26 July 2025

Analyst Meet Update | Sector: Consumer

Titan Company

BSE SENSEX	S&P CNX
81,463	24,837

CMP: INR3,463 TP: INR4,250 (+23%) Buy

Expanding ME footprint with Damas Jewelry acquisition

- **Titan has announced the acquisition of a 67% stake in Damas Jewelry (excl. luxury brand Graff), a renowned Middle Eastern jeweler, at an EV of INR24.4b (AED1.04b), implying 6.9x EV/EBITDA and 0.7x EV/sales for CY24. Over CY22-24, Damas delivered revenue/EBITDA CAGR of 13%/14%. With 146 stores across the GCC, Damas has a strong brand equity in the region and a premium market positioning defined by its high studded jewelry share and design offerings that resonate well with Arab consumers. The acquisition marks Titan's shift from catering predominantly to the Indian diaspora to a more diverse, international clientele. The acquisition will be funded through a combination of debt, internal accruals, and cash reserves. A majority of the funding will come from debt raised by Titan's overseas subsidiary at an expected interest rate of ~6%, with an initial borrowing of AED500-550m (~INR12b). The deal also includes an option for Titan to acquire full ownership after Dec'29, providing long-term strategic flexibility.**
- **We believe that given Damas' established retail footprint in the GCC, the transaction offers Titan long-term growth potential in the region. The company plans to enhance product innovation and elevate customer experience while retaining Damas' core brand values. Titan aspires that the Damas acquisition will be incremental to its USD500m international revenue target, underscoring its ambition to scale up its global jewelry operations through both organic and inorganic growth. Management expects this acquisition to be EPS-dilutive in CY26, neutral in CY27, and EPS-accretive from CY28 onward. Given Titan's large size, we believe the deal would have a relatively marginal impact on its earnings, rather it will boost Titan's global footprint. We reiterate BUY with a TP of INR4,250.**

About Damas Jewelry:

- Established in 1907 and currently owned by Mannai Corporation, Damas operates 146 stores across all six GCC countries—UAE, Saudi Arabia, Qatar, Oman, Kuwait, and Bahrain. It maintains a strong presence in the premium jewelry segment. Damas is positioned to target the upper-middle class or affluent aspirational segment. The brand has built deep trust and affinity among local Arab consumers with its heritage-inspired collections. It has a high studded jewelry mix compared to Titan's India jewelry business. The share of studded jewelry in Damas' sales is ~50%, as Arab consumers prefer diamond-heavy, premium designs.
- The business witnessed flat growth during 2019-2024 due to network downsizing and weakness in the South Asian-focused business. However, the Signature segment, catering to Arab consumers, has delivered at a healthy 12-14% CAGR in the last few years. Over CY22-24, Damas delivered revenue/EBITDA CAGR of 13%/14% and sales of AED1.45b (INR34b) in CY24. Given its high studded share, gross margin is in the range of 20-24%, better than most listed Indian jewelers. EBITDA margins are in the 10-11% range, while pre-IFRS EBITDA margin is ~2-3%, resulting in PBT margin of ~1% (see exhibit 2 for detailed financials).

Damas Valuation

Particulars (CY24)	(INR b)
Stake purchase	67%
EV	24.4
Sales	34.3
EBITDA	3.6
EV/EBITDA (x)	6.9
EV/Sales (x)	0.7

Stock Info

Bloomberg	TTAN IN
Equity Shares (m)	888
M.Cap.(INRb)/(USDb)	3074.2 / 35.5
52-Week Range (INR)	3867 / 2925
1, 6, 12 Rel. Per (%)	-3/-5/0
12M Avg Val (INR M)	3731
Free float (%)	47.1

Financials Snapshot (INR b)

Y/E Mar	2026E	2027E	2028E
Sales	710.6	817.6	936.9
Sales Gr. (%)	17.5	15.1	14.6
EBITDA	75.4	87.2	100.1
Margins (%)	10.6	10.7	10.7
Adj. PAT	48.0	56.3	66.6
Adj. EPS (INR)	53.9	63.3	74.9
EPS Gr. (%)	27.5	17.4	18.3
BV/Sh.(INR)	168.3	212.6	265.0
Ratios			
RoE (%)	36.1	33.2	31.3
RoCE (%)	16.7	17.4	17.9
Payout (%)	30.0	30.0	30.0
Valuations			
P/E (x)	64.2	54.7	46.2
P/BV (x)	20.6	16.3	13.1
EV/EBITDA (x)	40.4	35.7	30.0
Div. Yield (%)	0.5	0.5	0.6

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	52.9	52.9	52.9
DII	12.8	12.2	10.9
FII	17.6	17.9	18.3
Others	16.7	17.0	17.9

FII Includes depository receipts

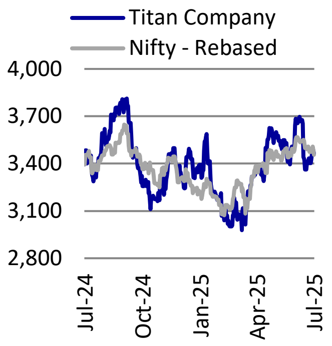
Naveen Trivedi – Research Analyst (Naveen.Trivedi@motilaloswal.com

Research Analyst: Amey Tiwari (Amey.Tiwari@motilaloswal.com) | **Tanu Jindal** (Tanu.Jindal@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/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Stock's performance (one-year)



Synergy benefits for Titan:

- The jewelry retail market in the UAE is largely organized (~60%), while in Saudi Arabia, it is still fragmented (~60% unorganized). Titan sees significant headroom for organized retail penetration in SAUDI ARABIA, with opportunities for market share gains.
- Damas' premium positioning and strong, long-standing brand equity with local Arab consumers, coupled with a higher studded share than Tanishq, can be leveraged by Titan.
- Titan aims to enhance Damas' operational efficiency by implementing the best practices in sourcing, inventory planning, pricing, etc. Cost savings are expected through consolidated sourcing, leveraging Titan's own factories, and improved vendor negotiations. Additionally, Titan plans to optimize finance costs by improving the capital structure and inventory management.
- The company expects to benefit from design and product innovations through deeper immersion into Arab consumer preferences, including exposure to Italian, Turkish, and other international jewelry styles.
- It will operate in a dual-brand model in the GCC, as Tanishq will cater to the South Asian clientele, while Damas will continue to serve Arab consumers.

Detailed takeaways from the analyst call

Strategic rationale for the acquisition

- Titan has been exploring opportunities to expand its international jewelry footprint, aiming to serve not just the Indian diaspora but also the mainstream ethnic Arab population.
- The company realized that to make a meaningful impact in international markets, especially in the GCC, brand relevance and cultural resonance are essential.
- Damas, being a well-established brand with strong recall and trust among Arab consumers in the UAE and Saudi Arabia, offered the perfect platform for Titan's international ambitions.
- The acquisition allows Titan to bring its operational expertise, category management skills, and retail processes into a business with strong regional presence and brand equity.
- Titan believes that combining its strengths with Damas's regional familiarity and brand assets can accelerate growth and create mutual value.
- The transaction is expected to strengthen Tanishq brand's presence through conversions of some Damas stores and network synergies in the GCC.
- The ultra-luxury jewelry segment in the GCC is served by brands like Graff, Bulgari, and Van Cleef & Arpels and caters to the ultra-rich Arab elite (~7-8% of population).
- Damas is positioned to target the upper-middle class or affluent aspirational segment, rather than competing with global luxury giants.
- Titan believes this segment is large and underserved by global brands, offering scope to build affordable yet premium offerings.
- Damas also sells boutique international jewelry brands that may become relevant for Titan's Indian operations over time.

Market opportunity

UAE:

- Damas already has a strong and mature presence in the UAE, with 60-70 stores.
- While network expansion opportunities in the UAE are limited, there is significant scope to improve store productivity through better retail KPIs such as walk-ins, conversions, average ticket size, and basket size.

Saudi Arabia:

- Damas's presence in Saudi Arabia is currently limited, offering significant headroom for growth.
- The jewelry market in Saudi Arabia is undergoing formalization, providing an opportunity for Titan to establish an organized retail presence.
- Social changes, especially increased participation of women in the workforce, are expected to boost jewelry demand and allow for brand expansion in untapped segments.

Deal structure and financials

- Titan has acquired a 67% equity stake in Damas, with the total enterprise value pegged at around AED1.04b (~INR24.3b).

- The acquisition will be largely funded through debt, to be raised by Titan's overseas subsidiary at an expected interest rate of around 6%. About AED500-550m (~INR12b) will be raised for the initial tranche.
- CY25 will be a transition and restructuring year, during which Titan will rationalize the store network and refresh inventory.
- The acquisition is expected to be EPS-dilutive in CY25 and CY26, neutral in CY27, and EPS-accretive from CY28 onward.

Store network and rationalization strategy

- The earlier store count of ~300 for Damas dates back to 2012-13, prior to a bankruptcy-led restructuring. Following financial challenges, the business was acquired by Mannai Corporation, which initiated a turnaround process including store rationalization.
- By Dec'20, the store count had reduced to 182. During the Covid period, 40 more stores were shut down, leading to a current network of ~146 stores.
- Titan plans to rationalize certain outlets catering to South Asian customers—some will be converted into Tanishq stores, while the remaining will either continue under Damas or be shut.
- The Damas Signature network, which currently comprises ~110 stores, will be retained and expanded further, especially in Saudi Arabia and parts of the UAE, to target Arab customers.

Revenue and profitability outlook

- The business witnessed flat growth during 2019-2024 due to network downsizing and weakness in the South Asian-targeted business.
- However, the Signature segment, catering to Arab consumers, has grown at a healthy 12-14% CAGR in the last few years.
- Titan expects strong sales growth from KPI improvements in UAE stores and expansion in Saudi Arabia.
- Titan believes it can drive profitability improvement through better store-level execution and inventory efficiencies.
- Titan clarified that the Damas acquisition will be incremental to its USD500m international revenue target, underscoring its ambition to scale up its global jewelry operations through both organic and inorganic growth.

Product mix and margins

- Damas enjoys higher gross margins than Titan's India business due to its value-added diamond and gold jewelry mix.
- The share of studded jewelry in Damas' sales is around 50%, as Arab consumers prefer diamond-heavy, premium designs.
- Unlike India, gold pricing in GCC markets is not based on "metal rate + making charge", allowing for better value realization and brand pricing power.
- While reported EBITDA margins appear to be ~10%, the actual pre-IFRS EBITDA is much lower, around 2-3%, reflecting the true operating performance.

Synergies and operating model enhancements

- Titan plans to introduce its best practices in sourcing, inventory planning, pricing structures, and visual merchandising to drive efficiency.

- Consolidation of sourcing, use of Titan's own factories, and vendor negotiations are expected to result in better cost structures.
- While franchising is a common model in the GCC, Titan has not yet decided to implement it for Damas and may revisit the idea after one year of operations.
- Titan sees further potential to optimize finance costs through better capital structure and inventory management.

Exit of Graff from the network

- Damas was a franchise partner for Graff, an ultra-luxury global jewelry brand, which contributed ~20% of revenue after Covid.
- These three Graff stores are not part of the Titan-Damas transaction and will be taken over by Graff directly.
- The revenue loss from this exit will be offset by Titan's focus on growing Damas's core business and improving the operating leverage.

Potential cross-benefits to Titan's India operations

- Titan expects to benefit from design and product innovation through deeper immersion into Arab consumer preferences, including exposure to Italian, Turkish, and other international jewelry styles.
- Learnings from the Damas operating model and market could influence premiumization strategies and portfolio development in India.

Industry structure and competitive landscape in GCC

- The jewelry retail market in the UAE is largely organized (~60%), while in Saudi Arabia it is still fragmented (~60% unorganized).
- Titan sees significant headroom for organized retail penetration in Saudi Arabia, with opportunities for market share gains.
- The maturity level of Indian jewelers in the GCC is higher, while the Arab-targeted jewelry market still offers room for branding and organized retail expansion.

LGD and product trends

- Damas operates a lab-grown diamond (LGD) brand called Gaia, which is integrated into its stores.
- While LGD presence is growing, natural diamonds remain dominant in the product mix.
- Solitaire diamond sales are not a major contributor, with a relatively higher presence in Graff than in Damas's mainline business.

Exhibit 1: Damas Jewelry valuation

Particulars (CY24)	(AED b)	(INR b)
Stake acquisition	67%	67%
EV	1.0	24.4
Sales	1.5	34.3
EBITDA	0.2	3.6
EV/EBITDA (x)	**6.9**	**6.9**
EV/Sales (x)	**0.7**	**0.7**

Source: Company

Exhibit 2: Damas Jewelry Financials

(in Qatari Riyals m)	CY15	CY16	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24
Revenue	2,097	1,702	1,571	1,360	1,223	798	1,058	1,123	1,313	1,436
YoY growth (%)		-19%	-8%	-13%	-10%	-35%	33%	6%	17%	9%
Gross Profit	608	499	437	386	234	196	263	226	305	353
Gross Margin (%)	29.0%	29.3%	27.8%	28.4%	19.2%	24.6%	24.9%	20.2%	23.2%	24.6%
EBITDA	301	262	171	84	(21)	7	104	116	149	150
EBITDA Margin (%)	14.3%	15.4%	10.9%	6.2%	-1.7%	0.9%	9.8%	10.4%	11.3%	10.5%
YoY growth (%)		-13%	-35%	-51%	-125%	-133%	1352%	12%	28%	1%
PBT							5	14	22	11
PBT Margin (%)							0.5%	1.2%	1.7%	0.8%

(in INR m)	CY15	CY16	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24
Revenue	49,570	40,226	37,127	32,147	28,917	18,854	25,001	26,559	31,033	33,935
Gross Profit	14,363	11,794	10,325	9,133	5,540	4,645	6,213	5,353	7,207	8,353
Gross Margin (%)	29.0%	29.3%	27.8%	28.4%	19.2%	24.6%	24.9%	20.2%	23.2%	24.6%
EBITDA	7,109	6,195	4,046	1,996	(503)	169	2,447	2,750	3,522	3,550
EBITDA Margin (%)	14.3%	15.4%	10.9%	6.2%	-1.7%	0.9%	9.8%	10.4%	11.3%	10.5%
PBT							118	331	516	256
PBT Margin (%)							0.5%	1.2%	1.7%	0.8%

Source: Mannai Corporation Annual report, MOFSL

Note: Financials include Graff performance as well, 1QR =INR23.64

Exhibit 3: Damas operates with a multi-brand strategy, combining in-house brands, international brands, and private label collections

In House brands	
Brand Name	**Key Proposition**
OneSixEight	❖ Everyday luxury; popular gifting line, symbolizing luck & prosperity
Farfasha	❖ Trendy, light-weight, youth-centric jewelry
Alif	❖ Celebrates Arabic heritage & femininity
Feroza	❖ Inspired by Persian culture; premium turquoise jewelry
Damas Classics	❖ Timeless gold & diamond jewelry
Georgini	❖ Contemporary silver jewelry with an international touch
Kiku	❖ Japanese Akoya pearls; premium pearl jewelry

International brands	
Brand Name	**Type**
Graff	❖ Ultra-luxury diamond jewelry
Roberto Coin	❖ Italian fine jewelry
Fope	❖ Italian handcrafted gold jewelry
Pasquale Bruni	❖ Italian artistic jewelry
Chopard	❖ Luxury watches and jewelry
TAG Heuer	❖ Swiss watches
Rolex (select stores)	❖ Premium Swiss watches
Gucci Watches & Jewellery	❖ Fashion/luxury accessories

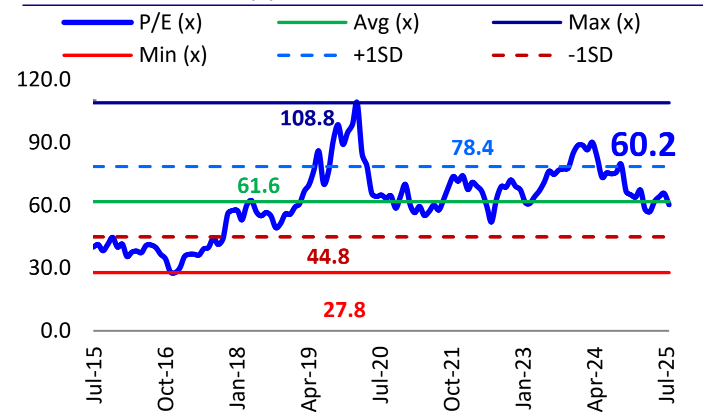
Source: Damas website, MOFSL

Exhibit 4: Damas collection range

High Jewellery	Fine Jewellery	Diamond Jewellery	Fashion Jewellery
High End Jewellery	Alif	Gaia	Farfasha
Exceptional Masterpieces	Lace	OneSixEight	Kiku
Diamond Bridal Sets	Dome	Damas Classics	Spring
Bespoken Creations & Rare Gemstones	Stella d'Oro	Palace	Love by Damas
Kallista High Jewellery	Revolve	Flora	Hope
	Revolve Men	Aerial	Amelia
	Fireworks		Al Qasr

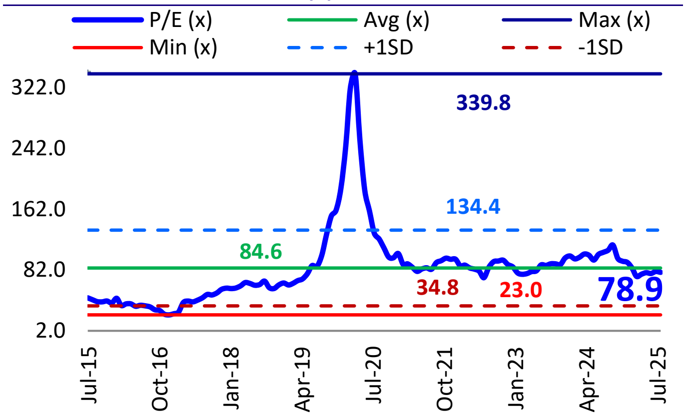
Source: Damas website, MOFSL

Exhibit 5: TTAN P/E (x)



Source: Bloomberg, Company, MOFSL

Exhibit 6: Retail sector P/E (x)



Source: Bloomberg, Company, MOFSL

Financials and valuations

Income Statement

(INR m)

Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Net Sales	**1,97,785**	**2,10,515**	**2,16,440**	**2,87,990**	**4,05,750**	**5,10,840**	**6,04,560**	**7,10,603**	**8,17,639**	**9,36,911**
Change (%)	22.7	6.4	2.8	33.1	40.9	25.9	18.3	17.5	15.1	14.6
Gross Profit	**53,843**	**58,965**	**52,300**	**71,580**	**1,02,200**	**1,16,520**	**1,35,430**	**1,66,992**	**1,92,145**	**2,20,174**
Margin (%)	27.2	28.0	24.2	24.9	25.2	22.8	22.4	23.5	23.5	23.5
Other expenditure	33,928	34,046	35,060	37,350	53,410	63,600	73,060	91,604	1,04,981	1,20,028
EBITDA	**19,915**	**24,919**	**17,240**	**34,230**	**48,790**	**52,920**	**62,370**	**75,388**	**87,164**	**1,00,146**
Change (%)	21.1	25.1	-30.8	98.5	42.5	8.5	17.9	20.9	15.6	14.9
Margin (%)	10.1	11.8	8.0	11.9	12.0	10.4	10.3	10.6	10.7	10.7
Depreciation	1,628	3,480	3,750	3,990	4,410	5,840	6,930	7,295	8,131	8,967
Int. and Fin. Charges	525	1,662	2,030	2,180	3,000	6,190	9,530	9,286	9,870	9,128
Other Income - Recurring	1,829	1,532	1,860	2,340	3,080	5,330	4,860	5,589	6,427	7,391
Profit before Taxes	**19,591**	**21,310**	**13,320**	**30,400**	**44,460**	**46,220**	**50,770**	**64,396**	**75,591**	**89,443**
Change (%)	26.5	8.8	-37.5	128.2	46.3	4.0	9.8	26.8	17.4	18.3
Tax	6,150	5,770	3,600	7,860	11,500	11,010	12,997	16,421	19,276	22,808
Deferred Tax	467	-388	70	800	-230	-260	-150	0	0	0
Tax Rate (%)	29.0	28.9	26.5	23.2	26.4	24.4	25.9	25.5	25.5	25.5
Profit after Taxes	**13,908**	**15,152**	**9,790**	**23,340**	**32,730**	**34,950**	**37,623**	**47,975**	**56,315**	**66,635**
Change (%)	24.0	8.9	-35.4	138.4	40.2	6.8	7.6	27.5	17.4	18.3
Margin (%)	7.0	7.2	4.5	8.1	8.1	6.8	6.2	6.8	6.9	7.1
Reported PAT	**13,887**	**14,927**	**9,740**	**21,980**	**32,740**	**34,950**	**33,360**	**47,975**	**56,315**	**66,635**

Balance Sheet

(INR m)

Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Share Capital	888	888	888	890	890	890	890	890	890	890
Preference Share Capital	0	0	0	0	0	0	0	0	0	0
Reserves	59,814	65,800	74,080	92,140	1,17,620	93,040	1,15,350	1,48,933	1,88,353	2,34,998
Net Worth	**60,702**	**66,688**	**74,968**	**93,030**	**1,18,510**	**93,930**	**1,16,240**	**1,49,823**	**1,89,243**	**2,35,888**
Minority Interest	141	44	50	300	530	0	0	0	0	0
GML	23,529	15,846	42,100	53,980	52,990	53,410	78,100	55,316	88,788	71,642
Loans	318	7,229	1,720	5,180	21,950	78,380	1,02,860	99,860	89,860	79,860
Lease liabilities	0	12,430	12,560	13,590	18,730	23,490	26,810	30,133	33,019	35,905
Deferred Tax	-688	-1,528	-970	-1,810	-1,550	-1,840	-1,680	-1,680	-1,680	-1,680
Capital Employed	**84,001**	**1,00,708**	**1,30,428**	**1,64,270**	**2,11,160**	**2,47,370**	**3,22,330**	**3,33,452**	**3,99,231**	**4,21,615**
Gross Block	15,158	17,452	17,960	19,290	21,850	27,320	30,350	33,850	37,350	40,850
Less: Accum. Depn.	3,335	4,600	5,800	7,110	8,420	9,950	11,810	14,586	17,648	20,998
Net Fixed Assets	**11,823**	**12,853**	**12,160**	**12,180**	**13,430**	**17,370**	**18,540**	**19,264**	**19,702**	**19,852**
Goodwill	**1,230**	**1,230**	**1,230**	**1,230**	**1,230**	1,230	1,230	1,230	1,230	1,230
Intangibles	2,373	2,660	2,430	2,290	2,460	3,050	3,100	3,371	3,577	3,717
Capital WIP	290	115	190	690	1,330	880	930	930	930	930
Right of use asset	0	9,349	9,070	9,730	12,850	15,430	17,740	17,780	17,336	16,409
Investments	1,084	1,579	28,240	2,940	25,150	23,450	19,880	16,380	16,380	16,380
Other Non Current Assets	268	307	370	170	120	100	130	130	130	130
Curr. Assets, L&A	**99,343**	**1,05,812**	**1,09,680**	**1,80,840**	**2,12,080**	**2,52,120**	**3,43,220**	**3,73,745**	**4,52,209**	**4,89,587**
Inventory	70,388	81,030	84,080	1,36,090	1,65,840	1,90,510	2,81,840	2,04,874	3,55,152	2,86,568
Account Receivables	4,205	3,116	3,660	5,650	6,740	10,180	10,680	14,601	16,801	19,252
Cash and Bank Balance	10,665	3,811	5,600	15,730	13,430	15,260	15,840	1,14,644	36,964	1,36,391
Others	14,085	17,855	16,340	23,370	26,070	36,170	34,860	39,626	43,291	47,376
Curr. Liab. and Prov.	**32,410**	**33,201**	**33,040**	**45,800**	**57,490**	**66,260**	**82,440**	**99,379**	**1,12,263**	**1,26,619**
Trade Paybles	**9,060**	**5,967**	**7,890**	**12,940**	**12,140**	**14,100**	**19,630**	**19,469**	**22,401**	**25,669**
Current Liabilities	21,390	24,375	23,290	30,500	41,630	48,420	58,270	74,264	83,365	93,507
Provisions	1,960	2,858	1,860	2,360	3,720	3,740	4,540	5,646	6,496	7,444
Net Current Assets	**66,933**	**72,611**	**76,640**	**1,35,040**	**1,54,590**	**1,85,860**	**2,60,780**	**2,74,367**	**3,39,946**	**3,62,967**
Application of Funds	**84,001**	**1,00,705**	**1,30,330**	**1,64,270**	**2,11,160**	**2,47,370**	**3,22,330**	**3,33,452**	**3,99,231**	**4,21,615**

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Basic (INR)										
EPS	**15.7**	**17.1**	**11.0**	**26.2**	**36.8**	**39.3**	**42.3**	**53.9**	**63.3**	**74.9**
Cash EPS	17.3	18.8	12.9	28.2	38.8	41.9	45.3	57.0	66.7	78.6
BV/Share	68.2	74.9	84.2	104.5	133.2	105.5	130.6	168.3	212.6	265.0
DPS	4.5	6.1	4.0	7.5	10.0	11.0	12.4	16.2	19.0	22.5
Payout %	28.9	35.8	36.4	28.6	27.2	28.0	29.3	30.0	30.0	30.0
Valuation (x)										
P/E	220.9	202.7	313.8	131.9	94.1	88	82	64	55	46
Cash P/E	200.1	183.8	268.9	122.6	89.2	82.7	76.3	60.7	51.9	44.0
EV/Sales	15.5	14.6	14.1	10.6	7.5	6.1	5.2	4.3	3.8	3.2
EV/EBITDA	154.1	123.7	176.8	89.6	62.8	58.9	50.4	40.4	35.7	30.0
P/BV	50.7	46.2	41.1	33.1	26.0	32.8	26.5	20.6	16.3	13.1
Dividend Yield (%)	0.1	0.2	0.1	0.2	0.3	0.3	0.4	0.5	0.5	0.6
Return Ratios (%)										
RoE	24.9	23.8	13.8	27.8	30.9	32.9	35.8	36.1	33.2	31.3
RoCE	18.9	17.7	9.8	17.0	18.6	17.3	15.7	16.7	17.4	17.9
RoIC	19.6	18.2	10.3	19.2	20.7	18.8	16.7	20.8	21.5	22.2
Working Capital Ratios										
Debtor (Days)	8	5	6	7	6	7	6	8	8	8
Asset Turnover (x)	2.4	2.1	1.7	1.8	1.9	2.1	1.9	2.1	2.0	2.2
Leverage Ratio										
Debt/Equity (x)	0.2	0.3	0.5	0.5	0.5	1.2	1.4	0.3	0.7	0.1

Cash Flow Statement

(INR m)

Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
OP/(loss) before Tax	19,569	21,017	13,270	29,040	44,470	46,230	45,350	64,396	75,591	89,443
Int./Div. Received	1,140	-356	-560	-1,270	-1,080	-1,730	-1,190	-5,589	-6,427	-7,391
Deferred Revenue Exp.	0	0	0	0	0	0	0	0	0	0
Depreciation & Amort.	1,628	3,480	3,760	3,990	4,410	5,840	6,930	7,295	8,131	8,967
Interest Paid	-512	677	1,420	1,220	1,570	3,700	6,650	9,286	9,870	9,128
Direct Taxes Paid	6,360	5,577	2,710	8,020	11,540	11,730	10,890	16,421	19,276	22,808
Incr in WC	3,036	22,715	-26,210	32,200	24,130	25,360	52,260	-62,433	1,09,787	-59,260
CF from Operations	**12,429**	**-3,474**	**41,390**	**-7,240**	**13,700**	**16,950**	**-5,410**	**1,21,400**	**-41,898**	**1,36,598**
Extraordinary Income	0	0	0	0	0	0		0	0	0
Incr in FA	2,634	3,456	1,390	2,160	4,200	6,710	4,700	4,300	4,300	4,300
Free Cash Flow	**9,796**	**-6,930**	**40,000**	**-9,400**	**9,500**	**10,240**	**-10,110**	**1,17,100**	**-46,198**	**1,32,298**
Investments	177	-3,183	27,290	-16,420	18,610	-3,120	3,380	-3,500	0	0
Others	245	690	-1,419	-7,140	-2,240	-1,760	-14,140	-1,559	-2,397	-3,361
CF from Invest.	**-3,055**	**-963**	**-27,261**	**21,400**	**-20,570**	**-1,830**	**6,060**	**759**	**-1,903**	**-939**
Issue of Shares	0	0	0	0	0	0	0	0	0	0
Incr in Debt	0	6,934	-5,620	3,420	16,770	56,290	22,140	-3,000	-10,000	-10,000
Dividend Paid	3,974	5,356	3,550	3,550	6,660	8,880	9,760	14,393	16,895	19,991
Others	915	3,995	3,170	3,900	5,540	60,700	12,450	5,963	6,984	6,242
CF from Fin. Activity	**-4,888**	**-2,417**	**-12,340**	**-4,030**	**4,570**	**-13,290**	**-70**	**-23,355**	**-33,878**	**-36,232**
Incr/Decr of Cash	**4,486**	**-6,853**	**1,789**	**10,130**	**-2,300**	**1,830**	**580**	**98,804**	**-77,679**	**99,427**
Add: Opening Balance	6,179	10,665	3,811	5,600	15,730	13,430	15,260	15,840	1,14,644	36,964
Closing Balance	**10,665**	**3,811**	**5,600**	**15,730**	**13,430**	**15,260**	**15,840**	**1,14,644**	**36,964**	**1,36,391**

E: MOFSL Estimates

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BUY	>=15%
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NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
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Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

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