

Kalyan Jewellers

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	KALYANKJ IN
Equity Shares (m)	1032
M.Cap.(INRb)/(USD\$)	609.8 / 7
52-Week Range (INR)	795 / 399
1, 6, 12 Rel. Per (%)	5/5/8
12M Avg Val (INR M)	5538

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	318.7	391.0	467.7
EBITDA	20.9	24.7	28.8
Margins (%)	6.6	6.3	6.2
Adj. PAT	11.2	13.7	16.3
Adj. EPS (INR)	10.9	13.3	15.8
EPS Growth (%)	38.9	22.4	19.0
BV/Sh.(INR)	54.4	62.8	71.6

Ratios

RoE (%)	21.5	22.7	23.6
RoIC (%)	15.6	16.8	18.3

Valuations

P/E (x)	54.3	44.3	37.3
P/BV (x)	10.8	9.4	8.2
EV/Sales (x)	1.9	1.5	1.2
EV/EBITDA(x)	28.7	24.1	20.3

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	62.8	62.9	60.6
DII	13.3	12.0	11.8
FII	16.8	16.9	21.2
Others	7.0	8.3	6.5

FII includes depository receipts

CMP: INR591 TP: INR700 (+18%) Buy

Industry-leading growth; beat in margin

- Kalyan Jewellers' (KALYANKJ) consolidated revenue grew 31% YoY to INR72.7b (in line). The Indian business achieved 31% YoY revenue growth, driven by store additions (added net nine Kalyan Indian stores and eight Candere stores) and 18% SSSG (20% in South, 16% in non-South). Management indicated that there is no pent-up demand likely to emerge from the recent moderation in gold prices, as weddings have not been postponed. Studded share remained stable at 30.2% in 1QFY26 vs 30.4% in 1QFY25. Studded revenue rose 30%.
- Gross margin for the Indian business contracted 60bp YoY to 13.6%. The margin contraction was likely due to the rising mix from franchised stores (~43% revenue mix in 1QFY26). EBITDA margin for the Indian business expanded 40bp YoY to 7% (beat), driven by stable advertising costs and improved sourcing efficiencies. The company is working to reduce its credit period as part of its efforts to improve operating margins. The PBT margin expanded 80bp YoY to 5.6%, while PBT rose 54% YoY.
- The Middle Eastern business delivered 27% revenue growth. Studded share stood at 18.4%. There were no store additions during the quarter.
- The company is launching a new growth vertical by introducing various regional brands. In order to deepen its presence in new markets, Kalyan aims to establish regional brands offering exclusively localized designs, with the first launch planned for CY25. A pilot is expected in FY26, starting with five COCO stores, followed by franchise-led expansion. The initial capex will be ~INR3b. Management indicated that the format may have lower GM, but inventory turns will be higher and ROCE will be in the range of 18-20%. We await further clarity on this initiative.
- With the successful scaling of its new franchise businesses (~40% revenue contribution) and stable success in the non-Southern markets, the company has established itself as a leading brand in the industry. The company is further establishing a region-specific store format to combat increasing competition from unorganized players. We model 21%/17%/21% revenue/EBITDA/PAT CAGR during FY25-28E. We reiterate our BUY rating with a TP of INR700 (based on 50x Jun'27 P/E).

Robust growth continues with healthy store expansion

India business

- Healthy revenue growth with double-digit SSSG:** India's revenue grew 31% YoY to INR61.4b (inline), and same-store sales increased 18% YoY. SSSG was 20% in Southern regions and 16% in non-Southern regions. South's revenue growth was 30%, while non-South's revenue stood at 33% YoY. Non-Southern markets showed promising growth, with revenue contribution increasing to 51%. Studded share remained stable at 30.2% in 1QFY26 vs 30.4% in 1QFY25. Studded revenue rose 30%.
- Strong growth in profitability:** EBITDA grew 38% YoY to INR4.3b (est. INR3.9b). PBT grew 54% YoY to INR3.4b (est. INR2.9b) and APAT grew 55% YoY to 2.6b (est. INR2.2b). Management stated that the current GML rates are back to September 24 levels of ~4%, given the geopolitical uncertainties.

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

- **Rapid store expansion:** The company added net nine My Kalyan stores in India, reaching a total of 287 stores. Candere added eight stores, reaching a total of 81 stores. Total stores in India stood at 368. 'My Kalyan' grassroots stores reached 1,047 in 1QFY26, contributing ~16% to revenue from operations in India and over 31% to enrolment in advance purchase schemes in India.

Middle East

- Sales grew 27% YoY to INR10.3b. There were no store additions during the quarter. The studded share stood at 18.4% vs 16.4%.
- Gross margin contracted 70bp YoY to 14% and EBITDA margin contracted 60bp YoY to 7.1%. EBITDA grew 17% YoY to INR728m. APAT grew 18% YoY to INR221m.

Consolidated performance

- KALYANKJ's consolidated revenue grew 31% YoY to INR72.7b (est. INR70.8b).
- Gross margin contracted ~50bp YoY to 13.9% (est. 13.4%).
- EBITDA margin expanded 20bp YoY to 7%. (est. 6.6%). EBITDA grew 35% YoY to INR5.0b. PBT grew 49% YoY to INR3.5b and APAT grew 49% YoY to 2.6b.

Key takeaways from the management commentary

- Demand in the first three weeks of July was healthy. The last week of July to the first week of August is not comparable due to a high base created by the customs duty cut. That said, management believes that the high base impact should be offset in 2QFY26, which will benefit from key festive events such as Navratri and the conclusion of Shradh.
- Management indicated that there is no pent-up demand likely to emerge due to the gold price moderation, as weddings were not postponed.
- Going forward, the company aims to focus on monetizing its real-estate collateral (which is ~INR2b), developing a new retail format alongside Kalyan and Candere, and undertaking supply-side restructuring to improve gross margins.
- The initial investment in new regional brands will be INR3b (largely inventory), and Kalyan will open five stores, post which the store expansion will be FOCO-led. The first store will be launched in FY26.
- The company plans to open 170 showrooms with 90 Kalyan and 80 Candere formats in FY26.

Valuation and view

- We have largely maintained our EPS estimates for FY26 and FY27.
- With the successful scale-up of its new franchise businesses (~40 revenue contribution) and continued success in non-Southern markets, the company has established itself as a leading brand in the industry. Its non-South expansion has improved the studded jewelry mix, while the asset-light expansion supports healthy cash flow generation for debt repayment and enhances profitability by reducing interest costs. It is also gaining momentum in the Middle East and the US.
- We model 21%/17%/21% revenue/EBITDA/PAT CAGR over FY26-28E. We reiterate our BUY rating with a TP of INR700 (based on 50x Jun'27 P/E)

Consolidated Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Stores	277	303	349	388	406	454	497	560	388	560	419	
Net Sales	55,355	60,655	72,869	61,815	72,685	74,280	91,492	80,247	2,50,451	3,18,703	70,772	2.7%
Change (%)	26.5	37.4	39.5	36.6	31.3	22.5	25.6	29.8	35.0	27.3	27.9	
Raw Material/PM	47,419	52,313	63,323	53,314	62,603	64,547	80,014	70,118	2,16,370	2,77,283	61,299	
Gross Profit	7,935	8,342	9,546	8,501	10,081	9,732	11,478	10,128	34,081	41,420	9,473	6.4%
Gross Margin (%)	14.3	13.8	13.1	13.8	13.9	13.1	12.5	12.6	13.6	13.0	13.4	
Operating Expenses	4,175	4,379	4,609	4,507	5,001	4,786	5,458	5,265	17,671	20,510	4,828	
% of Sales	7.5	7.2	6.3	7.3	6.9	6.4	6.0	6.6	7.1	6.4	6.8	
EBITDA	3,760	3,962	4,936	3,994	5,080	4,946	6,020	4,863	16,410	20,910	4,645	9.4%
Margin (%)	6.8	6.5	6.8	6.5	7.0	6.7	6.6	6.1	6.6	6.6	6.6	
Change (%)	16.4	26.3	33.5	34.8	35.1	24.8	22.0	21.8	25.0	27.4	23.5	
Interest	852	903	876	962	1,036	903	876	812	3,595	3,628	895	
Depreciation	755	850	890	933	977	997	1,007	992	3,427	3,972	952	
Other Income	222	260	313	408	463	377	454	445	1,446	1,739	321	
PBT	2,375	2,469	3,484	2,507	3,530	3,423	4,591	3,504	10,834	15,048	3,119	13.2%
Tax	599	649	886	630	889	873	1,171	906	2,764	3,839	795	
Effective Tax Rate (%)	25.2	26.3	25.4	25.1	25.2	25.5	25.5	25.9	25.5	25.5	25.5	
Adjusted PAT	1,776	1,821	2,598	1,877	2,641	2,550	3,420	2,598	8,070	11,209	2,324	13.6%
Change (%)	23.4	34.6	43.8	36.4	48.7	40.1	31.7	38.4	35.1	38.9	30.9	
Reported PAT	1,776	1,303	2,187	1,877	2,641	2,550	3,420	2,598	7,142	11,209	2,324	

E: MOFSL Estimates

India Quarterly Performance (Standalone)

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Stores	241	267	312	351	368	413	455	516	351	516	380	
SSSG (%)	12	23	24	21	18	10	11	11			15	
Studded ratio (%)	30.4	29.7	29.5	31.1	30.2							
Net Sales	46,875	52,268	63,864	53,504	61,422	64,865	81,479	71,723	2,16,510	2,79,490	61,082	0.6%
Change (%)	28.7	39.2	41.6	38.3	31.0	24.1	27.6	34.1	37.3	29.1	30.3	
Raw Material/PM	40,226	45,205	55,767	46,378	53,058	56,433	71,376	63,062	1,87,577	2,43,928	52,958	
Gross Profit	6,648	7,062	8,097	7,126	8,364	8,432	10,103	8,661	28,934	35,561	8,124	3.0%
Gross Margin (%)	14.2	13.5	12.7	13.3	13.6	13.0	12.4	12.1	13.4	12.7	13.3	
Operating Expenses	3,499	3,741	3,845	3,691	4,023	4,186	4,822	4,291	14,776	17,321	4,191	
% of Sales	7.5	7.2	6.0	6.9	6.5	6.5	5.9	6.0	6.8	6.2	6.9	
EBITDA	3,150	3,322	4,251	3,435	4,342	4,247	5,281	4,371	14,158	18,240	3,933	10.4%
Margin (%)	6.7	6.4	6.7	6.4	7.1	6.5	6.5	6.1	6.5	6.5	6.4	
Change (%)	17.1	24.3	34.4	34.7	37.9	27.9	24.2	27.2	27.8	28.8	24.9	
Interest	601	626	585	686	724	680	600	535	2,497	2,539	650	
Depreciation	560	612	610	679	697	710	720	726	2,461	2,853	689	
Other Income	250	277	411	424	521	425	425	307	1,485	1,679	400	
PBT	2,239	2,361	3,467	2,494	3,443	3,281	4,386	3,417	10,685	14,527	2,994	15.0%
Tax	588	641	876	640	878	827	1,105	851	2,745	3,661	755	
Effective Tax Rate (%)	26.3	27.1	25.3	25.7	25.5	25.2	25.2	24.9	25.7	25.2	25.2	
Adjusted PAT	1,651	1,720	2,591	1,854	2,565	2,454	3,281	2,566	7,630	10,866	2,240	
Change (%)	28.1	37.1	54.0	41.1	55.4	42.7	26.6	38.4	39.8	42.4	35.7	
Reported PAT	1,651	1,203	2,180	1,854	2,565	2,454	3,281	2,566	6,702	10,866	2,240	

E: MOFSL Estimates

Middle East Quarterly Performance

(INR m)

Y/E March	FY25				FY26			
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE
Stores	36	36	36	36	36	40	41	43
Net Sales	8,092	8,004	8,403	7,845	10,265	8,964	9,411	8,896
Change (%)	15.6	27.2	23.1	26.0	26.9	12.0	12.0	13.4
Raw Material/PM	6,900	6,847	7,156	6,677	8,828	7,665	8,037	7,551
Gross Profit	1,192	1,157	1,247	1,168	1,437	1,300	1,374	1,345
Gross Margin (%)	14.7	14.5	14.8	14.9	14.0	14.5	14.6	15.1
Operating Expenses	569	551	603	581	709	601	635	653
% of Sales	7.0	6.9	7.2	7.4	6.9	6.7	6.8	7.3
EBITDA	623	606	644	587	728	699	739	692
Margin (%)	7.7	7.6	7.7	7.5	7.1	7.8	7.9	7.8
Change (%)	12.5	26.0	21.6	33.1	16.9	15.4	14.7	17.9
Interest	264	276	277	269	287	285	265	257
Depreciation	168	173	191	194	204	210	220	221
Other Income	2	5	5	26	29	11	10	10
PBT	193	162	181	150	266	215	264	224
Tax	6	24	28	29	45	34	42	29
Effective Tax Rate (%)	3.1	14.8	15.5	19.3	16.9	16.0	16.0	12.7
Adjusted PAT	187	138	153	121	221	181	222	195
Change (%)	10.7	16.0	10.9	22.2	18.2	31.0	44.8	61.5

Exhibit 1: Store network

Store data	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Kalyan India	159	172	194	204	217	231	253	278	287
-COCO	159	130	135	128	128	126	121	126	126
-FOCO	0	42	59	76	89	105	132	152	161
Candere	2	3	7	13	24	36	59	73	81
-COCO	2	2	5	5	8	12	35	36	40
-FOCO	0	1	2	8	16	24	24	37	41
Total stores in India	161	175	201	217	241	267	312	351	368
Middle East	33	34	34	36	36	36	36	36	36
-COCO	33	33	33	35	35	32	32	32	32
-FOCO	0	1	1	1	1	4	4	4	4
US	0	0	0	0	0	0	1	1	2
Total stores	194	209	235	253	277	303	349	388	406

Exhibit 2: South and non-South SSSG and revenue contribution in India

Particulars	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
South revenue share (%)	56	54	46	51	51	51	44	47	51
Non South revenue share (%)	44	46	54	49	49	49	56	53	49
SSSG (%)	15	10	11	17	12	23	24	21	18
South SSSG (%)			10	18	13	25	23	20	20
Non south SSSG (%)			13	16	11	21	25	22	16



Key takeaways from the management commentary

Demand environment and outlook

- Demand in the first three weeks of July was healthy. The last week of July to the first week of August is not comparable as the base was high, given the custom duty cut. That said, management believes the impact of a high base will be offset in 2QFY26, as 2Q will have festivities such as Navratri, the ending of Shradh, etc.
- Management indicated that there is no pent-up demand likely to emerge due to gold price moderation, as weddings were not postponed.
- Going forward, the company will focus on monetizing its real estate collateral (which is ~INR2b), creating a new retail format alongside Kalyan and Candere, and undertaking supply-side restructuring to improve gross margins.
- The initial investment in the new regional brand will be INR3b (largely inventory) and the company will open 5 stores, post which the store expansion will be FOCO-led.
- The studded jewellery segment remained steady and is a strategic focus area for future growth.
- Gold loan interest rate is back to 4%.

Cost and margin

- KALYANKJ managed input cost pressures effectively through better operating leverage and sourcing efficiencies. GM improvement was due to the pilot project and a higher mix of silver/platinum, which involve higher margins.

New format focused on regional brands launching soon

- The company will launch a company housing regional brands that offer localized jewelry to compete with regional brands. There will be multiple brands, each allocated to a particular state.
- The company will be launching its first regional brand in FY26, starting with five showrooms requiring capital of INR3b (largely inventory), and further expansion will be FOCO-led.
- KALYANKJ stated that while the products will have lower gross margins, they will involve a high inventory turn and RoCE will remain in the range of 18-20%.
- The sourcing strategy will be modified and benefit from a leaner credit period. The pilot is currently underway.
- KALYANKJ indicated that it may raise debt in the subsidiary.

Candere

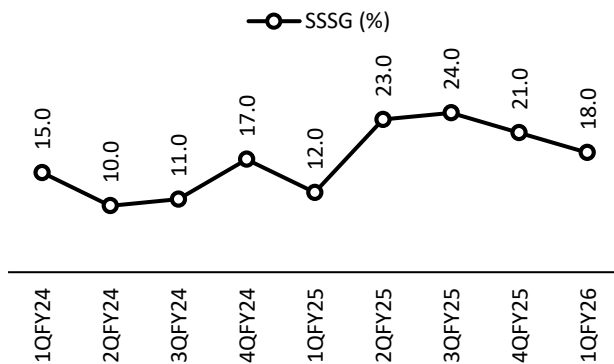
- Candere is expected to be PAT level neutral/positive by FY26 end.
- The company plans to launch 80 Candere showrooms in India during FY26 through a mix of FOCO and COCO showrooms.

International business

- The ME demand continues to remain robust.
- 1Q saw healthy growth of 27%, partially aided by the refurbishment/relocation of 8 showrooms in the region in the last 12 months.
- The company sees a growing opportunity among the Indian diaspora in the GCC region and continues to strategically expand its presence.
- Currency fluctuations have a marginal impact on the Middle East profitability, but operational performance remains healthy.

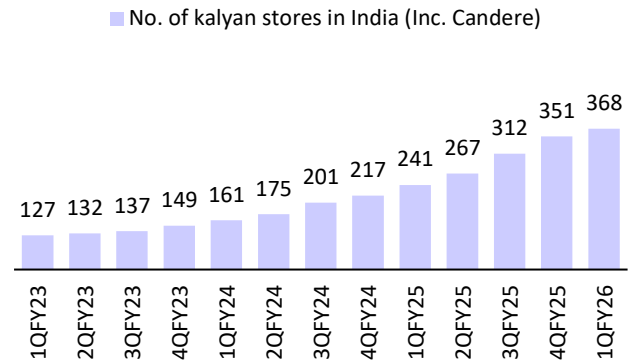
Key exhibits

Exhibit 3: India SSSG at 18% YoY in 1QFY26



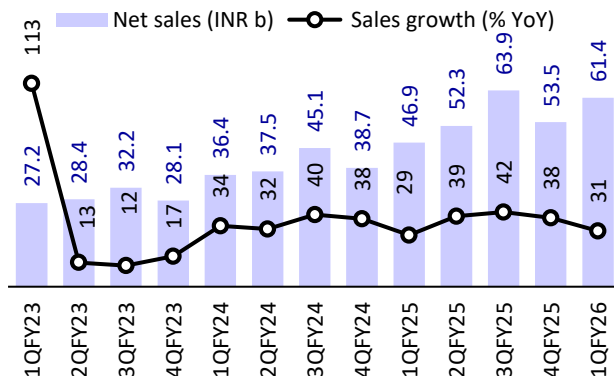
Source: Company, MOFSL

Exhibit 4: Added net 17 (9 Kalyan India, 8 Candere) stores in India



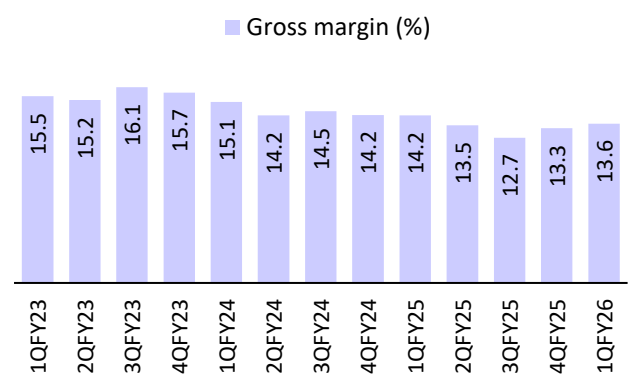
Source: Company, MOFSL

Exhibit 5: India sales grew 31% YoY, led by SSSG and store additions



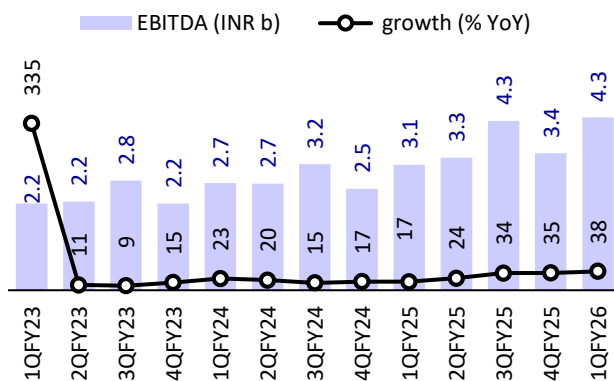
Source: Company, MOFSL

Exhibit 6: India business GP margin contracted 60bp YoY to 13.6%



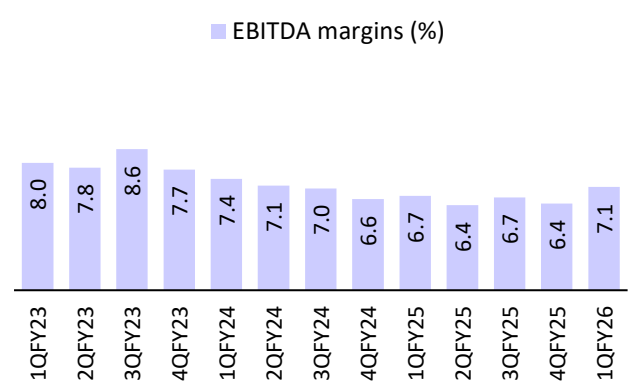
Source: Company, MOFSL

Exhibit 7: India business EBITDA grew 38% YoY to INR4.3b



Source: Company, MOFSL

Exhibit 8: India business EBITDA margin expanded 40bp YoY to 7.1% in 1QFY26



Source: Company, MOFSL

Valuation and view

- We have largely maintained our EPS estimates for FY26 and FY27.
- With the successful scale-up of its new franchise businesses (~40 revenue contribution) and continued success in non-Southern markets, the company has established itself as a leading brand in the industry. Its non-South expansion has improved the studded jewelry mix, while the asset-light expansion supports healthy cash flow generation for debt repayment and enhances profitability by reducing interest costs. It is also gaining momentum in the Middle East and the US.
- We model 21%/17%/21% revenue/EBITDA/PAT CAGR over FY26-28E. We reiterate our BUY rating with a TP of INR700 (based on 50x Jun'27 P/E)

Exhibit 9: We largely maintain our EPS estimates for FY26 and FY27

(INR b)	New		Old		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Net Sales	3,18,703	3,91,028	3,23,901	3,96,316	-2%	-1%
EBITDA	20,910	24,684	20,680	24,148	1%	2%
Adjusted PAT	11,209	13,724	11,085	13,393	1%	2%

Financials and valuations

Income Statement consol.

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Net Sales	1,01,009	85,733	1,08,179	1,40,714	1,85,483	2,50,451	3,18,703	3,91,028	4,67,664
Change (%)	3.4	-15.1	26.2	30.1	31.8	35.0	27.3	22.7	19.6
Raw Materials	83,918	71,141	91,263	1,18,722	1,58,346	2,16,370	2,77,283	3,42,773	4,12,035
Gross Profit	17,092	14,592	16,916	21,992	27,137	34,081	41,420	48,255	55,630
Margin (%)	16.9	17.0	15.6	15.6	14.6	13.6	13.0	12.3	11.9
Operating Expenses	9,489	8,649	8,771	10,852	14,010	17,671	20,510	23,571	26,828
EBITDA	7,603	5,943	8,145	11,141	13,127	16,410	20,910	24,684	28,802
Change (%)	31.0	-21.8	37.1	36.8	17.8	25.0	27.4	18.1	16.7
Margin (%)	7.5	6.9	7.5	7.9	7.1	6.6	6.6	6.3	6.2
Depreciation	2,391	2,249	2,316	2,446	2,743	3,427	3,972	4,440	4,995
Int. and Fin. Charges	3,803	3,754	3,224	3,026	3,232	3,595	3,628	3,683	3,864
Other Income	801	454	383	379	737	1,446	1,739	1,912	2,104
Profit before Taxes	2,209	394	2,989	6,048	7,888	10,834	15,048	18,474	22,046
Change (%)	955.7	-82.2	659.3	102.4	30.4	37.3	38.9	22.8	19.3
Margin (%)	2.2	0.5	2.8	4.3	4.3	4.3	4.7	4.7	4.7
Tax	786	455	748	1,396	1,925	2,764	3,839	4,750	5,712
Tax Rate (%)	35.6	115.6	25.0	23.1	24.4	25.5	25.5	25.7	25.9
PAT Before Minority	1,423	-61	2,240	4,652	5,963	8,070	11,209	13,724	16,334
Minority Interest	-7	2	-3	-12	-11	0	0	0	0
Exceptional	0	0	0	333	0	929	0	0	0
Reported PAT	1,430	-64	2,244	4,331	5,973	7,142	11,209	13,724	16,334
Adjusted PAT	1,430	-64	2,244	4,599	5,973	8,070	11,209	13,724	16,334
Change (%)	-4,113	-104	-3,616	105	30	35	39	22	19
Margin (%)	1.4	-0.1	2.1	3.3	3.2	3.2	3.5	3.5	3.5

Balance Sheet

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Share Capital	9,583	10,301	10,301	10,301	10,301	10,314	10,314	10,314	10,314
Reserves	12,028	17,960	21,070	26,047	31,590	37,721	45,841	54,415	63,539
Net Worth	21,611	28,260	31,370	36,347	41,891	48,036	56,155	64,729	73,853
Minority Interest	-30	5	9	-2	-13	0	0	0	0
GML	11,671	14,180	14,968	18,536	22,530	23,436	24,303	25,207	26,149
Loans	24,230	19,600	18,664	16,550	10,643	9,497	6,497	3,497	497
Lease liability	7,578	6,983	6,661	7,869	11,691	16,660	21,979	27,292	32,389
Deferred tax	-81	-461	-450	-562	-662	-1,125	-1,125	-1,125	-1,125
Capital Employed	64,979	68,564	71,224	78,738	86,079	96,504	1,07,809	1,19,600	1,31,764
Gross Block	15,462	15,031	16,056	15,373	18,644	21,456	23,056	24,656	26,256
Less: Accum. Depn.	4,669	5,413	6,240	6,635	7,739	8,400	10,247	12,156	14,192
Net Fixed Assets	10,793	9,618	9,816	8,738	10,904	13,056	12,808	12,500	12,063
Goodwill	51	51	51	51	51	51	51	51	51
Intangible assets	97	94	70	49	35	21	67	62	19
Capital WIP	242	527	17	200	485	77	77	77	77
Right to Use Assets	10,110	8,613	8,667	9,580	11,390	14,723	17,442	20,241	22,648
Investments	0	0	6	44	44	53	53	53	53
Other non-current assets	1,830	2,186	1,962	2,748	5,117	8,161	13,984	18,156	22,399
Curr. Assets, L&A	58,984	67,103	68,414	85,158	99,490	1,13,993	1,30,446	1,50,957	1,73,212
Inventory	47,203	53,031	57,943	70,139	82,976	96,811	1,06,680	1,24,214	1,35,697
Account Receivables	2,137	1,127	1,195	2,442	3,283	3,999	5,073	6,211	7,405
Cash and Bank Balance	7,501	10,966	7,772	9,819	9,751	10,311	15,038	16,047	24,747
Others	2,142	1,979	1,504	2,759	3,480	2,872	3,655	4,484	5,363
Curr. Liab. and Prov.	17,127	19,627	17,778	27,830	41,436	53,630	67,119	82,496	98,758
Account Payables	5,576	6,901	6,566	11,927	19,441	23,503	29,725	36,363	43,248
Provisions	385	445	493	714	668	857	1,140	1,409	1,693
Other current liabilities	11,166	12,280	10,720	15,188	21,326	29,270	36,254	44,724	53,817
Net Current Assets	41,857	47,476	50,635	57,329	58,054	60,363	63,328	68,460	74,454
Application of Funds	64,979	68,564	71,224	78,738	86,079	96,504	1,07,809	1,19,600	1,31,764

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic (INR)									
EPS	1.5	-0.1	2.2	4.5	5.8	7.8	10.9	13.3	15.8
Cash EPS	4.0	2.1	4.4	6.8	8.5	11.1	14.7	17.6	20.7
BV/Share	22.6	27.4	30.5	35.3	40.7	46.6	54.4	62.8	71.6
DPS	0.0	0.0	0.0	0.5	1.2	1.5	3.0	5.0	7.0
Payout %	0.0	0.0	0.0	11.2	20.7	19.2	27.6	37.6	44.2
Valuation (x)									
P/E	395.3	-9,524.1	270.9	132.1	101.7	75.4	54.3	44.3	37.3
Cash P/E	148.0	278.1	133.3	86.3	69.7	52.9	40.1	33.5	28.5
EV/Sales	5.8	7.2	5.7	4.4	3.3	2.4	1.9	1.5	1.2
EV/EBITDA	76.6	103.7	76.0	55.2	46.4	37.0	28.7	24.1	20.3
P/BV	26.2	21.5	19.4	16.7	14.5	12.7	10.8	9.4	8.2
Dividend Yield (%)	0.0	0.0	0.0	0.1	0.2	0.3	0.5	0.8	1.2
Return Ratios (%)									
RoE	6.9	-0.3	7.5	13.6	15.3	17.9	21.5	22.7	23.6
RoCE	6.0	-1.0	6.7	9.3	10.2	11.8	13.6	14.5	15.3
RoIC	6.8	-1.1	7.7	10.6	11.6	13.3	15.6	16.8	18.3
Working Capital Ratios									
Inventory (Days)	167	213	187	166	151	131	117	108	101
Debtor (Days)	7	7	4	5	6	5	5	5	5
Payable (Days)	18	27	23	24	31	31	30	31	31
Cash conversion (Days)	155	194	168	147	125	105	91	82	76
Inventory turns (x)	2.2	1.7	1.9	2.2	2.4	2.8	3.1	3.4	3.6
Asset Turnover (x)	1.6	1.3	1.5	1.8	2.2	2.6	3.0	3.3	3.5
Leverage Ratio									
Net Debt/Equity (x)	1.3	0.8	0.8	0.7	0.6	0.5	0.3	0.2	0.0

Cash Flow Statement

(InR m)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Profit before Tax	2,209	394	2,989	5,715	7,888	9,596	15,048	18,474	22,046
Depreciation	2,391	2,249	2,316	2,446	2,743	3,427	3,972	4,440	4,995
Net interest	3,333	3,461	2,805	2,753	2,649	2,830	1,889	1,770	1,760
Others	-460	1,396	-59	85	170	328	0	0	0
Direct Taxes Paid	-65	-569	-1,529	-1,290	-2,262	-2,379	-3,839	-4,750	-5,712
(Incr)/Decr in WC	-4,213	-642	-4,071	424	2,040	-1,708	2,276	-3,596	3,251
CF from Operations	3,196	6,288	2,450	10,134	13,227	12,095	19,347	16,339	26,341
Incr in FA	-1,075	-479	-908	-1,863	-3,712	-4,275	-1,682	-1,634	-1,594
Free Cash Flow	2,121	5,810	1,542	8,272	9,516	7,820	17,665	14,705	24,746
Pur of Investments	28	0	-6	-37	0	0	0	0	0
Others	529	-268	705	188	1,896	866	-8,539	-7,176	-7,070
CF from Invest.	-517	-747	-209	-1,712	-1,816	-3,409	-10,220	-8,810	-8,664
Issue of Shares	0	7,565	0	0	0	0	0	0	0
Incr in Debt	1,816	-5,132	-861	-2,146	-5,909	-1,263	-3,000	-3,000	-3,000
Dividend Paid	0	0	0	0	-515	-1,236	-3,090	-5,150	-7,210
Net interest Paid	-2,706	-2,864	-2,407	-2,291	-2,389	-2,234	-3,628	-3,683	-3,864
Others	-2,542	-1,646	-2,167	-1,939	-2,667	-3,394	5,319	5,313	5,097
CF from Fin. Activity	-3,432	-2,076	-5,435	-6,376	-11,479	-8,126	-4,399	-6,520	-8,977
Incr/Decr of Cash	-753	3,465	-3,194	2,047	-68	560	4,727	1,009	8,700
Add: Opening Balance	8,255	7,501	10,966	7,772	9,819	9,751	10,311	15,038	16,047
Closing Balance	7,501	10,966	7,772	9,819	9,751	10,311	15,038	16,047	24,746

E: MOFSL Estimates

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