

# Bata India

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	BATA IN
Equity Shares (m)	129
M.Cap.(INRb)/(USDb)	175.5 / 2.1
52-Week Range (INR)	1771 / 1294
1, 6, 12 Rel. Per (%)	0/-28/-35
12M Avg Val (INR M)	541

## Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY25E
Sales	34.8	38.0	42.3
EBITDA	7.9	9.2	11.1
Adj. PAT	2.6	3.7	5.1
EBITDA Margin (%)	22.6	24.1	26.2
Adj. EPS (INR)	22.8	29.2	40.1
EPS Gr. (%)	-9.2	27.9	37.3
BV/Sh. (INR)	118.8	148.0	188.0

## Ratios

Net D:E	0.5	0.2	0.0
RoE (%)	19.8	21.9	23.8
RoCE (%)	13.7	15.0	16.8
RoIC (%)	15.5	17.7	22.5

## Valuations

P/E (x)	59.7	46.7	34.0
EV/EBITDA (x)	23.4	19.7	15.9
EV/Sales (X)	5.3	4.7	4.2
Div. Yield (%)	0.0	0.0	0.0

## Shareholding pattern (%)

As On	Mar-24	Dec-23	Mar-23
Promoter	50.2	50.2	50.2
DII	28.3	29.7	30.6
FII	8.2	7.9	5.9
Others	13.3	12.3	13.4

FII Includes depository receipts

**CMP: INR1,365 TP: INR1,400 (3%) Neutral**

## Weak distribution channel drags down performance

- BATA revenue grew 2% YoY (in line) in 4QFY24, dragged down by weakness in the distribution channel and the mass segment. Improvement in gross margins (+170bp YoY) was offset by weak SSSG and high SG&A, which led to a 50bp YoY contraction in EBITDA margins.
- Persistent softness, particularly in the value segment (<INR1,000 ASP), remains a drag. However, a steady network rollout and a product revamp (including apparels and sneakers) could support growth going ahead. We estimate a CAGR of 10%/33% in revenue/PAT over FY24-26. We reiterate our Neutral stance on the stock with a TP of INR1,400.

## Weak SSSG leads to decline in margins (in line)

- Revenue grew 2% YoY to INR8b (in line), likely due to **weak SSSG**.
- The company added three own stores and 24 franchise stores in the quarter, taking the total store count of 1,329 and 533, respectively.
- **Revenue per store (including SIS) declined 6% YoY**, mainly due to continued headwinds in discretionary spending.
- Gross margins expanded 170bp YoY to 60.1%, aided by a softening in RM prices and an improved product mix. Gross profits increased by 6% YoY to INR4.8b (in line).
- EBITDA was flat YoY at INR1.6b (in line) due to an increase in employee/other expenses by 3%/13% YoY, offsetting the GM benefit. EBITDA margins contracted 50bp YoY to 22.8%.
- **The cost of retailing per store was under control (flat YoY).**
- PAT declined 3% YoY to INR636m (6% miss) due to higher depreciation/finance costs, which rose 18%/14% YoY.
- FY24 revenue rose 1% YoY, while EBITDA/adj. PAT declined 1%/9% YoY.
- The company declared a dividend of INR12 per share (vs. INR13 in FY23).
- FY24 OCF declined 65% YoY to INR 1.1b due to an amount blocked in WC and a 10% increase in LL. Capex rose 9% YoY to INR980m and the dividend payment stood at INR1.7b. This led to cash outflow of INR1.6b, resulting in a decrease in net cash to INR4.3b.

## Key takeaways from the management interaction

- **Rationalization of stores-** The company closed some loss-making COCO stores during the quarter and expects to add new stores to the franchisee network (40 stores per quarter). BATA continues to expand in tier-3/tier-4 cities.
- **Guidance-** It aims to clock double-digit revenue growth consistently and expects to maintain marketing costs at 3%.
- **Mass segment improving-** Distribution business and lower ASP products have been a drag on overall growth, but the management has seen some signs of improvement in the mass market.

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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](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

- **Power apparels picking up-** The company is extending power apparels across stores, as the segment has seen good momentum from winters. BATA targets to expand to 100 stores by Dec'24 (vs. 70 at present).

#### Valuation and view

- Its robust balance sheet, marked by a net cash position, healthy FCF generation and impressive returns profile, along with a substantial growth potential within the industry, should help BATA drive its growth initiatives.
- Over the last couple of years, following the change in management, a renewed focus on growth has been evident, characterized by a brand refresh, introduction of new product lines (such as the newly launched sneaker segment), and enhancements in the backend supply chain infrastructure.
- While the company continues to explore growth opportunities through product improvement and introduction, revenue growth has been challenging amid a weak recovery in demand in the value category and an improving share of the sneaker segment.
- We estimate a CAGR of 10%/33% in revenue/PAT over FY24-26. We reiterate our Neutral stance on the stock with a TP of INR1,400, based on 35x FY26E EPS.

#### Consolidated - Quarterly Earning

Consolidated - Quarterly Earning											(INR m)	
Y/E March	FY23				FY24				FY23	FY24	FY24E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue	9,430	8,298	9,002	7,786	9,581	8,191	9,035	7,979	34,516	34,786	8,033	-0.7
YoY Change (%)	253.1	35.1	7.0	17.0	1.6	-1.3	0.4	2.5	44.6	0.8	3.2	
Gross Profit	5,339	4,562	4,931	4,547	5,246	4,755	5,065	4,798	19,379	19,864	4,723	1.6
Gross margin%	56.6	55.0	54.8	58.4	54.7	58.1	56.1	60.1	56.1	57.1	58.8	
Total Expenditure	6,983	6,688	6,941	5,966	7,186	6,375	7,210	6,156	26,579	26,927	6,125	0.5
EBITDA	2,447	1,609	2,061	1,820	2,395	1,817	1,824	1,823	7,936	7,859	1,907	-4.4
EBITDA margin	25.9	19.4	22.9	23.4	25.0	22.2	20.2	22.8	23.0	22.6	23.7	
Change YoY (%)	-876.5	35.0	22.2	12.2	-2.1	12.9	-11.5	0.2	89.6	-1.0	4.8	
Depreciation	693	736	754	765	811	817	860	903	2,948	3,391	821	9.9
Interest	249	272	286	272	281	284	295	310	1,078	1,170	282	9.7
Other Income	93	119	75	99	133	155	111	219	386	617	103	112.4
PBT before EO expense	1,597	720	1,096	882	1,436	870	780	829	4,296	3,915	907	-8.6
Extra-Ord expense	0	0	0	0	0	409	0	0	0	409	0	
PBT	1,597	720	1,096	882	1,436	461	780	829	4,296	3,506	907	-8.6
Tax	404	172	265	226	367	121	201	193	1,067	881	229	-15.8
Rate (%)	25.3	23.9	24.2	25.6	25.5	26.3	25.7	23.2	24.8	25.1	25.3	
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0			0	
Reported PAT	1,194	548	831	656	1,069	340	580	636	3,229	2,625	678	-6.1
Adj PAT	1,194	548	831	656	1,069	641	580	636	3,229	2,927	678	-6.1
YoY Change (%)	-272	47	15	4	-10	17	-30	-3	213	-9	3	
Margins (%)	13%	7%	9%	8%	11%	8%	6%	8%	9%	8%	8%	

E: MOFSL Estimates

#### Exhibit 1: Valuation based on FY26E

Mar'26	(INR/share)
EPS (INR)	40
Target P/E (x)	35
<b>Target Price (INR/share)</b>	<b>1,400</b>
<b>CMP</b>	<b>1,361</b>
<b>Upside (%)</b>	<b>3%</b>

Source: MOFSL, Company



## Key takeaways from the management interaction

### Guidance

- Expects double-digit revenue growth consistently.
- Marketing costs may remain at 3% going forward since the company will continue to invest in marketing.
- A significant part of land monetization in Faridabad is nearing completion.

### Channel-wise performance

- The contribution of COCO channel stands at 70% of total sales, distribution at mid-teens, e-commerce at lower double digits, and franchise at higher single digits.
- Distribution business and lower ASP products have been a drag on overall growth, but the company has seen some signs of improvement in the mass market.
- **Other channels, such as franchisee, ecommerce and Hush Puppies, posted growth. COCO channel remained flat.**

### Current environment

- The management is optimistic about demand revival going forward.
- **Mar'24 was better than Jan/Feb'24, but it is still unclear if the underlying conditions have changed.**
- The implementation of BIS did not impact BATA's growth as it was already prepared for the early BIS timeline (Jan'24) and has limited imported goods.

### Stores related

- BATA added 24 franchise stores in the quarter, primarily in tier 3-5 towns to cater to demand for branded products and achieve better ROCE.
- **The company plans to add 40 doors/franchisee stores per quarter. Long-term growth remains in franchise side. It has rationalized some loss-making COCO stores and added net three stores in 4Q.**
- With the target of refreshing top 500 stores, the company is now looking for other 800 stores as well. Hence, it renovated 67 stores in 4Q. This will improve volumes.
- The portfolio casualization strategy continued, with Sneaker Studios expanding to 698 stores and Red 2.0 expanding to 597 stores.

### New product development and portfolio strategy

- Top brands (Hush, North Star, etc.) contributed 40% of total sales.
- BATA also launched its 1st **Power** EBO in Noida and expects to open 10 stores by Dec'24.
- The company is extending Power Apparels across stores as the segment saw good growth in winters. Targeting to reach 100 stores by Dec'24 (vs 70 at present).
- Targeting to expand **Nine West** to 70 stores by Dec'24 (vs. 40 at present). Footwear and non-footwear share in 1:1. The company plans to expand its non-footwear category.
- Targeting to expand **Floatz Kiosk** to 30 stores by Dec'24 (vs. 11 at present).

### Premiumization and margins improvement

- **Mid-teens of the total portfolio goes under markdown.**
- Premiumization driving growth, led by Red Label and Comfit.
- Bolstering offering with international tie-ups, such as Hush Puppies and Nine West, which saw a significant higher ASP, driving premiumization.
- Significant investments in marketing and technology helped the company to defend the margins.

**Brands contribution**

- Red Label, Comfit, Power and Floatz grew ahead of total growth.
- Power is now contributing 4% of sales.
- Floatz up 96% YoY, with 16k+ pairs sold in a weekly average.

**Ecommerce growth**

- BATA achieved significant growth in e-commerce sales YoY, with on-boarding new marketplaces.
- Marketplaces business grew 41% YoY and Bata.com grew 31% YoY.
- Overall volumes grew 39% YoY, with Comfit up 50% YoY and Red Label up 4.3x YoY.

**Exhibit 2: Quarterly performance**

Consol P&L (INR m)	4QFY23	3QFY24	4QFY24	YoY%	QoQ%	4QFY24E	v/s Est (%)
<b>Total Revenue</b>	<b>7,786</b>	<b>9,035</b>	<b>7,979</b>	<b>2</b>	<b>-12</b>	<b>8,033</b>	<b>-1</b>
Raw Material cost	3,239	3,970	3,181	-2	-20	3,310	-4
<b>Gross Profit</b>	<b>4,547</b>	<b>5,065</b>	<b>4,798</b>	<b>6</b>	<b>-5</b>	<b>4,723</b>	<b>2</b>
<b>Gross margin (%)</b>	<b>58.4</b>	<b>56.1</b>	<b>60.1</b>	<b>173.3</b>	<b>407.0</b>	<b>58.8</b>	<b>133.3</b>
Employee Costs	1,039	1,027	1,066	3	4	1,047	2
SGA Expenses	1,688	2,213	1,909	13	-14	1,768	8
<b>EBITDA</b>	<b>1,820</b>	<b>1,824</b>	<b>1,823</b>	<b>0</b>	<b>0</b>	<b>1,907</b>	<b>-4</b>
<b>EBITDA margin (%)</b>	<b>23.4</b>	<b>20.2</b>	<b>22.8</b>	<b>-52.7</b>	<b>265.4</b>	<b>23.7</b>	<b>-89.9</b>
Depreciation and amortization	765	860	903	18	5	821	10
EBIT	1,055	964	920	-13	-5	1,086	-15
<b>EBIT margin (%)</b>	<b>13.5</b>	<b>10.7</b>	<b>11.5</b>	<b>-201.8</b>	<b>85.5</b>	<b>13.5</b>	<b>-199.0</b>
Finance Costs	272	295	310	14	5	282	10
Other income	99	111	219	121	98	103	112
Exceptional item	0	0	0			0	NM
<b>Profit before Tax</b>	<b>882</b>	<b>780</b>	<b>829</b>	<b>-6</b>	<b>6</b>	<b>907</b>	<b>-9</b>
Tax	226	201	193	-15	-4	229	-16
<b>Tax rate (%)</b>	<b>25.6</b>	<b>25.7</b>	<b>23.2</b>	<b>-9.3</b>	<b>-245.5</b>	<b>25.3</b>	<b>NM</b>
<b>Profit after Tax</b>	<b>656</b>	<b>580</b>	<b>636</b>	<b>-3</b>	<b>10</b>	<b>678</b>	<b>-6</b>
<b>Adj Profit after Tax</b>	<b>656</b>	<b>580</b>	<b>636</b>	<b>-3</b>	<b>10</b>	<b>678</b>	<b>-6</b>

	4QFY23	3QFY24	4QFY24	YoY%	QoQ%	4QFY24E	v/s Est (%)
<b>Total Store count (incl SIS)</b>	<b>2,053</b>	<b>2,204</b>	<b>2,231</b>	<b>9</b>	<b>1</b>	<b>2,253</b>	<b>-1</b>
<b>Net store adds</b>	<b>32</b>	<b>54</b>	<b>27</b>			<b>49</b>	<b>-45</b>

Source: MOFSL, Company

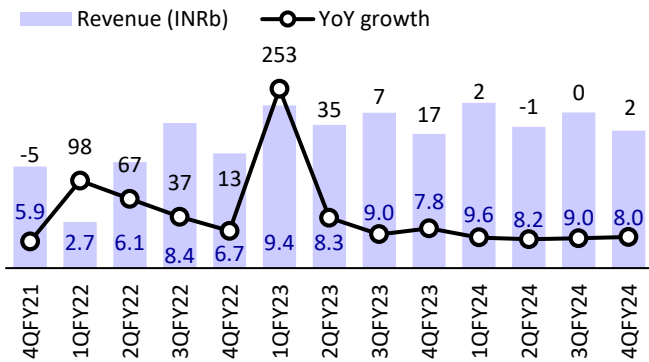
**Exhibit 3: Revisions to our estimates**

	FY25E	FY26E
<b>Revenue (INR m)</b>		
Old	37,683	41,546
Actual/New	38,045	42,345
Change (%)	1.0	1.9
<b>EBITDA (INR m)</b>		
Old	9,006	10,802
Actual/New	9,169	11,094
Change (%)	1.8	2.7
<b>EBITDA margin (%)</b>		
Old	23.9	26.0
Actual/New	24.1	26.2
Change (bp)	20	20
<b>Net Profit (INR m)</b>		
Old	3,899	5,358
Actual/New	3,750	5,149
Change (%)	-3.8	-3.9
<b>EPS (INR)</b>		
Old	30	42
Actual/New	29	40
Change (%)	-3.8	-3.8

Source: MOFSL, Company

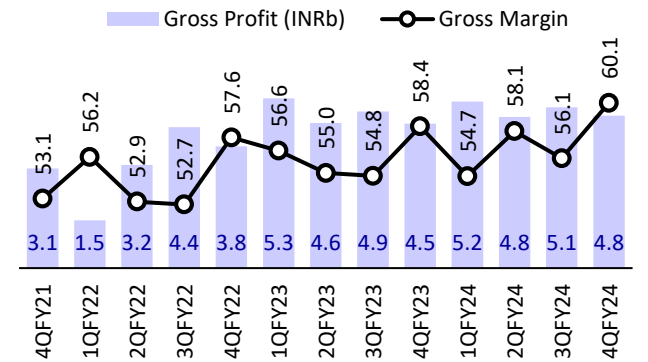
## Story in charts

**Exhibit 4: Revenue up 2% YoY led by franchise and online channels**



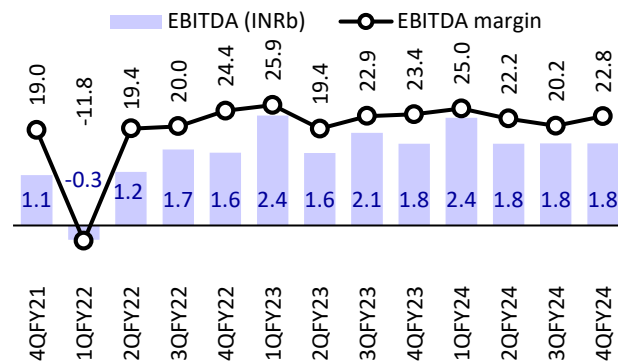
Source: MOFSL, Company

**Exhibit 5: GM improved YoY due to mix benefits and RM pricing**



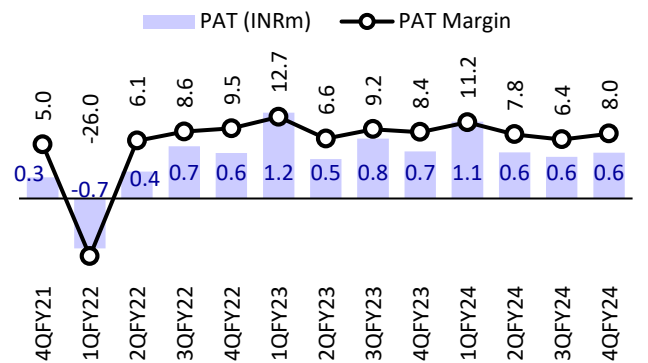
Source: MOFSL, Company

**Exhibit 6: EBITDA was flat YoY due to controlled opex**



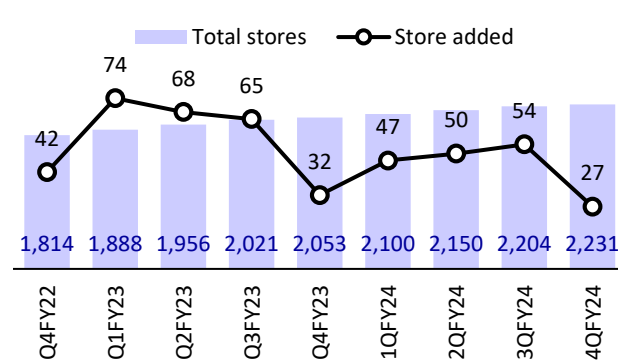
Source: MOFSL, Company

**Exhibit 7: Adj. PAT was down 3% YoY due to higher depreciation and interest costs**



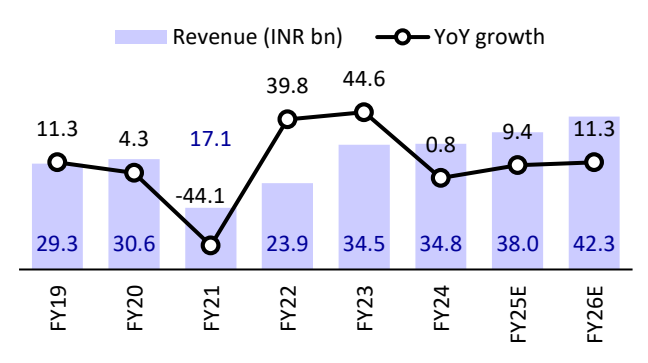
Source: MOFSL, Company

**Exhibit 8: Added 27 net store – include 3/24 COCO/FOFO**



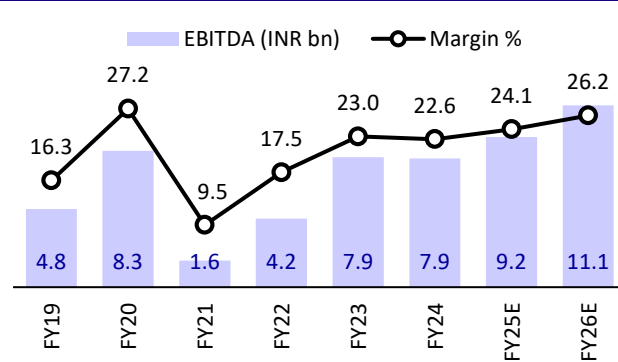
Source: MOFSL, Company

**Exhibit 9: Expect 10% revenue CAGR over FY24-26E**



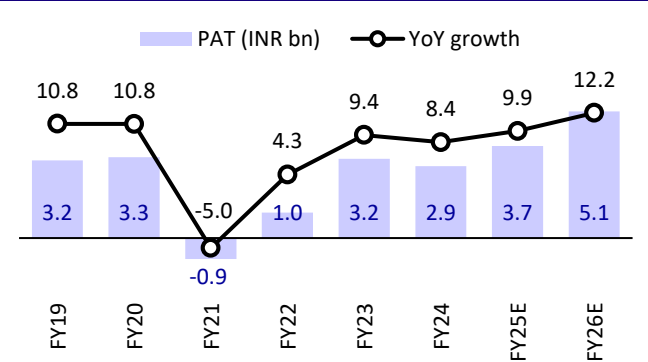
Source: MOFSL, Company

**Exhibit 10: Expect 19% EBITDA CAGR over FY24-26E**



Source: MOFSL, Company

**Exhibit 11: Expect 33% PAT CAGR over FY24-26E**



Source: MOFSL, Company

## Financials and valuations

Consolidated - Income Statement							(INR m)	
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
<b>Total Income from Operations</b>	<b>29,311</b>	<b>30,561</b>	<b>17,085</b>	<b>23,877</b>	<b>34,516</b>	<b>34,786</b>	<b>38,045</b>	<b>42,345</b>
Change (%)	11.3	4.3	-44.1	39.8	44.6	0.8	9.4	11.3
Raw Materials	12,871	12,966	8,375	10,868	15,137	14,922	16,283	18,081
<b>Gross Profit</b>	<b>16,440</b>	<b>17,595</b>	<b>8,710</b>	<b>13,009</b>	<b>19,379</b>	<b>19,864</b>	<b>21,762</b>	<b>24,263</b>
Margin (%)	56.1	57.6	51.0	54.5	56.1	57.1	57.2	57.3
Employees Cost	3,311	3,764	3,398	3,787	4,187	4,200	4,451	4,743
Other Expenses	8,357	5,510	3,690	5,037	7,256	7,805	8,142	8,427
<b>Total Expenditure</b>	<b>24,539</b>	<b>22,240</b>	<b>15,463</b>	<b>19,692</b>	<b>26,579</b>	<b>26,927</b>	<b>28,876</b>	<b>31,250</b>
% of Sales	83.7	72.8	90.5	82.5	77.0	77.4	75.9	73.8
<b>EBITDA</b>	<b>4,772</b>	<b>8,321</b>	<b>1,622</b>	<b>4,185</b>	<b>7,936</b>	<b>7,859</b>	<b>9,169</b>	<b>11,094</b>
Margin (%)	16.3	27.2	9.5	17.5	23.0	22.6	24.1	26.2
Depreciation	640	2,958	2,648	2,420	2,948	3,391	3,695	3,915
<b>EBIT</b>	<b>4,132</b>	<b>5,363</b>	<b>-1,026</b>	<b>1,765</b>	<b>4,989</b>	<b>4,468</b>	<b>5,474</b>	<b>7,179</b>
Int. and Finance Charges	35	1,177	1,035	928	1,078	1,170	1,263	1,338
Other Income	685	687	941	560	386	617	802	1,043
<b>PBT bef. EO Exp.</b>	<b>4,782</b>	<b>4,872</b>	<b>-1,120</b>	<b>1,397</b>	<b>4,296</b>	<b>3,915</b>	<b>5,013</b>	<b>6,884</b>
EO Items	-199	0	46	0	0	409	0	0
<b>PBT after EO Exp.</b>	<b>4,981</b>	<b>4,872</b>	<b>-1,166</b>	<b>1,397</b>	<b>4,296</b>	<b>3,506</b>	<b>5,013</b>	<b>6,884</b>
Total Tax	1,691	1,583	-273	367	1,067	881	1,263	1,735
Tax Rate (%)	33.9	32.5	23.4	26.3	24.8	25.1	25.2	25.2
Minority Interest	0	0	0	0	0	0	0	0
<b>Reported PAT</b>	<b>3,290</b>	<b>3,290</b>	<b>-893</b>	<b>1,030</b>	<b>3,229</b>	<b>2,625</b>	<b>3,750</b>	<b>5,149</b>
<b>Adjusted PAT</b>	<b>3,159</b>	<b>3,290</b>	<b>-858</b>	<b>1,030</b>	<b>3,229</b>	<b>2,931</b>	<b>3,750</b>	<b>5,149</b>
Change (%)	43.2	4.1	-126.1	-220.1	213.5	-9.2	27.9	37.3
Margin (%)	10.8	10.8	-5.0	4.3	9.4	8.4	9.9	12.2

Consolidated - Balance Sheet							(INR m)	
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Equity Share Capital	643	643	643	643	643	643	643	643
Total Reserves	16,823	18,323	16,938	17,504	13,739	14,626	18,376	23,525
<b>Net Worth</b>	<b>17,465</b>	<b>18,966</b>	<b>17,581</b>	<b>18,147</b>	<b>14,382</b>	<b>15,269</b>	<b>19,019</b>	<b>24,168</b>
Minority Interest	0	0	0	0	0	0	0	0
Total Loans	0	12,491	10,323	10,942	12,464	13,573	14,580	15,441
Lease Liabilities		12,491	10,323	10,942	12,464	13,573	14,580	15,441
Deferred Tax Liabilities	0	0	0	0	0	0	0	0
Other Liabilities	1,025	25	21	20	5	140	140	140
<b>Capital Employed</b>	<b>18,491</b>	<b>31,482</b>	<b>27,924</b>	<b>29,109</b>	<b>26,851</b>	<b>28,982</b>	<b>33,739</b>	<b>39,749</b>
Gross Block	9,731	19,125	17,670	18,661	23,268	27,828	25,283	27,226
Less: Accum. Deprn.	6,566	5,431	6,475	6,402	9,350	12,741	8,939	10,297
<b>Net Fixed Assets</b>	<b>3,146</b>	<b>13,675</b>	<b>11,195</b>	<b>12,259</b>	<b>13,918</b>	<b>15,087</b>	<b>16,345</b>	<b>16,930</b>
Capital WIP	173	138	336	52	38	37	37	37
<b>Total Investments</b>	<b>1,996</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>Curr. Assets, Loans&amp;Adv.</b>	<b>18,375</b>	<b>19,996</b>	<b>18,578</b>	<b>20,000</b>	<b>16,135</b>	<b>15,505</b>	<b>20,929</b>	<b>27,070</b>
Inventory	8,391	8,737	6,083	8,709	9,046	9,296	10,143	11,263
Account Receivables	653	612	794	717	826	801	834	928
Cash and Bank Balance	8,390	9,624	10,968	9,688	5,311	4,275	8,810	13,608
Loans and Advances	941	1,023	733	886	952	1,133	1,141	1,270
<b>Curr. Liability &amp; Prov.</b>	<b>6,296</b>	<b>5,867</b>	<b>5,400</b>	<b>6,143</b>	<b>5,865</b>	<b>4,516</b>	<b>6,440</b>	<b>7,156</b>
Account Payables	5,156	5,032	4,397	4,562	4,093	2,997	4,461	4,954
Other Current Liabilities	983	752	917	1,491	1,696	1,472	1,902	2,117
Provisions	157	83	86	90	76	47	76	85
<b>Net Current Assets</b>	<b>12,079</b>	<b>14,129</b>	<b>13,178</b>	<b>13,858</b>	<b>10,270</b>	<b>10,989</b>	<b>14,489</b>	<b>19,914</b>
Deferred Tax assets	1,098	1,110	1,384	1,042	1,133	1,267	1,267	1,267
Misc Expenditure	0	0	0	0	0	0	0	0
<b>Appl. of Funds</b>	<b>18,491</b>	<b>31,422</b>	<b>27,924</b>	<b>29,109</b>	<b>26,851</b>	<b>28,982</b>	<b>33,739</b>	<b>39,749</b>



## Financials and valuations

### Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
<b>Basic (INR)</b>								
<b>EPS (diluted from FY17)</b>	<b>24.6</b>	<b>25.6</b>	<b>-6.7</b>	<b>8.0</b>	<b>25.1</b>	<b>22.8</b>	<b>29.2</b>	<b>40.1</b>
Cash EPS (diluted from FY17)	29.6	48.6	13.9	26.8	48.1	49.2	57.9	70.5
BV/Share (diluted from FY17)	135.9	147.6	136.8	141.2	111.9	118.8	148.0	188.0
DPS	6.3	4.0	4.0	54.5	12.5	0.0	0.0	0.0
Payout (%)	24.4	15.6	-57.6	680.1	49.8	0.0	0.0	0.0
<b>Valuation (x)</b>								
P/E	55.4	53.2	-203.9	169.8	54.2	59.7	46.7	34.0
Cash P/E	46.0	28.0	97.7	50.7	28.3	27.7	23.5	19.3
P/BV	10.0	9.2	9.9	9.6	12.2	11.5	9.2	7.2
EV/Sales	5.7	5.8	10.2	7.4	5.3	5.3	4.7	4.2
EV/EBITDA	34.9	21.4	107.5	42.1	23.0	23.4	19.7	15.9
Dividend Yield (%)	0.5	0.3	0.3	4.0	0.9	0.0	0.0	0.0
FCF per share	20.4	38.4	33.1	12.7	41.9	27.6	61.8	60.2
<b>Return Ratios (%)</b>								
RoE	19.6	18.1	-4.7	5.8	19.9	19.8	21.9	23.8
RoCE	19.7	16.7	-0.2	6.0	14.4	13.7	15.0	16.8
RoIC	34.3	26.5	-4.6	8.1	20.0	15.5	17.7	22.5
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	3.0	1.6	1.0	1.3	1.5	1.3	1.5	1.6
Asset Turnover (x)	1.6	1.0	0.6	0.8	1.3	1.2	1.1	1.1
Inventory (Days)	238	246	265	292	218	227	227	227
Debtor (Days)	8	7	17	11	9	8	8	8
Creditor (Days)	146	142	192	153	99	73	100	100
<b>Leverage Ratio (x)</b>								
Current Ratio	2.9	3.4	3.4	3.3	2.8	3.4	3.3	3.8
Interest Cover Ratio	118.1	4.6	-1.0	1.9	4.6	3.8	4.3	5.4
Net Debt/Equity	-0.6	0.0	-0.1	0.0	0.4	0.5	0.2	0.0
	100	112						

### Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
OP/(Loss) before Tax	4,783	4,851	-1,167	1,397	4,298	3,506	5,013	6,884
Depreciation	640	2,958	2,627	2,420	2,948	3,391	3,695	3,915
Interest & Finance Charges	35	1,177	1,035	928	1,079	1,170	1,263	1,338
Direct Taxes Paid	-1,409	-1,869	468	-68	-974	-949	-1,263	-1,735
(Inc)/Dec in WC	122	-719	2,066	-1,982	-776	-2,041	1,035	-627
<b>CF from Operations</b>	<b>4,171</b>	<b>6,398</b>	<b>5,030</b>	<b>2,694</b>	<b>6,575</b>	<b>5,078</b>	<b>9,743</b>	<b>9,775</b>
Others	-727	-600	-420	-579	-287	-547	-802	-1,043
<b>CF from Operating incl EO</b>	<b>3,444</b>	<b>5,798</b>	<b>4,611</b>	<b>2,115</b>	<b>6,288</b>	<b>4,531</b>	<b>8,941</b>	<b>8,732</b>
(Inc)/Dec in FA	-822	-857	-357	-477	-897	-979	-1,000	-1,000
<b>Free Cash Flow</b>	<b>2,622</b>	<b>4,941</b>	<b>4,254</b>	<b>1,638</b>	<b>5,391</b>	<b>3,552</b>	<b>7,941</b>	<b>7,732</b>
(Pur)/Sale of Investments	-2,461	-1,669	-920	940	4,963	992	0	0
Others	512	653	750	466	319	391	802	1,043
<b>CF from Investments</b>	<b>-2,770</b>	<b>-1,873</b>	<b>-527</b>	<b>928</b>	<b>4,385</b>	<b>404</b>	<b>-198</b>	<b>43</b>
Issue of Shares	0	0	0	0	0	0	0	0
Inc/(Dec) in Debt	0	0	-515	-514	-6,989	-1,731	0	0
Interest Paid	-14	-13	-11	-9	0	0	-1,263	-1,338
Dividend Paid	-618	-969	0	0	0	0	0	0
Others	0	-3,379	-3,165	-2,886	-3,117	-3,433	-2,493	-2,640
<b>CF from Fin. Activity</b>	<b>-631</b>	<b>-4,361</b>	<b>-3,691</b>	<b>-3,410</b>	<b>-10,106</b>	<b>-5,164</b>	<b>-3,756</b>	<b>-3,978</b>
<b>Inc/Dec of Cash</b>	<b>42</b>	<b>-435</b>	<b>393</b>	<b>-367</b>	<b>567</b>	<b>-230</b>	<b>4,987</b>	<b>4,798</b>
Opening Balance	559	586	150	543	176	743	514	5,501
<b>Closing Balance</b>	<b>600</b>	<b>150</b>	<b>543</b>	<b>176</b>	<b>743</b>	<b>514</b>	<b>5,501</b>	<b>10,298</b>
<b>Other Bank Balance</b>	<b>7,790</b>	<b>9,473</b>	<b>10,425</b>	<b>9,512</b>	<b>4,568</b>	<b>3,762</b>	<b>3,310</b>	<b>3,310</b>
<b>Net Closing Balance</b>	<b>8,390</b>	<b>9,624</b>	<b>10,968</b>	<b>9,688</b>	<b>5,311</b>	<b>4,275</b>	<b>8,810</b>	<b>13,608</b>

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NOTES



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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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