

Vedant Fashions

Estimate change



TP change



Rating change



Bloomberg	MANYAVAR IN
Equity Shares (m)	243
M.Cap.(INRb)/(USDb)	110.6 / 1.2
52-Week Range (INR)	920 / 451
1, 6, 12 Rel. Per (%)	-15/-42/-60
12M Avg Val (INR M)	173

Financials & Valuations Consol (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	14.1	14.6	15.6
EBITDA	6.1	6.4	7.0
Adj. PAT	3.5	3.7	4.1
EBITDA Margin (%)	43.6	43.7	44.9
Adj. EPS (INR)	14.6	15.2	17.0
EPS Gr. (%)	(8.5)	3.5	12.2
BV/Sh. (INR)	77.7	85.2	94.3

Ratios

Net D:E	(0.5)	(0.5)	(0.6)
RoE (%)	18.3	17.2	17.5
RoCE (%)	17.0	16.3	16.8
Payout (%)	51.2	50.0	50.5

Valuations

P/E (x)	31.1	30.0	26.8
EV/EBITDA (x)	18.2	17.2	15.2
EV/Sales (x)	7.9	7.5	6.8
Div. Yield (%)	1.6	1.7	1.9

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	74.9	75.0	75.0
DII	12.0	11.0	10.4
FII	9.3	9.8	10.6
Others	3.8	4.4	4.1

FII Includes depository receipts

CMP: INR455

TP: INR510 (+12%)

Neutral

Growth challenges persist; no respite in sight

- Vedant Fashion's (VFL) 3Q performance was adversely impacted by the lack of wedding days in Dec'25 and Jan'26, leading to a 2% drop in customer sales and a 4% YoY fall in reported revenue.
- While the wedding calendar creates quarterly fluctuations, VFL's growth has been structurally weak for the past few years despite largely stable wedding days in FY24 and FY26 (refer: Exhibits 3 and 4).
- VFL's 9MFY26 revenue is tracking at almost similar levels to 9MFY23, highlighting increased competitive intensity and brand-related challenges.
- Gross/EBITDA margins contracted ~195bp/270bp YoY, reflecting price absorption after the GST hike and operating leverage.
- VFL continued to consolidate its retail footprint in order to improve the overall quality. The company closed three net domestic EBOs and four SIS, leading to net closure of seven stores. Management expects the closure of small format stores/SIS to continue for at least next couple of quarters.
- We cut our FY26-27 earnings estimates by ~8-9%, factoring in weaker sales, lower gross margins and operating leverage. We now model a modest 2-4% CAGR in revenue/EBITDA/PAT over FY25-28E. **Notably, FY28E earnings are still expected to remain ~4% below the FY23 levels.**
- Following a sharp ~50% correction over the past year, VFL now trades at ~30x FY27E EPS. While valuations have meaningfully reset, we would prefer clearer evidence of a sustainable demand recovery and earnings acceleration before turning constructive on the stock.
- **Maintain Neutral with a revised TP of INR510 (earlier INR600), premised on 30x FY28E EPS.**

Another weak quarter; revenue/EBITDA down 2%/9% YoY

- Customer sales declined ~2% YoY to INR6.9b in 3QFY26, owing to the lack of wedding days in Dec'25 and Jan'26.
- Same-store sales declined ~4.5% in 3Q (+1.8% in 9MFY26), while area additions remained muted at 2.3% YoY.
- Consolidated 3Q revenue declined 4% YoY to INR4.9b (6% miss on our muted expectations).
- The company closed seven net stores during 3Q (three domestic EBOs, four SIS), bringing the total store count to 664 (vs. 666 YoY).
- Gross profit (GP) declined 6% YoY to INR3.4b (9% miss) as gross margin contracted ~195bp YoY to 70% (~200bp miss).
- Including job charges, GP declined ~6% YoY to INR3.2b, with margin contracting ~155bp YoY to 65.7%.
- Employee cost (excluding labor code provisions) increased 9% YoY, while other expenses declined ~2% YoY (5% lower).
- EBITDA declined ~9% YoY to INR2.2b (11% miss), due to weak revenue, lower gross margin and operating leverage.
- EBITDA margins declined ~270bp YoY to 44.7% (~250bp miss).

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- Depreciation/finance costs rose 13%/1% YoY, while other income fell ~4% YoY.
- VFL booked a one-time provision of INR16.17m related to the new labor code. Adjusted for the same, PAT declined ~14% YoY to INR1.4b (15% miss).
- For 9MFY26, customer sales/revenue grew by a modest 5%/2% YoY, while EBITDA/PAT declined 5%/9% YoY.

Highlights from the management commentary

- **Demand:** VFL saw growth during Sep-Nov'25 festive and wedding periods; however, 3QFY26 growth was affected by calendar shifts. Management indicated that Dec'25 had just three wedding dates and Jan'25 had none (vs. ~10 YoY), which, coupled with a slowdown in mid-premium discretionary consumption, led to overall weak performance.
- **Network expansion:** VFL continues to prioritize the quality of retail network over store count, closing sub-1,000 sq.ft., SIS and weaker micro-market stores while shifting toward larger flagship formats. Store count may decline, but square footage remains the more relevant metric. Expansion has been calibrated amid rental inflation, with normalization expected over the next 2-3 quarters once consolidation stabilizes and productivity improves.
- **Gross margins:** Moderation was primarily attributed to the GST rate hike (12% to 18% on ~90% SKUs), with only partial price pass-through to preserve value positioning. VFL tries to strike a balance between value proposition and margins, with normalization expected as pricing adjustments flow through.

Valuation and view

- Over the past few years, VFL has seen sales stagnate owing to a high base (post Covid-bump in FY23), weaker wedding calendar, and subdued overall consumer sentiment.
- While wedding calendar creates quarterly fluctuations, VFL's growth has been structurally weak for past few years despite largely stable wedding days in FY24 and FY26 (refer: Exhibits 3 and 4).
- We believe rising organized competition in ethnic wear and a slower-than-expected shift from unorganized to organized in the ethnic wear category have also been the key headwinds for VFL.
- Growth recovery in Manyavar (on low base of last few years), scale-up of Mohey (women's celebration wear) and Twamev (premium offering in celebration wear), and improved traction in recent forays in the newer categories (Diwas, value brand catering to festive wear) remain the key growth drivers.
- We cut our FY26-27E earnings estimates by ~8-9%, factoring in weaker sales, lower gross margins and operating deleverage. We now model a modest 2-4% CAGR in revenue/EBITDA/PAT over FY25-28E. **Notably, FY28E earnings are still expected to remain ~4% below the FY23 levels.**
- Following a sharp ~50% correction over the past year, VFL now trades at ~30x FY27E EPS. While valuations have meaningfully reset, we would prefer clearer evidence of a sustainable demand recovery and earnings acceleration before turning constructive on the stock. **Maintain Neutral with a revised TP of INR510 (earlier INR600), premised on 30x FY28E EPS.**

Quarterly earnings snapshot

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
Revenue	2,398	2,679	5,113	3,674	2,812	2,632	4,917	3,702	13,865	14,062	5,256	-6.4
YoY Change (%)	-23.0	22.7	7.8	1.2	17.2	-1.8	-3.8	0.7	1.4	1.4		
Total Expenditure	1,271	1,460	2,691	2,017	1,606	1,524	2,720	2,089	7,439	7,938	2,777	-2.1
EBITDA	1,127	1,220	2,422	1,657	1,206	1,108	2,197	1,613	6,426	6,124	2,479	-11.4
EBITDA margins (%)	47.0	45.5	47.4	45.1	42.9	42.1	44.7	43.6	46.3	43.6	47.2	
Change YoY (%)	-23.9	31.4	0.1	-5.3	7.0	-9.2	-9.3	-2.7	-2.4	-4.7		
Depreciation	372	373	391	395	398	417	442	447	1,531	1,703	425	4.0
Interest	139	137	139	136	141	150	140	142	552	573	146	-4.2
Other Income	215	192	224	221	258	199	214	222	852	894	235	-8.8
PBT before EO expense	831	902	2,115	1,347	925	740	1,829	1,247	5,195	4,741	2,142	-14.6
Extraordinary items	0	0	0	0	0	0	16	0	0	16	0	
PBT before EO expense	831	902	2,115	1,347	925	740	1,813	1,247	5,195	4,725	2,142	-32.1
Tax	206	233	535	336	222	180	464	315	1,310	1,181	539	-13.9
Rate (%)	24.8	25.8	25.3	24.9	24.1	24.3	25.6	25.3	25.2	25.0	25.2	1.7
Reported PAT	625	669	1,580	1,011	703	561	1,349	932	3,885	3,544	1,603	-15.8
Adj PAT	625	669	1,580	1,011	703	561	1,361	932	3,885	3,556	1,603	-15.1
YoY Change (%)	-32	37	0	-13	12	-16	-14	-8	-6	-8		

E: MOFSL Estimates

Exhibit 1: Valuation based on FY28E P/E

Valuation	FY28E
EPS	17.0
PE multiple (x)	30
Target Price (INR)	510
CMP (INR)	455
Upside (%)	12%

Source: MOFSL, Company

Exhibit 2: Summary of key estimates for VFL

(INR m)	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Stores	530	583	649	676	678	668	680	695
Net Adds		53	66	27	2	-10	12	15
Area	1.10	1.30	1.47	1.70	1.79	1.80	1.84	1.88
% YoY	-8%	18%	13%	16%	5%	1%	2%	2%
Revenue per sq ft	4,923	8,674	9,783	8,628	7,945	7,826	8,022	8,423
YoY Growth %	-43%	1%	13%	-12%	-8%	-2%	3%	5%
Sales of Customers	8,362	14,736	18,614	18,527	18,929	19,719	20,471	21,925
% YoY		76%	26%	0%	2%	4%	4%	7%
Revenue	5,648	10,408	13,549	13,675	13,865	14,062	14,598	15,635
% YoY		84%	30%	1%	1%	1%	4%	7%
Gross Profit (incl job work)	3,770	6,958	9,127	9,186	9,315	9,268	9,629	10,398
% Margin	66.8%	66.9%	67.4%	67.2%	67.2%	65.9%	66.0%	66.5%
EBITDA	2,431	4,959	6,708	6,581	6,426	6,124	6,379	7,020
% YoY		104%	35%	-2%	-2%	-5%	4%	10%
% Margin	43.0%	47.6%	49.5%	48.1%	46.3%	43.6%	43.7%	44.9%
PAT	1,329	3,149	4,291	4,142	3,885	3,556	3,679	4,129
% YoY		137%	36%	-3%	-6%	-8%	3%	12%
% Margin	23.5%	30.3%	31.7%	30.3%	28.0%	25.3%	25.2%	26.4%

Source: MOFSL, Company

Wedding calendar can create quarterly fluctuations; but stagnation seems structural

3QFY26 performance was disproportionately impacted by an unfavorable wedding calendar, with Dec'25 hosting only three dates and Jan'26 having none (vs. ~10 YoY). While such dispersion explains quarterly volatility, the broader pattern appears more cyclical rather than purely calendar-led. Total wedding days have remained stable at ~65-67 in FY24 and FY26 (though lower in FY25), yet revenue growth has largely stagnated after the FY23 pent-up surge. This points to broader brand-level struggles amid a moderation in mid-income discretionary spending, coupled with elevated competitive intensity, rather than a function of decline in wedding dates.

Exhibit 3: Month-wise wedding dates

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	FY
2023	9	13	6	-	12	11	-	-	-	-	5	7	79
2024	9	11	10	3	-	-	6	-	-	-	11	5	65
2025	10	14	5	9	15	5	-	-	-	-	14	3	54
2026	-	13	8	8	8	8	4	-	-	-	4	7	67

Source: Company, MOFSL

Exhibit 4: Correlation between no of wedding dates and revenue growth

	No of Wedding Dates					% YoY Revenue Growth				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY
FY23	39	6	6	28	79	119.1	20.0	(2.9)	21.3	30.2
FY24	23	-	12	30	65	(15.6)	(8.2)	11.1	5.9	0.9
FY25	3	6	16	29	54	(21.9)	23.9	9.0	1.9	1.4
FY26E	29	-	17	21	67	23.2	4.6	(2.4)	-	1.4
FY27E	24	4	11	29	68					3.8

*FY27 revenue growth is our estimate

Source: Company, MOFSL

Exhibit 5: Our estimate change summary

	FY26E	FY27E	FY28E
Revenue (INR m)			
Old	14,587	15,274	16,155
Actual/New	14,062	14,598	15,635
Change (%)	-3.6	-4.4	-3.2
EBITDA (INR m)			
Old	6,550	6,828	7,189
Actual/New	6,124	6,379	7,020
Change (%)	-6.5	-6.6	-2.3
EBITDA margin (%)			
Old	44.9	44.7	44.5
Actual/New	43.6	43.7	44.9
Change (bp)	-135	-100	40
Net Profit (INR m)			
Old	3,888	3,989	4,181
Actual/New	3,556	3,679	4,129
Change (%)	-8.5	-7.8	-1.2
EPS (INR)			
Old	16.0	16.4	17.2
Actual/New	14.6	15.2	17.0
Change (%)	-8.5	-7.8	-1.2

Source: MOFSL, Company



Detailed takeaways from the management interaction

- **Demand:** VFL saw growth during Sep-Nov'25 festive and wedding periods; however, 3QFY26 growth was affected by calendar shifts. Management indicated that Dec'25 had just three wedding dates and Jan'25 had none (vs. ~10 YoY), which, coupled with a slowdown in mid-premium discretionary consumption, led to overall weak performance.
- **Demand drivers:** Muted middle-class discretionary sentiment over the past 2-3 years has affected Manyavar's core mid-premium positioning. There is no major region-wise divergence (South impacted temporally in 3Q due to inauspicious period starting early).
- **Twamev:** VFL's premium offering delivered ~40% growth with double-digit SSSG (12% in 3Q; ~16% YTD), demonstrating strong premium resilience. With ASPs in the INR15-16k range, the brand is benefiting from premiumization and lower price sensitivity among affluent cohorts.
- **Network expansion:** VFL continues to prioritize the quality of retail network over store count, closing sub-1,000 sq.ft., SIS and weaker micro-market stores while shifting toward larger flagship formats. Store count may decline, but square footage remains the more relevant metric. Expansion has been calibrated amid rental inflation, with normalization expected over the next 2-3 quarters once consolidation stabilizes and productivity improves.
- **Gross Margins:** Moderation was primarily attributed to the GST rate hike (12% to 18% on ~90% SKUs), with only partial price pass-through to preserve value positioning. VFL tries to strike a balance between value proposition and margins, with normalization expected as pricing adjustments flow through.
- **Management's focus area:** Operationally, VFL's focus on retail quality, better merchandising, sharper price architecture, improved customer experience and inventory turns, along with increasing spends on brand awareness, has strengthened store productivity despite subdued revenue growth.
- **Competition:** After Covid, multiple retailers (organized as well as unorganised) have accelerated expansion in premium and ethnic occasion wear, increasing competitive intensity. However, store-level data indicates limited performance variance between locations with and without nearby competition, suggesting macro demand softness rather than market share loss.
- **Blended ASP** stands at ~INR5k YTD, with Manyavar below average and Mohey at ~INR6-7k. ASP continued to improve during the quarter. Mix is gradually shifting toward premium brands, with Manyavar facing middle-class demand pressure, while Mohey remains relatively stable given resilience in wedding-led women's spends.
- **Input tax credits:** With the majority of SKUs now taxed at 18% and key inputs (fabric) attracting ~5% GST, the output-input mismatch increases the effective tax burden and working capital intensity despite available service credits. Small unorganized players, operating with thinner liquidity buffers, are likely to face sharper cash flow and margin stress, which could accelerate consolidation.

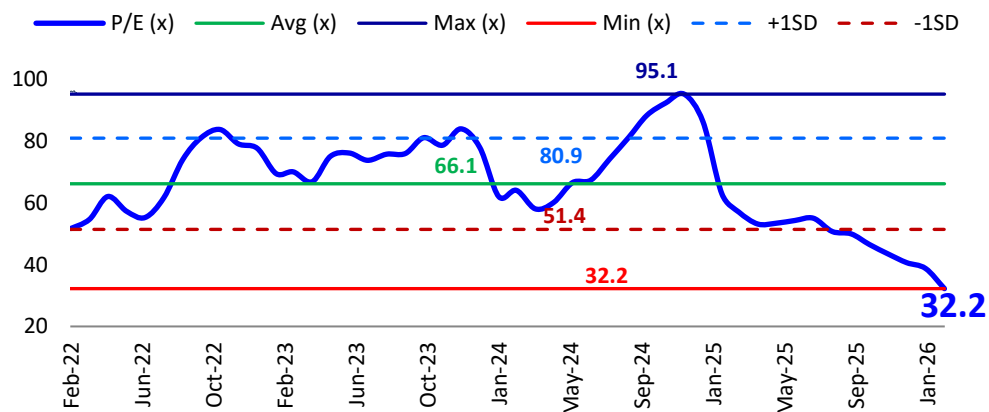
Exhibit 6: Quarterly performance (INR m)

	3QFY25	2QFY26	3QFY26	YoY%	QoQ%	3QFY26E	v/s Est (%)
Total Revenue	5,113	2,632	4,917	-4	87	5,256	-6
Raw Material cost	1,433	746	1,474	3	98	1,472	0
Gross Profit	3,680	1,885	3,443	-6	83	3,784	-9
Gross margin (%)	72.0	71.6	70.0	-196.1	-162.9	72.0	-198.6
Employee Costs	154	165	167	9	1	166	1
Other expenses	1,104	613	1,079	-2	76	1,140	-5
EBITDA	2,422	1,108	2,197	-9	98	2,479	-11
EBITDA margin (%)	47.4	42.1	44.7	-268.6	258.3	47.2	-247.6
Depreciation and amortization	391	417	442	13	6	425	4
EBIT	2,031	691	1,755	-14	154	2,053	-15
EBIT margin (%)	39.7	26.3	35.7	-402.5	943.6	39.1	-337.5
Finance Costs	139	150	140	1	-6	146	-4
Other income	224	199	214	-4	8	235	-9
Exceptional item			16	NM	NM	0	NM
Profit before Tax	2,115	740	1,813	-14	145	2,142	-15
Tax	535	180	464	-13	158	539	-14
Tax rate (%)	25.3	24.3	25.6			25.2	1.7
Profit after Tax	1,580	561	1,349	-15	141	1,603	-16
Adj Profit after Tax	1,580	561	1,361	-14	143	1,603	-15

Source: MOFSL, Company

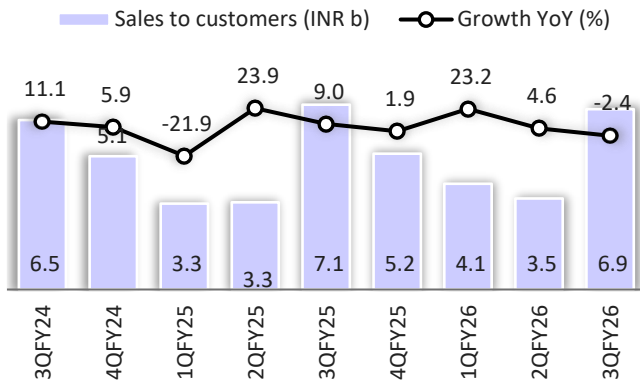
Operating metrics	3QFY25	2QFY26	3QFY26	YoY%	QoQ%
SSSG (%)	2.6%	-2.0%	-4.5%		
Retail area (m sqft)	1.75	1.79	1.79	2	0
Total stores	666	671	664	0	-1
Net store adds	16	-13	-7	NM	NM
EBOs	532	524	521	-2	-1
Domestic	516	508	505	-2	-1
International	16	16	16	0	0
SIS	134	147	143	7	-3

Exhibit 7: Post correction, VFL trades ~50% below its mean 1-yr forward PE



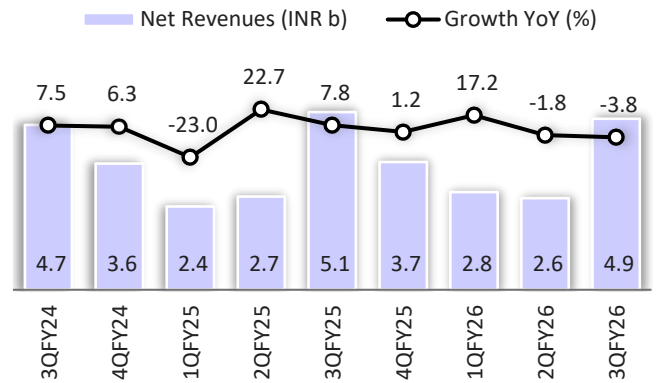
Story in charts

Exhibit 8: Customer sales declined by 2.4% YoY



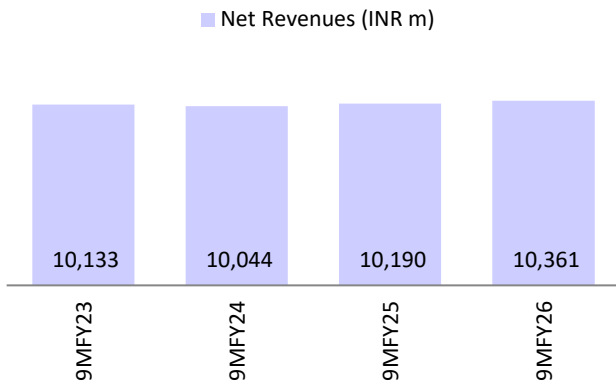
Source: MOFSL, Company

Exhibit 9: Net revenue decline ~4% YoY



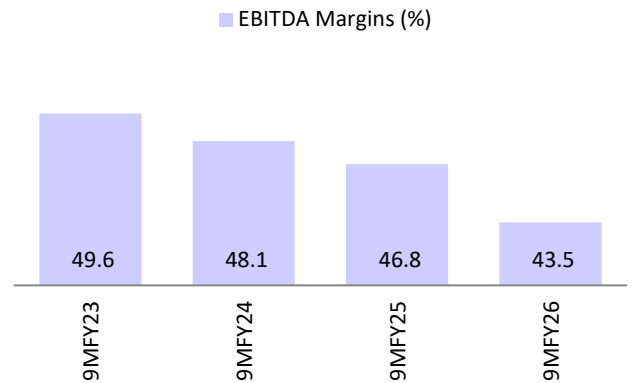
Source: MOFSL, Company

Exhibit 10: Revenue remain broadly similar to FY23 levels



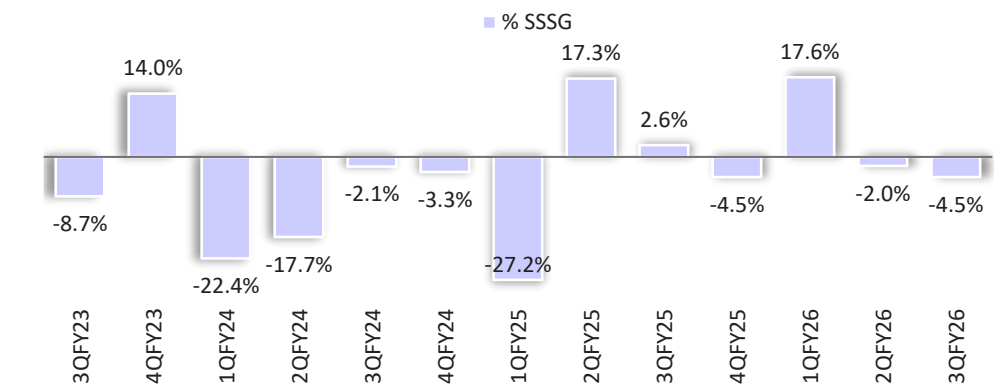
Source: MOFSL, Company

Exhibit 11: Operating leverage has hurt margins



Source: MOFSL, Company

Exhibit 12: Same store sales declined 4.5% YoY in 3QFY26



Source: MOFSL, Company

Exhibit 13: Gross margin (incl. job work) contracted ~160bp YoY due to partial GST pass through

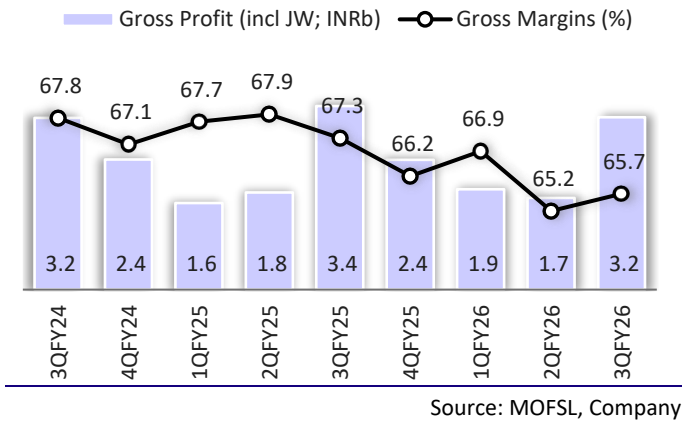


Exhibit 14: EBITDA margin contracted 270bp YoY to 44.7% due to operating leverage

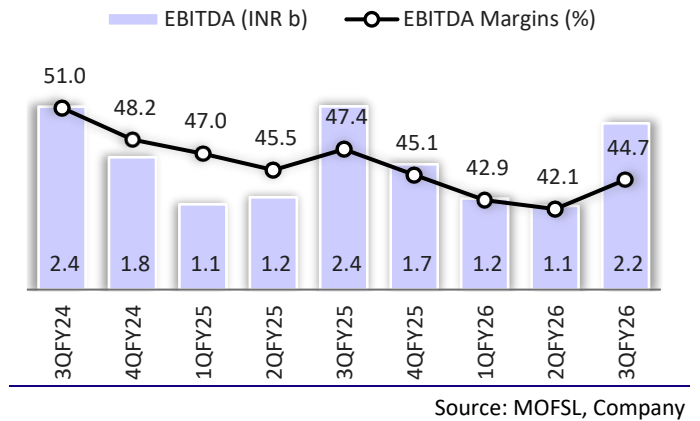


Exhibit 15: PAT declined 14% YoY

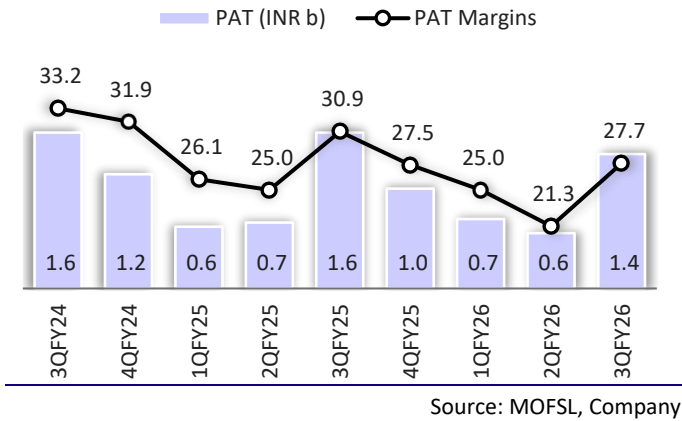


Exhibit 16: 7 net stores closure in 3QFY26

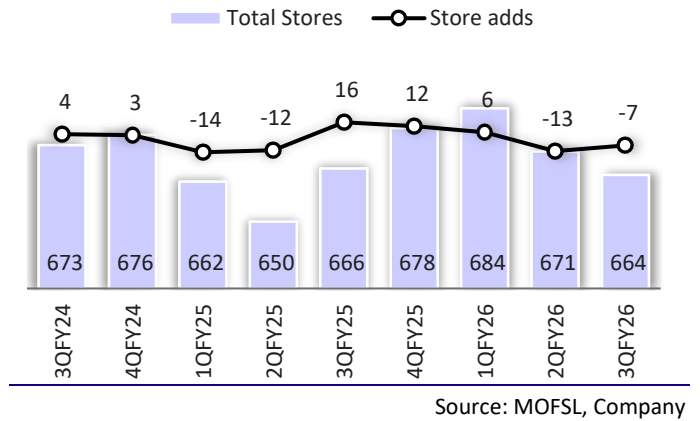


Exhibit 17: Expect revenue CAGR of ~4% over FY25-28E

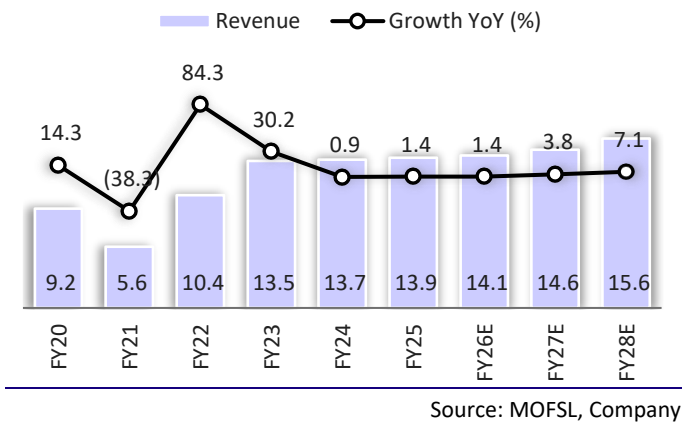
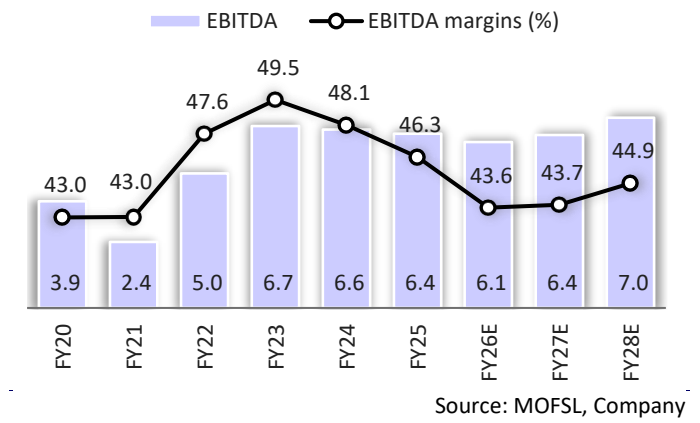


Exhibit 18: Expect ~3% EBITDA CAGR over FY25-28E



Financials and valuations

Consolidated - Income Statement						(INR m)		
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Total Income from Operations	5,648	10,408	13,549	13,675	13,865	14,062	14,598	15,635
Change (%)	-38.3	84.3	30.2	0.9	1.4	1.4	3.8	7.1
Raw Materials	1,463	2,668	3,519	3,792	3,691	3,994	4,117	4,300
Gross Profit	4,185	7,740	10,030	9,883	10,174	10,069	10,482	11,336
Margin (%)	74.1	74.4	74.0	72.3	73.4	71.6	71.8	72.5
Gross Profit (Incl Job Work)	3,770	6,958	9,127	9,186	9,315	9,268	9,629	10,398
Margin (%)	66.8	66.9	67.4	67.2	67.2	65.9	66.0	66.5
Employees Cost	381	575	566	568	598	654	686	719
Other Expenses	1,373	2,206	2,755	2,735	3,150	3,291	3,416	3,596
Total Expenditure	3,218	5,450	6,841	7,094	7,439	7,938	8,219	8,615
% of Sales	57.0	52.4	50.5	51.9	53.7	56.4	56.3	55.1
EBITDA	2,431	4,959	6,708	6,581	6,426	6,124	6,379	7,020
Margin (%)	43.0	47.6	49.5	48.1	46.3	43.6	43.7	44.9
Depreciation	955	944	1,038	1,349	1,531	1,703	1,884	2,062
EBIT	1,475	4,015	5,671	5,232	4,895	4,421	4,495	4,958
Int. and Finance Charges	258	284	315	445	552	573	580	592
Other Income	602	499	402	697	852	894	1,001	1,152
PBT bef. EO Exp.	1,819	4,230	5,758	5,484	5,195	4,741	4,916	5,517
EO Items	0	0	0	0	0	16	0	0
PBT after EO Exp.	1,819	4,230	5,758	5,484	5,195	4,725	4,916	5,517
Total Tax	490	1,081	1,467	1,342	1,310	1,181	1,237	1,389
Tax Rate (%)	26.9	25.6	25.5	24.5	25.2	25.0	25.2	25.2
Reported PAT	1,329	3,149	4,291	4,142	3,885	3,544	3,679	4,129
Adjusted PAT	1,329	3,149	4,291	4,142	3,885	3,556	3,679	4,129
Change (%)	-43.8	136.9	36.3	-3.5	-6.2	-8.5	3.5	12.2
Margin (%)	23.5	30.3	31.7	30.3	28.0	25.3	25.2	26.4

Consolidated - Balance Sheet						(INR m)		
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	248	243	243	243	243	243	243	243
Total Reserves	10,666	10,585	13,756	15,776	17,620	19,223	21,088	23,377
Net Worth	10,914	10,827	13,999	16,019	17,863	19,465	21,331	23,620
Total Loans	2,104	2,787	2,934	4,444	4,829	4,671	4,858	4,692
Lease Liabilities	2,104	2,787	2,934	4,444	4,829	4,671	4,858	4,692
Deferred Tax Liabilities	147	168	197	219	262	262	262	262
Other Liabilities	1,201	1,335	1,539	1,855	1,925	1,925	1,925	1,925
Capital Employed	14,367	15,118	18,669	22,537	24,879	26,323	28,376	30,499
Gross Block	6,345	7,845	8,620	11,089	11,334	13,557	15,212	16,517
Less: Accum. Deprn.	1,912	2,856	3,573	4,612	4,612	7,234	9,118	11,181
Net Fixed Assets	4,432	4,989	5,047	6,477	6,722	6,323	6,094	5,337
Other Non-Current	820	867	882	320	318	318	318	318
Capital WIP	4	1	22	1	1	1	1	1
Total Investments	5,790	5,608	8,501	10,410	10,548	10,548	10,548	10,548
Curr. Assets, Loans&Adv.	5,195	6,219	7,201	7,875	9,877	11,918	14,298	17,354
Inventory	1,012	1,430	1,736	1,386	2,020	1,926	2,000	2,142
Account Receivables	3,612	3,967	4,734	5,645	7,088	5,779	5,999	6,425
Cash and Bank Balance	71	39	100	217	172	3,650	5,715	8,161
Loans and Advances	500	783	630	627	597	562	584	625
Curr. Liability & Prov.	1,890	2,580	2,991	2,550	2,586	2,785	2,883	3,058
Account Payables	499	730	859	891	1,023	1,094	1,128	1,178
Other Current Liabilities	1,387	1,845	2,130	1,656	1,560	1,687	1,752	1,876
Provisions	4	4	2	3	3	3	3	4
Net Current Assets	3,305	3,639	4,210	5,325	7,291	9,133	11,415	14,296
Deferred Tax assets	16	13	7	4	0	0	0	0
Appl. of Funds	14,367	15,118	18,669	22,537	24,879	26,323	28,376	30,499

Financials and valuations

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic (INR)								
EPS	5.5	13.0	17.7	17.1	16.0	14.6	15.2	17.0
Cash EPS	9.1	16.3	21.3	21.9	21.6	21.0	22.2	24.7
BV/Share	43.6	43.2	55.9	64.0	71.3	77.7	85.2	94.3
DPS	0.0	5.0	9.0	8.5	8.0	7.5	7.6	8.6
Payout (%)	0.0	38.5	50.9	49.8	50.0	51.2	50.0	50.5
Valuation (x)								
P/E	83.1	35.1	25.7	26.7	28.4	31.1	30.0	26.8
Cash P/E	49.9	27.8	21.4	20.8	21.0	21.7	20.5	18.4
P/BV	10.4	10.5	8.1	7.1	6.4	5.9	5.3	4.8
EV/Sales	20.3	10.9	8.4	8.4	8.3	7.9	7.5	6.8
EV/EBITDA	47.2	22.8	16.9	17.4	17.9	18.2	17.2	15.2
Dividend Yield (%)	0.0	1.1	2.0	1.9	1.8	1.6	1.7	1.9
FCF per share	10.8	14.9	19.6	20.0	15.9	26.8	20.1	21.2
Return Ratios (%)								
RoE	12.3	29.0	34.6	27.6	22.9	18.3	17.2	17.5
RoCE	11.6	25.2	29.6	23.9	19.9	17.0	16.3	16.8
RoIC	11.8	33.3	43.3	36.0	28.1	25.2	27.8	31.0
Working Capital Ratios								
Fixed Asset Turnover (x)	0.9	1.3	1.6	1.2	1.2	1.0	1.0	0.9
Asset Turnover (x)	0.4	0.7	0.7	0.6	0.6	0.5	0.5	0.5
Inventory (Days)	253	196	180	133	200	176	177	182
Debtor (Days)	233	139	128	151	187	150	150	150
Creditor (Days)	124	100	89	86	101	100	100	100
Leverage Ratio (x)								
Current Ratio	2.7	2.4	2.4	3.1	3.8	4.3	5.0	5.7
Interest Cover Ratio	5.7	14.1	18.0	11.8	8.9	7.7	7.7	8.4
Net Debt/Equity	-0.3	-0.3	-0.4	-0.4	-0.3	-0.5	-0.5	-0.6

Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	1,819	4,230	5,758	5,484	5,195	4,741	4,916	5,517
Depreciation	955	944	1,038	1,349	1,531	1,703	1,884	2,062
Interest & Finance Charges	258	284	315	454	433	573	580	592
Direct Taxes Paid	-345	-1,090	-1,472	-1,301	-1,256	-1,181	-1,237	-1,389
(Inc)/Dec in WC	399	-450	-569	-498	-1,315	1,636	-217	-435
CF from Operations	3,087	3,918	5,070	5,488	4,588	7,473	5,926	6,348
Others	-561	-408	-372	-657	-702	-910	-1,001	-1,152
CF from Operating incl EO	2,526	3,510	4,698	4,831	3,886	6,562	4,925	5,197
(Inc)/Dec in FA	151	109	57	13	-31	-55	-55	-55
Free Cash Flow	2,677	3,619	4,755	4,844	3,855	6,507	4,870	5,142
(Pur)/Sale of Investments	-1,424	37	-2,492	-1,149	-408	0	0	0
Others	389	418	116	41	281	894	1,001	1,152
CF from Investments	-884	565	-2,319	-1,096	-159	839	946	1,097
Issue of Shares	-1,084	47	15	31	23	0	0	0
Inc/(Dec) in Debt	0	0	0	0	0	0	0	0
Interest Paid	-207	-223	-241	-337	-434	-573	-580	-592
Repayment of loan	0	0	0	0	0	0	0	0
Others	-373	-3,928	-2,091	-3,310	-3,360	-3,350	-3,226	-3,255
CF from Fin. Activity	-1,665	-4,105	-2,317	-3,616	-3,772	-3,923	-3,806	-3,847
Inc/Dec of Cash	-23	-30	62	119	-45	3,478	2,065	2,446
Opening Balance	89	66	36	98	217	172	3,650	5,715
Closing Balance	66	36	98	217	172	3,650	5,715	8,161
Other Bank Balance	5	3	3	0	0	0	0	0
Net Closing Balance	71	39	100	217	172	3,650	5,715	8,161

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