | 3,739 | 4,645 | 4,941 | 5,130 |
| Right to use assets | 416 | 491 | 1,208 | 1,501 | 1,437 | 2,141 | 1,779 | 2,053 |
| Capital WIP | 352 | 3 | 25 | 38 | 201 | 344 | 344 | 344 |
| Total Investments | 450 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Curr. Assets, Loans&Adv. | 3,348 | 3,067 | 4,975 | 6,677 | 5,599 | 6,320 | 8,334 | 10,792 |
| Inventory | 1,699 | 2,025 | 3,543 | 4,490 | 3,963 | 3,797 | 5,081 | 5,234 |
| Account Receivables | 1,443 | 982 | 1,337 | 1,766 | 1,183 | 1,480 | 1,512 | 1,729 |
| Cash and Bank Balance | 153 | 12 | 3 | 240 | 248 | 245 | 943 | 3,031 |
| Loans and Advances | 53 | 48 | 92 | 181 | 206 | 798 | 798 | 798 |
| Curr. Liability & Prov. | 1,524 | 1,888 | 2,386 | 2,776 | 2,504 | 2,947 | 3,344 | 3,804 |
| Account Payables | 1,228 | 1,709 | 1,966 | 2,144 | 2,002 | 2,261 | 2,662 | 3,030 |
| Other Current Liabilities | 279 | 175 | 414 | 623 | 484 | 664 | 661 | 752 |
| Provisions | 17 | 5 | 6 | 10 | 18 | 22 | 22 | 22 |
| Net Current Assets | 1,824 | 1,179 | 2,590 | 3,901 | 3,095 | 3,374 | 4,990 | 6,988 |
| Deferred Tax assets | 621 | 401 | 218 | 309 | 382 | 416 | 416 | 416 |
| Other Assets | 665 | 758 | 1,112 | 891 | 1,078 | 1,452 | 1,459 | 1,698 |
| Appl. of Funds | 5,604 | 4,902 | 7,166 | 8,871 | 8,294 | 9,887 | 11,807 | 14,233 |

Financials and valuations

Ratios

| Y/E March | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|-------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Basic (INR) | | | | | | | | |
| EPS | 2.0 | 0.9 | 4.2 | 3.8 | 2.9 | 4.0 | 5.5 | 7.3 |
| Cash EPS | 2.8 | 2.0 | 5.9 | 6.1 | 5.3 | 6.4 | 8.5 | 10.6 |
| BV/Share | 9.4 | 10.3 | 14.1 | 18.0 | 21.3 | 24.7 | 30.2 | 37.5 |
| 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 | 141.8 | 311.6 | 68.2 | 74.1 | 97.1 | 71.7 | 51.6 | 39.0 |
| Cash P/E | 102.2 | 142.2 | 47.8 | 46.2 | 53.7 | 44.1 | 33.5 | 26.8 |
| P/BV | 30.2 | 27.5 | 20.2 | 15.7 | 13.3 | 11.5 | 9.4 | 7.6 |
| EV/Sales | 12.1 | 12.4 | 7.5 | 6.1 | 6.1 | 5.6 | 4.8 | 4.1 |
| EV/EBITDA | 65.1 | 75.7 | 36.9 | 35.5 | 41.9 | 36.5 | 28.0 | 21.9 |
| Dividend Yield (%) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| FCF per share | -1.8 | 2.3 | -0.5 | 1.9 | 6.2 | 2.6 | 3.5 | 8.1 |
| Return Ratios (%) | | | | | | | | |
| RoE | 21.5 | 8.9 | 29.8 | 21.2 | 13.7 | 16.0 | 18.2 | 19.4 |
| RoCE | 16.4 | 8.4 | 21.1 | 18.2 | 13.1 | 15.4 | 17.3 | 18.6 |
| RoIC | 18.4 | 8.4 | 20.8 | 18.2 | 13.2 | 14.6 | 17.0 | 20.6 |
| Working Capital Ratios | | | | | | | | |
| Fixed Asset Turnover (x) | 3.0 | 2.1 | 2.7 | 2.6 | 2.3 | 2.0 | 2.0 | 2.0 |
| Asset Turnover (x) | 1.3 | 1.5 | 1.7 | 1.7 | 1.7 | 1.6 | 1.6 | 1.5 |
| Inventory (Days) | 138 | 182 | 170 | 195 | 222 | 185 | 210 | 190 |
| Debtor (Days) | 76 | 62 | 35 | 38 | 37 | 31 | 30 | 30 |
| Creditor (Days) | 98 | 143 | 112 | 100 | 109 | 101 | 110 | 110 |
| WC (Days) | 117 | 101 | 93 | 133 | 150 | 114 | 130 | 110 |
| Leverage Ratio (x) | | | | | | | | |
| Current Ratio | 2.2 | 1.6 | 2.1 | 2.4 | 2.2 | 2.1 | 2.5 | 2.8 |
| Interest Cover Ratio | 6.9 | 4.9 | 9.6 | 6.4 | 6.0 | 8.9 | 11.3 | 14.8 |
| Net Debt/Equity | 0.8 | 0.6 | 0.7 | 0.6 | 0.2 | 0.3 | 0.2 | 0.0 |

Consolidated - Cash Flow Statement

(INR m)

| Y/E March | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|----------------------------------|---------------|---------------|-------------|--------------|---------------|---------------|--------------|--------------|
| OP/(Loss) before Tax | 988 | 699 | 1,711 | 1,566 | 1,200 | 1,639 | 2,247 | 2,972 |
| Depreciation | 231 | 327 | 532 | 710 | 721 | 755 | 908 | 1,015 |
| Interest & Finance Charges | 165 | 172 | 196 | 287 | 232 | 188 | 198 | 199 |
| Others | 187 | 87 | 65 | 180 | 282 | -36 | 0 | 0 |
| Direct Taxes Paid | -397 | -252 | -436 | -525 | -350 | -498 | -566 | -748 |
| (Inc)/Dec in WC | -179 | 210 | -1,890 | -954 | 560 | 304 | -926 | -149 |
| CF from Operations | 995 | 1,243 | 178 | 1,265 | 2,645 | 2,352 | 1,862 | 3,289 |
| Others | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| CF from Operating incl EO | 995 | 1,243 | 178 | 1,265 | 2,645 | 2,352 | 1,862 | 3,289 |
| (Inc)/Dec in FA | -1,545 | -539 | -341 | -697 | -745 | -1,546 | -804 | -804 |
| Free Cash Flow | -550 | 704 | -163 | 568 | 1,900 | 806 | 1,058 | 2,485 |
| (Pur)/Sale of Investments | 0 | 449 | 0 | 0 | 0 | 0 | 0 | 0 |
| Others | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| CF from Investments | -1,545 | -90 | -341 | -697 | -745 | -1,546 | -804 | -804 |
| Issue of Shares | 179 | 0 | 32 | 38 | 98 | 23 | 0 | 0 |
| Inc/(Dec) in Debt | 654 | -1,077 | 387 | 65 | -1,565 | -243 | 0 | 0 |
| Interest Paid | -148 | -140 | -121 | -137 | -99 | -23 | 0 | 0 |
| Lease installment | 0 | -77 | -143 | -297 | -359 | -390 | -360 | -397 |
| Minority | 0 | 0 | 0 | 0 | 0 | -214 | 0 | 0 |
| CF from Fin. Activity | 686 | -1,294 | 155 | -331 | -1,925 | -847 | -360 | -397 |
| Inc/Dec of Cash | 135 | -141 | -9 | 236 | -25 | -41 | 698 | 2,088 |
| Opening Balance | 18 | 153 | 12 | 3 | 240 | 248 | 245 | 943 |
| Closing Balance | 153 | 12 | 3 | 240 | 248 | 208 | 943 | 3,031 |

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|----------------------------------|--|
| 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 |

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