

Estimate change	
TP change	
Rating change	

Bloomberg	BATA IN
Equity Shares (m)	129
M.Cap.(INRb)/(USDb)	187.1 / 2.2
52-Week Range (INR)	1771 / 1269
1, 6, 12 Rel. Per (%)	-4/-8/-40
12M Avg Val (INR M)	621

#### Financials & Valuations (INR b)

Y/E March	FY24	FY25E	FY25E
Sales	34.8	37.0	40.7
EBITDA	7.9	8.6	10.4
Adj. PAT	2.6	4.4	4.5
EBITDA Margin (%)	22.6	23.3	25.5
Adj. EPS (INR)	22.8	27.6	34.9
EPS Gr. (%)	-9.3	21.1	26.6
BV/Sh. (INR)	118.8	153.3	188.2
<b>Ratios</b>			
Net D:E	0.5	0.2	0.0
RoE (%)	19.7	20.3	20.4
RoCE (%)	13.7	13.9	14.9
RoIC (%)	15.5	16.4	20.0
<b>Valuations</b>			
P/E (x)	63.9	52.8	41.7
EV/EBITDA (x)	25.0	22.4	18.3
EV/Sales (X)	5.6	5.2	4.7
Div. Yield (%)	0.8	0.0	0.0

#### Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	50.2	50.2	50.2
DII	27.5	28.3	30.3
FII	7.6	8.2	6.6
Others	14.7	13.3	12.9

FII Includes depository receipts

**CMP: INR1,456** **TP: INR1,400 (-4%)** **Neutral**

#### Softness in revenue hurts PAT

- BATA's revenue declined 1% YoY due to a decline in retail SSS and a weak distribution channel sales. Improvement in gross margin (+10bp YoY) was offset by high marketing and operating deleverage, which led to a 220bp YoY contraction in Adj. EBITDAM and a 21% YoY decline in Adj. PAT.
- Persistent softness, particularly in the mass segment (<INR1,000 ASP), remains a drag. However, a steady network rollout and a product revamp (including apparel and sneakers) could support growth going ahead. We estimate a CAGR of 8%/24% in revenue/PAT over FY24-26. **We reiterate our Neutral rating with a TP of INR1,400 (based on 40x FY26E EPS).**

#### Retail and distribution businesses adversely impacting performance

- Revenue declined 1% YoY at INR9.5b (7% miss), due to a **decline in retail SSS and distribution businesses**. Stores (COCO + FOFO) grew 10% YoY in 1QFY25.
- BATA added 21/33 own/ franchisee stores during the quarter, leading to a store count of 1,350/566.
- Gross margins expanded 10bp YoY to 54.9%. This could possibly be due to the softening of RM prices and premiumization. Gross profits declined 1% YoY to INR5.2b.
- EBITDA declined 23% YoY to INR 1.8b (32% miss) due to an increase in ad spending, a one-off, and operating deleverage, which offset the GM benefit. Margin contracted 540bp YoY to 19.6%.
- The company incurred a one-time expenditure of INR147m towards investments in technology and ~INR155m in employees, which led to an adj. EBITDA of INR2.2b (-15% YoY; 21% miss) and margin of 22.8% (-220bp YoY).
- The company sold a freehold industrial land for a consideration of INR1.56b and hence, the booked gain of INR1.4b on sale of land (net of related expenses) was recorded as an exceptional item.
- Adj PAT declined 21% YoY to INR849m (34% miss).
- BATA's Board announced an interim dividend of INR10 per share.

#### Key takeaways from the management interaction

- Store expansion:** The company guided to add 40-50 EBOs every quarter. The franchisee model will be the dominant driver in this expansion. Of the new expansions, almost half of the franchisees are coming from the existing partners.
- Focus area:** BATA's focus is on the emerging trend of Sneakerization, Casualization, and fashion. Overall, Casualization and Sneakerization's contribution was 50-55%. BATA targets to reach 60-65% in the next three years.
- Floatz:** It remains the focus area for the company. The company sells 1.2-1.4m pairs a year, which it aims to scale up to 5m pairs. BATA has 16 Kiosks at present and aims to double this in the next two quarters. The size will be 100-150 sq ft.
- Power:** The company will be launching two large products during the quarter. In the next two quarters, the company aims to add 100+ stores. BATA targets to add 15 EBO stores by Dec'24 (currently two EBOs). 2QFY25 will see 4-5 additions.

**Tanmay Gupta - Research Analyst** (Tanmay.Gupta@motilaloswal.com)

**Research Analyst: Siddhesh Chaudhari** (Siddhesh.Chaudhari@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](http://www.motilaloswal.com)/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

### Valuation and view

- BATA's 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 it 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, the 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 trim our revenue estimates, which led to a 7%/14% cut in our PAT estimates for FY25/26. We expect a CAGR of 8%/24% in revenue/PAT over FY24-26.

**Reiterate Neutral with a TP of INR1,400 (based on 40x FY26E EPS).**

### Consolidated - Quarterly Earning

Y/E March	(INR m)								FY24	FY25E	FY25E	Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
<b>Revenue</b>	<b>9,581</b>	<b>8,191</b>	<b>9,035</b>	<b>7,979</b>	<b>9,446</b>	<b>8,522</b>	<b>10,056</b>	<b>8,938</b>	<b>34,786</b>	<b>36,962</b>	<b>10,165</b>	<b>-7.1</b>
YoY Change (%)	1.6	-1.3	0.4	2.5	-1.4	4.0	11.3	12.0	0.8	6.3	6.1	
Gross Profit	5,246	4,755	5,065	4,798	5,182	4,815	6,033	5,260	19,864	21,290	5,743	-9.8
Gross margin%	54.7	58.1	56.1	60.1	54.9	56.5	60.0	58.8	57.1	57.6	56.5	
Total Expenditure	7,186	6,375	7,210	6,156	7,597	6,647	7,381	6,725	26,927	28,350	7,431	2.2
<b>EBITDA</b>	<b>2,395</b>	<b>1,817</b>	<b>1,824</b>	<b>1,823</b>	<b>1,849</b>	<b>1,875</b>	<b>2,675</b>	<b>2,213</b>	<b>7,859</b>	<b>8,612</b>	<b>2,734</b>	<b>-32.4</b>
EBITDA margin	25.0	22.2	20.2	22.8	19.6	22.0	26.6	24.8	22.6	23.3	26.9	
Change YoY (%)	-2.1	12.9	-11.5	0.2	-22.8	3.2	46.6	21.4	-1.0	9.6	14.2	
Depreciation	811	817	860	903	872	882	912	925	3,391	3,591	898	-2.9
Interest	281	284	295	310	308	311	320	324	1,170	1,263	316	-2.5
Other Income	133	155	111	219	162	170	170	177	617	679	201	-19.1
<b>PBT before EO expense</b>	<b>1,436</b>	<b>870</b>	<b>780</b>	<b>829</b>	<b>832</b>	<b>851</b>	<b>1,612</b>	<b>1,141</b>	<b>3,915</b>	<b>4,436</b>	<b>1,721</b>	<b>-51.7</b>
Extra-Ord expense	0	409	0	0	-1,340	0	0	0	409	-1,340	0	
<b>PBT</b>	<b>1,436</b>	<b>461</b>	<b>780</b>	<b>829</b>	<b>2,171</b>	<b>851</b>	<b>1,612</b>	<b>1,141</b>	<b>3,506</b>	<b>5,776</b>	<b>1,721</b>	<b>26.1</b>
Tax	367	121	201	193	431	215	406	288	881	1,339	434	-0.7
Rate (%)	25.5	26.3	25.7	23.2	19.8	25.2	25.2	25.2	25.1	23.2	25.2	
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
<b>Reported PAT</b>	<b>1,069</b>	<b>340</b>	<b>580</b>	<b>636</b>	<b>1,741</b>	<b>637</b>	<b>1,206</b>	<b>854</b>	<b>2,625</b>	<b>4,437</b>	<b>1,288</b>	<b>35.2</b>
<b>Adj PAT</b>	<b>1,069</b>	<b>641</b>	<b>580</b>	<b>636</b>	<b>849</b>	<b>637</b>	<b>1,206</b>	<b>854</b>	<b>2,927</b>	<b>3,545</b>	<b>1,288</b>	<b>-34.1</b>
YoY Change (%)	-10	17	-30	-3	-21	-1	108	34	-9	21	20	
Margins (%)	11%	8%	6%	8%	9%	7%	12%	10%	8%	10%	13%	

E: MOFSL Estimates

### Exhibit 1: Valuation based on FY26E

Mar'26	(INR/share)
EPS (INR)	35
Target P/E (x)	40
<b>Target Price (INR/share)</b>	<b>1,400</b>
<b>CMP</b>	<b>1,456</b>
<b>Upside (%)</b>	<b>-4%</b>

Source: MOFSL, Company



## Key takeaways from the management interaction

**Demand environment:** The company saw good momentum initially during the quarter (April-May), however, the momentum declined during the later part largely led by heat waves, election headwinds and lower weddings.

### Floatz:

- The contribution from Floatz to retail business is 4.5-5.0% currently.
- The brand is showing good traction and clocking QoQ highest sales.
- The company sells 1.2-1.4m pairs a year, which it aims to scale up to 5m pairs.
- **Floatz Kiosk:** BATA has 16 Kiosks at present and aims to double this in the next two quarters. The size will be 100-150 sq ft.

### Power:

- The brand is showing good traction and targets the Athleisure space.
- The company will be launching two large product during the quarter.
- In next two quarter the company aims to expand to 100+ stores.
- **Power EBO:** It started first Power EBO in north and launched second EBO in NCR. The feedback from the customers are positive. They are compact stores of <1000 sq ft. The company aims to expand to 15 EBO store by Dec. Q2 will see 4-5 stores addition.

### Expansion:

- The company guided to add 40-50 EBOs every quarter.
- The franchisee model will be the dominant driver in this expansion.
- Of the new expansions, almost half of the franchisees are coming from the existing partners.

**BIS:** This is effective from 1<sup>st</sup> Aug'24. The norms cover 90% of the product in Bata. The company have successfully transitioned to BIS norms in terms of sourcing and manufacturing base.

### Price point:

- The products sales >INR2,000, contributed 25%
- >1000 to 2000 sales contributed 60%
- The value segment of INR500, which was largely led by distribution business, contributed 15%
- Some signs are visible on the value side and the management sees the value segment turning around.

**Campaign:** The company did the “try and fly” campaign to push for footfalls and get the momentum back. It also did a social media focused launch of ninewest with influencers. It also did a campaign on floats, for the season. This led to other expenses slightly on higher side.

**EBITDA:** The company charged a one-time ERP expense to P&L. There was also a one-off in employee cost. The marketing campaign were also slightly higher during the quarter. This had a cumulative effect of ~300-320 bps on the margins.

**Ninewest:**

- It is present in 50 stores and the company looks to expand to 70 stores in Bata network.
- The company has a royalty agreement with the brand. It is end to end contract right from manufacturing to retail.
- Launched 2 quarters back, Ninewest is based to strategies 2-3 areas viz athleisure, casualization and high fashion premium. The company target to penetrate these areas with ninewest.

**Others:**

- The company has 25:75 for Own manufacturing v/s outsourced. Two years back it was 35:65.
- The company continued its investment on store renovation during the quarter. It renovated 40 stores compared to 20-25 run rate.
- The company postponed EOSS sale in June compared to LY.
- Franchisee and ecommerce grew the fastest among categories. Distribution business was relatively laggard among them.
- SSSG in COCO was single digit negative. The company target for a mid to high single digit SSSG where it expects to see efficiencies.
- The company's focus is on the emerging trend of Sneakerization, Casualization and fashion. Overall, Casualization and sneakerization contribution is 50-55%. The management targets to reach 60-65% in next 3 years.

**Exhibit 2: Quarterly performance**

Consol P&L (INR m)	1QFY24	4QFY24	1QFY25	YoY%	QoQ%	1QFY25	v/s Est (%)
<b>Total Revenue</b>	<b>9,581</b>	<b>7,979</b>	<b>9,446</b>	<b>-1</b>	<b>18</b>	<b>10,165</b>	<b>-7</b>
Raw Material cost	4,336	3,181	4,264	-2	34	4,422	-4
<b>Gross Profit</b>	<b>5,246</b>	<b>4,798</b>	<b>5,182</b>	<b>-1</b>	<b>8</b>	<b>5,743</b>	<b>-10</b>
<b>Gross margin (%)</b>	<b>54.7</b>	<b>60.1</b>	<b>54.9</b>	<b>10.7</b>	<b>-527.5</b>	<b>56.5</b>	<b>-164.3</b>
Employee Costs	1,048	1,066	1,208	15	13	1,077	12
SGA Expenses	1,803	1,909	2,124	18	11	1,931	10
<b>EBITDA</b>	<b>2,395</b>	<b>1,823</b>	<b>1,849</b>	<b>-23</b>	<b>1</b>	<b>2,734</b>	<b>-32</b>
<b>EBITDA margin (%)</b>	<b>25.0</b>	<b>22.8</b>	<b>19.6</b>	<b>-541.9</b>	<b>-326.8</b>	<b>26.9</b>	<b>-732.1</b>
<b>Adj. EBITDA</b>	<b>2,542</b>	<b>1,970</b>	<b>2,152</b>	<b>-15</b>	<b>9</b>	<b>2,734</b>	<b>-21</b>
<b>Adj. EBITDA margin (%)</b>	<b>25.0</b>	<b>22.8</b>	<b>22.8</b>	<b>-221.9</b>	<b>-6.8</b>	<b>26.9</b>	<b>-412.1</b>
Depreciation and amortization	811	903	872	8	-3	898	-3
EBIT	1,584	920	977	-38	6	1,837	-47
<b>EBIT margin (%)</b>	<b>16.5</b>	<b>11.5</b>	<b>10.3</b>	<b>-618.8</b>	<b>-118.3</b>	<b>18.1</b>	<b>-772.1</b>
Finance Costs	281	310	308	10	0	316	-2
Other income	133	219	162	22	-26	201	-19
Exceptional item	0	0	-1,340			0	NM
<b>Profit before Tax</b>	<b>1,436</b>	<b>829</b>	<b>2,171</b>	<b>51</b>	<b>162</b>	<b>1,721</b>	<b>26</b>
Tax	367	193	431	17	123	434	-1
<b>Tax rate (%)</b>	<b>25.5</b>	<b>23.2</b>	<b>19.8</b>	<b>-22.4</b>	<b>-341.9</b>	<b>25.2</b>	<b>NM</b>
<b>Profit after Tax</b>	<b>1,069</b>	<b>636</b>	<b>1,741</b>	<b>63</b>	<b>173</b>	<b>1,288</b>	<b>35</b>
<b>Adj Profit after Tax</b>	<b>1,069</b>	<b>636</b>	<b>849</b>	<b>-21</b>	<b>33</b>	<b>1,288</b>	<b>-34</b>

Source: MOFSL, Company

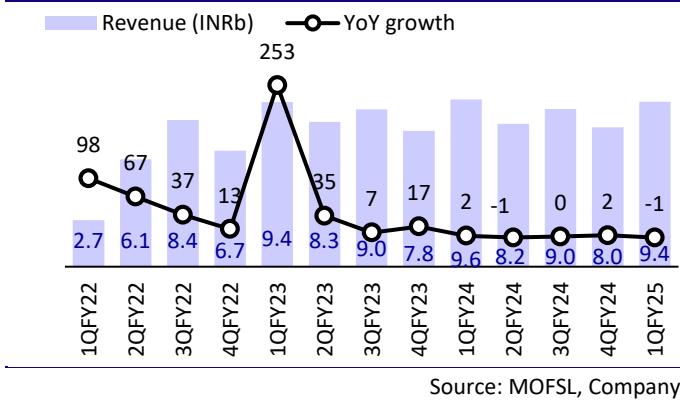
**Exhibit 3: Revisions to our estimates**

	<b>FY25E</b>	<b>FY26E</b>
<b>Revenue (INR m)</b>		
Old	38,045	42,345
Actual/New	36,962	40,747
<i>Change (%)</i>	-2.8	-3.8
<b>RM cost (INR m)</b>		
Old	16,283	18,081
Actual/New	15,672	17,114
<i>Change (%)</i>	-3.8	-5.4
<b>Gross margin (%)</b>		
Old	57.2	57.3
Actual/New	57.6	58.0
<i>Change (%)</i>	40	70
<b>EBITDA (INR m)</b>		
Old	9,169	11,094
Actual/New	8,612	10,390
<i>Change (%)</i>	-6.1	-6.3
<b>EBITDA margin (%)</b>		
Old	24.1	26.2
Actual/New	23.3	25.5
<i>Change (bp)</i>	-80	-70
<b>Net Profit (INR m)</b>		
Old	3,827	5,236
Actual/New	3,408	4,488
<i>Change (%)</i>	-11.0	-14.3
<b>EPS (INR)</b>		
Old	30	41
Actual/New	27	35
<i>Change (%)</i>	-11.0	-14.3

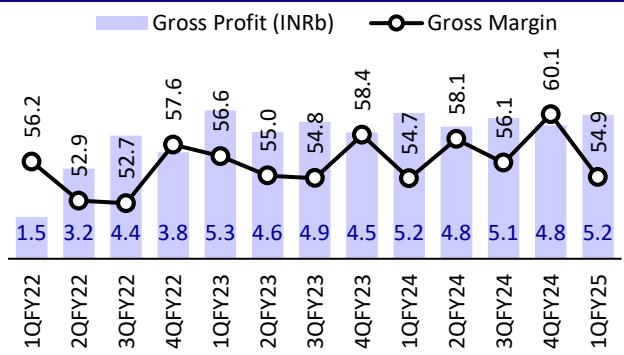
Source: MOFSL, Company

## Story in charts

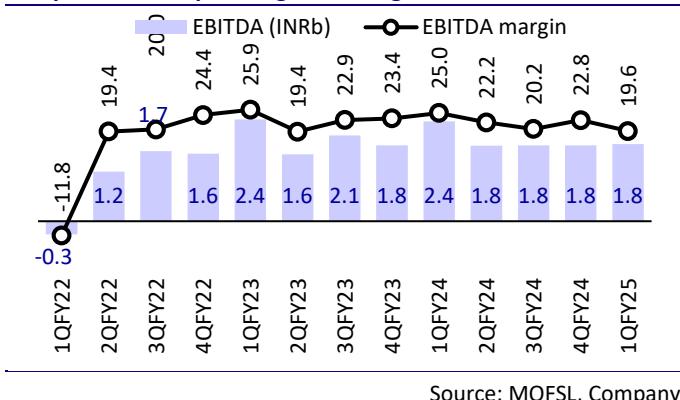
**Exhibit 4: Revenue fell 1% YoY led by a dip in SSSG and moderation in distribution**



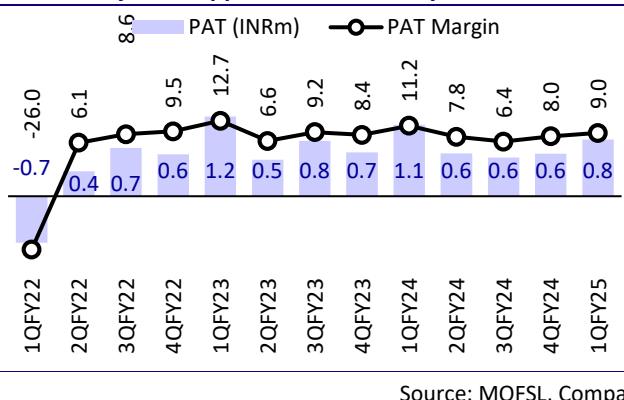
**Exhibit 5: GM remained flat (+10bp) YoY**



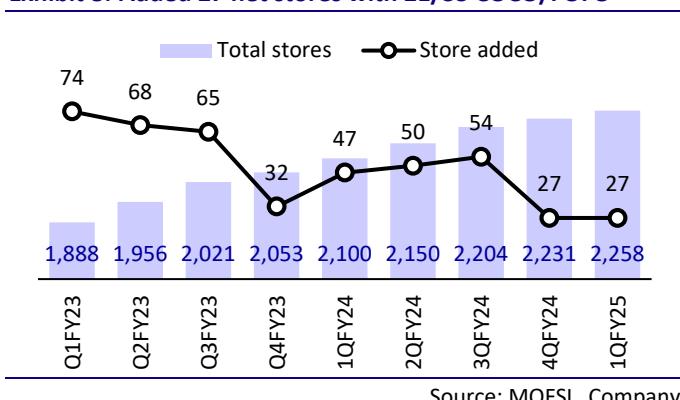
**Exhibit 6: EBITDA declined 23% YoY due to a one off, higher ad spends, and operating deleverage**



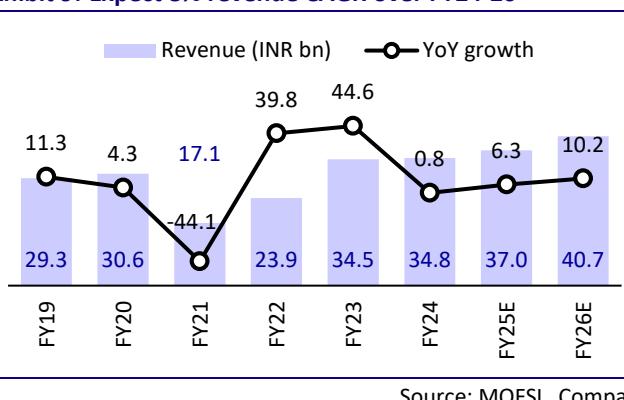
**Exhibit 7: Adj. PAT dipped 21% YoY led by lower EBITDA**



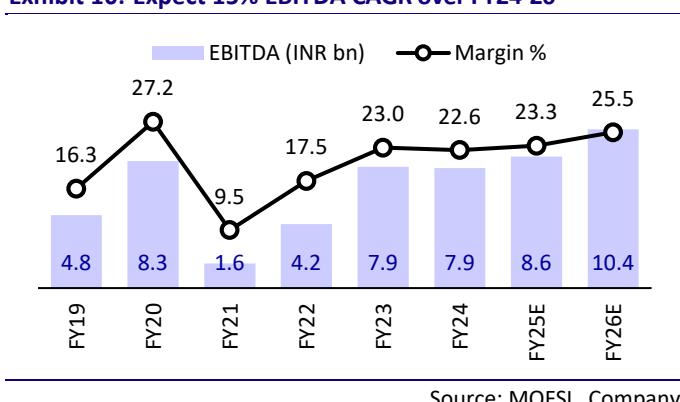
**Exhibit 8: Added 27 net stores with 21/33 COCO/FOFO**



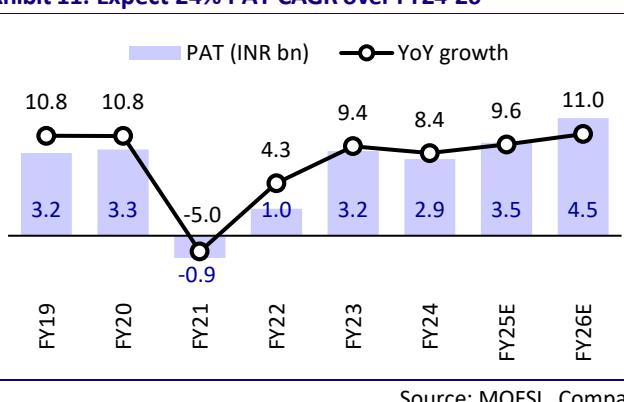
**Exhibit 9: Expect 8% revenue CAGR over FY24-26**



**Exhibit 10: Expect 15% EBITDA CAGR over FY24-26**



**Exhibit 11: Expect 24% PAT CAGR over FY24-26**



## 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>36,962</b>	<b>40,747</b>
Change (%)	11.3	4.3	-44.1	39.8	44.6	0.8	6.3	10.2
Raw Materials	12,871	12,966	8,375	10,868	15,137	14,922	15,672	17,114
<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>21,290</b>	<b>23,633</b>
Margin (%)	56.1	57.6	51.0	54.5	56.1	57.1	57.6	58.0
Employees Cost	3,311	3,764	3,398	3,787	4,187	4,200	4,435	4,686
Other Expenses	8,357	5,510	3,690	5,037	7,256	7,805	8,243	8,557
<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>28,350</b>	<b>30,356</b>
% of Sales	83.7	72.8	90.5	82.5	77.0	77.4	76.7	74.5
<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>8,612</b>	<b>10,390</b>
Margin (%)	16.3	27.2	9.5	17.5	23.0	22.6	23.3	25.5
Depreciation	640	2,958	2,648	2,420	2,948	3,391	3,591	3,799
<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>5,021</b>	<b>6,591</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	679	747
<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>4,436</b>	<b>6,000</b>
EO Items	-199	0	46	0	0	409	-1,340	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>5,776</b>	<b>6,000</b>
Total Tax	1,691	1,583	-273	367	1,067	881	1,339	1,512
Tax Rate (%)	33.9	32.5	23.4	26.3	24.8	25.1	23.2	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>4,437</b>	<b>4,488</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>2,927</b>	<b>3,545</b>	<b>4,488</b>
Change (%)	43.2	4.1	-126.1	-220.1	213.5	-9.4	21.1	26.6
Margin (%)	10.8	10.8	-5.0	4.3	9.4	8.4	9.6	11.0

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	19,063	23,551
<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>19,706</b>	<b>24,194</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>34,426</b>	<b>39,774</b>
Gross Block	9,731	19,125	17,670	18,661	23,268	27,828	24,273	26,217
Less: Accum. Deprn.	6,566	5,431	6,475	6,402	9,350	12,741	8,278	9,520
<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>15,996</b>	<b>16,697</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>20,401</b>	<b>25,640</b>
Inventory	8,391	8,737	6,083	8,709	9,046	9,296	9,762	10,661
Account Receivables	653	612	794	717	826	801	810	893
Cash and Bank Balance	8,390	9,624	10,968	9,688	5,311	4,275	8,720	12,864
Loans and Advances	941	1,023	733	886	952	1,133	1,109	1,222
<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>6,216</b>	<b>6,808</b>
Account Payables	5,156	5,032	4,397	4,562	4,093	2,997	4,294	4,689
Other Current Liabilities	983	752	917	1,491	1,696	1,472	1,848	2,037
Provisions	157	83	86	90	76	47	74	81
<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>14,185</b>	<b>18,833</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>33,087</b>	<b>38,435</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>27.6</b>	<b>34.9</b>
Cash EPS (diluted from FY17)	29.6	48.6	13.9	26.8	48.1	49.2	55.5	64.5
BV/Share (diluted from FY17)	135.9	147.6	136.8	141.2	111.9	118.8	153.3	188.2
DPS	6.3	4.0	4.0	54.5	12.5	12.0	0.0	0.0
Payout (%)	24.4	15.6	-57.6	680.1	49.8	58.8	0.0	0.0
<b>Valuation (x)</b>								
P/E	59.2	56.9	-218.2	181.7	58.0	63.9	52.8	41.7
Cash P/E	49.3	30.0	104.6	54.2	30.3	29.6	26.2	22.6
P/BV	10.7	9.9	10.6	10.3	13.0	12.3	9.5	7.7
EV/Sales	6.1	6.2	10.9	7.9	5.6	5.6	5.2	4.7
EV/EBITDA	37.5	22.8	115.0	45.0	24.5	25.0	22.4	18.3
Dividend Yield (%)	0.4	0.3	0.3	3.7	0.9	0.8	0.0	0.0
FCF per share	20.4	38.4	33.1	12.7	41.9	27.6	58.5	57.4
<b>Return Ratios (%)</b>								
RoE	19.6	18.1	-4.7	5.8	19.9	19.7	20.3	20.4
RoCE	19.7	16.7	-0.2	6.0	14.4	13.7	13.9	14.9
RoIC	34.3	26.5	-4.6	8.1	20.0	15.5	16.4	20.0
<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	4.0	4.9
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

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
<b>(INR m)</b>								
OP/(Loss) before Tax	4,783	4,851	-1,167	1,397	4,298	3,506	4,436	6,000
Depreciation	640	2,958	2,627	2,420	2,948	3,391	3,591	3,799
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	-1,339	-1,512
(Inc)/Dec in WC	122	-719	2,066	-1,982	-776	-2,041	1,248	-503
<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>9,200</b>	<b>9,122</b>
Others	-727	-600	-420	-579	-287	-547	-679	-747
<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>8,521</b>	<b>8,376</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>7,521</b>	<b>7,376</b>
(Pur)/Sale of Investments	-2,461	-1,669	-920	940	4,963	992	0	0
Others	512	653	750	466	319	391	679	747
<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>-321</b>	<b>-253</b>
Issue of Shares	0	0	0	0	0	0	0	0
Inc/(Dec) in Debt	0	0	0	0	0	0	0	0
Interest Paid	-14	-13	-11	-9	0	0	0	0
Dividend Paid	-618	-969	-515	-514	-6,989	-1,731	0	0
Others	0	-3,379	-3,165	-2,886	-3,117	-3,433	-3,756	-3,978
<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>4,444</b>	<b>4,145</b>
Opening Balance	559	586	150	543	176	743	514	4,958
<b>Closing Balance</b>	<b>600</b>	<b>150</b>	<b>543</b>	<b>176</b>	<b>743</b>	<b>514</b>	<b>4,958</b>	<b>9,103</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>3,762</b>	<b>3,762</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>8,720</b>	<b>12,864</b>

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Nainesh Rajani

Email: [nainesh.rajani@motilaloswal.com](mailto:nainesh.rajani@motilaloswal.com)

Contact: (+65) 8328 0276

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Ms. Hemangi Date	022 40548000 / 022 67490600	<a href="mailto:query@motilaloswal.com">query@motilaloswal.com</a>
Ms. Kumud Upadhyay	022 40548082	<a href="mailto:servicehead@motilaloswal.com">servicehead@motilaloswal.com</a>
Mr. Ajay Menon	022 40548083	<a href="mailto:am@motilaloswal.com">am@motilaloswal.com</a>

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 . AMFI:

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