

# Shoppers Stop

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	SHOP IN
Equity Shares (m)	110
M.Cap.(INRb)/(USDb)	56.9 / 0.6
52-Week Range (INR)	777 / 467
1, 6, 12 Rel. Per (%)	-8/-8/-35
12M Avg Val (INR M)	62

## Financials & Valuations Stand (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	48.0	50.8	54.1
EBITDA	7.7	8.3	9.0
Adj. PAT	0.2	0.0	-0.1
EBITDA Margin (%)	16.1	16.3	16.6
Adj. EPS (INR)	1.4	-0.4	-1.3
EPS Gr. (%)	127.4	-128.9	210.8
BV/Sh. (INR)	42.5	42.0	40.3

## Ratios

Net D:E	8.7	9.2	10.1
RoE (%)	4.4	-1.3	-4.0
RoCE (%)	6.2	5.7	5.4
Payout (%)	0.0	0.0	0.0

## Valuations

P/E (x)	400.3	n/a	n/a
EV/EBITDA (x)	12.0	11.4	10.7
EV/Sales (x)	1.9	1.9	1.8
Div. Yield (%)	0.0	0.0	0.0

## Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	65.5	65.5	65.6
DII	25.5	25.5	22.2
FII	3.1	3.1	7.4
Others	5.9	5.8	4.8

FII includes depository receipts

**CMP: INR517 TP: INR520 (+1%) Neutral**

## Footfall recovery drives growth; profitability remains under pressure due to investments in new ventures

- Shoppers Stop's (SHOP) revenue growth accelerated to 10% YoY in 2QFY26 (vs. +6% YoY in 1Q), led by a 10-year high LFL of ~9.4% in departmental stores and ~70% YoY growth in INTUNE (driven primarily by store additions).
- Store additions remained muted, with four net store additions during the quarter. The scale-up in INTUNE has been slower than expected, with only seven store additions in 1HFY26 (well below management's revised guidance of 30-40 stores for FY26).
- Reported EBITDA grew 12% YoY (4% below), as operating leverage was offset by GM contraction and higher losses in new ventures (INTUNE, SSBeauty.in).
- SHOP's focus on premiumization and enhanced in-store experience through initiatives such as Personal Shopper is playing out favorably, with a 6% LFL in customer entry during 2QFY26, which improved further during the ongoing festive season (as highlighted in our recent channel checks).
- However, subdued profitability in SHOP's core segment (~3.4% pre-INDAS EBITDA margin), high losses, and muted store expansions in INTUNE remain key constraints to sustained growth recovery.
- Our FY26-28E EBITDA remains broadly unchanged, as the slower ramp-up in INTUNE was partly offset by an improved performance in the departmental stores segment. We build in FY25-28E revenue/EBITDA CAGR of 7%/9%.
- We value SHOP at 10x Dec'27E EV/EBITDA (implies ~26x Dec'27E pre-INDAS 116 EBITDA) to arrive at our revised TP of INR520. **Reiterate Neutral.**

## Strong growth in departmental format driven by footfall recovery

- Standalone revenue grew 10% YoY to INR11.7b (vs. 6% YoY in 1Q and our estimate of 8%), driven by improved performance by departmental stores.
- Departmental store has made a strong rebound, with the highest LFL in past 10 years at **~9.4%**. Premiumization continues to drive growth, with the premium mix rising 16% (LFL of 14% vs. ~9% departmental LFL).
- Private Brand's revenue grew 3% YoY to INR1.61b, with improved profitability.
- The Beauty segment's revenue at INR3.3b grew 22% YoY, with the Global SS Beauty (distribution) segment posting 2x YoY growth at INR1.06b.
- Store additions remained muted, with four net stores added during the quarter (seven opened and three closed). The respective store counts stand at: **Departmental:** 111 (1 opened, 2 closed), **Beauty:** 84 (3 opened, 1closed), **INTUNE:** 78 (3 opened), and **Home Stop:** 10 (flat), bringing the total store count to 303.
- Gross profit rose 8% YoY to INR4.6b (in-line), as gross margins contracted ~65bp YoY to 39.2% (75bp miss).
- Employee costs/other expenses increased 8%/6% YoY.
- Reported EBITDA grew 12% YoY to INR1.6b (4% below), with margins at 14% (up ~20bp YoY, 80bp miss), as operating leverage offsets GM contraction.

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**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

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- **Pre-Ind-AS operating loss stood at INR20m (vs. a profit of INR30m/INR20m in 1QFY26/2QFY25).**
- Profitability improved in the core segment, with pre-INDAS segment EBITDA (including other income) at INR460m (up 42% YoY). Segment EBITDA margin expanded ~80bp YoY to 3.4%.
- However, new ventures (INTUNE, SSBeauty.in) remain in the build-out phase, with losses doubling YoY to INR240m.
- Depreciation and interest costs rose 9%/11% YoY.
- Reported losses came in at INR227m (higher than our estimated loss of INR132m).
- Core working capital declined 1% YoY to INR3.4b, as the slightly higher inventory days (156 vs. 154 YoY) were offset by an increase in payables.
- OCF (after interest + leases) stood strong at INR1.07b (vs. INR368m YoY), led by a 14% increase in operating cash flows and working capital release of INR684m (vs. INR102m release in 1HFY25).
- Capex for 1H stood at INR714m (vs. INR0.9b in 1HFY25). As a result, FCF improved sharply to INR351m (vs. outflow of INR0.6b in 1HFY25).

#### **INTUNE: Scale-up remains challenging; hoping to breakeven by end-FY27**

- INTUNE revenue grew 70% YoY to INR0.7b, driven mainly by store additions, as LFL remained muted at 1%, albeit an improvement over decline in 1QFY26.
- The company added three INTUNE stores in 2Q, reaching 78 stores (seven stores opened in 1HFY26), and plans to add 13-15 stores in 2H. However, the scale-up of INTUNE has been significantly slower than management's revised guidance of 30-40 stores for FY26.
- Management is focused on strengthening supply chain, improving the look and feel of stores, and enhancing operational efficiency for weekly product drops.
- However, management does not expect store-level breakeven in INTUNE during FY26 and aims to reduce losses by half in 2HFY26, with hopes of reaching close to breakeven by end-FY27.

#### **Highlights from the management commentary**

- **Demand trends:** Despite sluggish discretionary demand amid GST-related disruptions and volatile macro situations, SHOP delivered strong LFL growth, driven by its focus on premiumization and enhanced shopping experience. Management indicated that during the ongoing festive season, customer entry further improved from ~6% LFL in 2Q, leading to a double-digit LFL.
- **Store additions:** SHOP opened four net stores in 2Q, with departmental stores seeing one net closure, as certain store additions were delayed due to external factors. The company plans to add five departmental and INTUNE stores each in 3QFY26.
- **INTUNE:** Store openings have tracking below management's revised guidance of 30-40 store openings, as the company focused on enhancing the supply chain and improving the look and feel of stores. As a result, LFL growth has shifted to a positive trajectory (from a high double-digit negative in 1Q).

### Valuation and view

- SHOP stands to benefit from the recent measures taken by the government to boost consumption, which has led to improved footfalls in malls during the ongoing festive season.
- However, for sustained growth, SHOP would require: 1) profitability improvement in the departmental format; 2) sustained high-growth in margin-accretive Beauty segment; and 3) profitable ramp-up in INTUNE, which has so far proven challenging.
- Our FY26-28E EBITDA remains broadly unchanged, as a slower ramp-up in INTUNE was partly offset by improved performance in departmental. We build in FY25-28E revenue/EBITDA CAGR of 7%/9%.
- We value SHOP at 10x Dec'27E EV/EBITDA (implies ~26x Dec'27E pre-INDAS 116 EBITDA) to arrive at our revised TP of INR520 (earlier INR510). **Reiterate Neutral.**

### Standalone - Quarterly Earnings summary

Y/E March	FY25				FY26E				(INR m)			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY25	FY26	FY26 2QE	Est. Var (%)
<b>Total Revenue from Operations</b>	<b>10,337</b>	<b>10,681</b>	<b>13,115</b>	<b>10,224</b>	<b>10,942</b>	<b>11,753</b>	<b>14,332</b>	<b>10,969</b>	<b>44,356</b>	<b>47,996</b>	<b>11,556</b>	<b>2</b>
YoY Change (%)	5.3	4.2	8.7	2.3	5.9	10.0	9.3	7.3	5.3	8.2	5.6	
Total Expenditure	8,916	9,213	10,715	8,530	9,280	10,113	11,712	9,160	37,374	40,265	9,848	3
<b>EBITDA</b>	<b>1,421</b>	<b>1,468</b>	<b>2,399</b>	<b>1,694</b>	<b>1,662</b>	<b>1,640</b>	<b>2,620</b>	<b>1,809</b>	<b>6,982</b>	<b>7,732</b>	<b>1,708</b>	<b>-4</b>
EBITDA Margin (%)	13.7	13.7	18.3	16.6	15.2	14.0	18.3	16.5	15.7	16.1	14.8	(82)
Depreciation	1,167	1,214	1,293	1,243	1,282	1,326	1,358	1,398	4,916	5,364	1,299	2
Interest	604	638	647	691	718	710	680	610	2,579	2,719	688	3
Other Income	35	97	223	174	100	95	234	127	530	556	102	-7
<b>PBT before EO expense</b>	<b>-314</b>	<b>-286</b>	<b>682</b>	<b>-66</b>	<b>-238</b>	<b>-302</b>	<b>817</b>	<b>-72</b>	<b>16</b>	<b>205</b>	<b>-177</b>	<b>-71</b>
Extra-Ord expense	0	-21	0	21	0	0	0	0	0	0	0	
<b>PBT</b>	<b>-314</b>	<b>-307</b>	<b>682</b>	<b>-45</b>	<b>-238</b>	<b>-302</b>	<b>817</b>	<b>-72</b>	<b>16</b>	<b>205</b>	<b>-177</b>	<b>-71</b>
Tax	-89	-87	195	-70	-59	-75	206	-18	-52	52	-45	
Rate (%)	28.4	28.3	28.5	154.5	24.9	24.9	25.2	25.2	-328.7	25.2	25.2	
<b>Reported PAT</b>	<b>-225</b>	<b>-220</b>	<b>488</b>	<b>25</b>	<b>-179</b>	<b>-227</b>	<b>611</b>	<b>-54</b>	<b>67</b>	<b>152</b>	<b>-132</b>	<b>-71</b>
<b>Adj PAT</b>	<b>-225</b>	<b>-199</b>	<b>488</b>	<b>4</b>	<b>-179</b>	<b>-227</b>	<b>611</b>	<b>-54</b>	<b>67</b>	<b>152</b>	<b>-132</b>	<b>-71</b>
YoY Change (%)	-250.7	-482.6	37.2	-91.2	-20.5	13.7	25.3	-1,385.6	-88.9	125.0	-26.0	

E: MOFSL Estimates

### Exhibit 1: Valuation based on Dec'27E EV/EBITDA

	Methodology	Driver (INR b)	Multiple	Fair Value (INR b)	Value/sh (INR)
<b>Enterprise Value</b>	EV/EBITDA	8.8	10	89	811
Less Net debt				32	291
<b>Equity Value</b>				<b>57</b>	<b>520</b>
Shares o/s (m)				110	
CMP (INR)					519
<b>Upside (%)</b>					<b>0</b>

Source: MOFSL, Company



## Detailed takeaways from the management interaction

- **Demand trends:** Despite sluggish discretionary demand amid GST related disruptions and volatile macro situations, SHOP delivered strong LFL growth, driven by its focus on premiumization and enhanced shopping experience. Management indicated that during the ongoing festive season, customer entry further improved from ~6% LFL in 2Q, leading to double digit LFL.
- **Store additions:** SHOP opened four net stores during 2Q, with departmental stores seeing one net closure as certain store additions were delayed due to external factors. In 3QFY26, the company plans to add five departmental stores (nine in 2HFY26) and five INTUNE stores (13 in 2HFY26).
- **INTUNE:** Store openings in INTUNE have been tracking below management's lowered guidance of 30-40 store openings, as the focus was to enhance supply chain and improve the look and feel of the stores. As a result, LFL growth has moved to a positive trajectory (from high double digit negative in 1Q).
- **Core departmental stores:** LFL sales jumped 9.4%, the highest in a decade, with customer traffic up 6%. Growth accelerated through 2Q, with Aug-Sep reporting 10% LFL (vs. 6.5% in June), and further improved to double-digit during the ongoing festive season in Oct. Premium mix, loyalty, and personal shoppers drove margins. SHOP's three private brands ranked among top 10 sellers during the festive, reinforcing proprietary value.
- **Margins:** 1H margins were in low single digit. However, driven by a pick-up in sales during 3Q, management expects full-year margin in the mid-to-high single digits.
- **Beauty Segment:** SHOP is transforming beauty via digital, prestige, and distribution channels. SSbeauty.in drives user growth with personalized, curated experiences, currently in the strategic investment phase. **Offline beauty** retail growth remained in the mid-single-digit positive overall. The **prestige segment** performed strongly, led by fragrances and aspirational products. **Masstige segment** continues facing pressure, consistent with market trends. Global SS Beauty segment doubled YoY in 2Q with ARR > INR4b.
- **INTUNE losses and break-even:** Elevated losses were driven by the front-loaded investments into store opening and marketing, and are in line with management's expectations. INTUNE is unlikely to break even in FY26, though the target is to reduce losses by half in 2HFY26 and reach close to store level break-even by end-FY27.

**Exhibit 2: Standalone quarterly performance (INR m)**

Standalone P&L (INR m)	2QFY25	1QFY26	2QFY26	YoY%	QoQ%	2QFY26E	v/s Est (%)
<b>Total Revenue</b>	<b>10,681</b>	<b>10,942</b>	<b>11,753</b>	<b>10</b>	<b>7</b>	<b>11,556</b>	<b>2</b>
Raw Material cost	6,423	6,464	7,141	11	10	6,934	3
<b>Gross Profit</b>	<b>4,259</b>	<b>4,478</b>	<b>4,612</b>	<b>8</b>	<b>3</b>	<b>4,622</b>	<b>0</b>
<b>Gross margin (%)</b>	<b>39.9</b>	<b>40.9</b>	<b>39.2</b>	<b>-63</b>	<b>-168</b>	<b>40.0</b>	<b>-76</b>
Employee Costs	1,014	1,040	1,096	8	5	1,054	4
SGA Expenses	1,777	1,776	1,876	6	6	1,860	1
<b>EBITDA</b>	<b>1,468</b>	<b>1,662</b>	<b>1,640</b>	<b>12</b>	<b>-1</b>	<b>1,708</b>	<b>-4</b>
<b>EBITDA margin (%)</b>	<b>13.7</b>	<b>15.2</b>	<b>14.0</b>	<b>21</b>	<b>-124</b>	<b>14.8</b>	<b>-82</b>
Depreciation and amortization	1,214	1,282	1,326	9	3	1,299	2
EBIT	254	380	314	23	-17	409	-23
EBIT margin (%)	2.4	3.5	2.7	28.6	-80.3	3.5	-87
Finance Costs	638	718	710	11	-1	688	3
Other income	97	100	95	-3	-6	102	-7
Exceptional item	-21	0	0	NM	NM	0	NM
<b>Profit before Tax</b>	<b>-307</b>	<b>-238</b>	<b>-302</b>	<b>NM</b>	<b>NM</b>	<b>-177</b>	<b>-71</b>
Tax	-87	-59	-75	NM	NM	-45	-69
Tax rate (%)	28.3	24.9	NM	0.0	0.0	25.2	0
<b>Profit after Tax</b>	<b>-220</b>	<b>-179</b>	<b>-227</b>	<b>3</b>	<b>27</b>	<b>-132</b>	<b>NM</b>
<b>Adj Profit after Tax</b>	<b>-199</b>	<b>-179</b>	<b>-227</b>	<b>14</b>	<b>27</b>	<b>-132</b>	<b>NM</b>

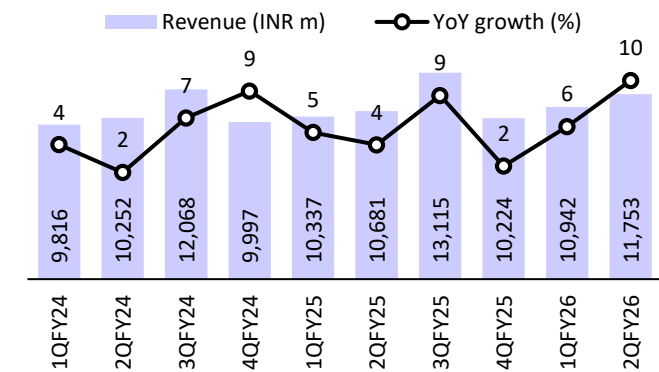
Source: MOFSL, Company

**Exhibit 3: Standalone estimate revision summary**

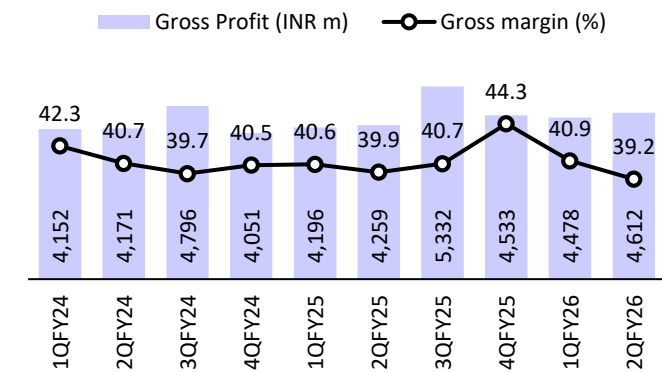
Standalone performance	FY26E	FY27E	FY28E
<b>Revenue (INR m)</b>			
Old	47,599	50,616	53,729
Actual/New	47,996	50,831	54,110
Change (%)	0.8	0.4	0.7
<b>EBITDA (INR m)</b>			
Old	7,744	8,274	8,817
Actual/New	7,732	8,286	9,003
Change (%)	-0.2	0.1	2.1
<b>EBITDA margin (%)</b>			
Old	16.3	16.3	16.4
Actual/New	16.1	16.3	16.6
Change (bp)	-16.0	-5	23
<b>Net Profit (INR m)</b>			
Old	176	234	261
Actual/New	153	-44	-138
Change (%)	-13.0	n/a	n/a
<b>EPS (INR)</b>			
Old	1.6	2.1	2.4
Actual/New	1.4	-0.4	-1.3
Change (%)	-13.0	n/a	n/a

## Story in charts

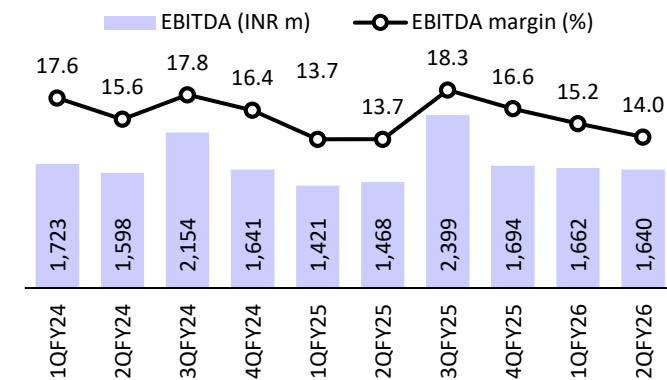
**Exhibit 4: Standalone revenue grew 10% YoY**



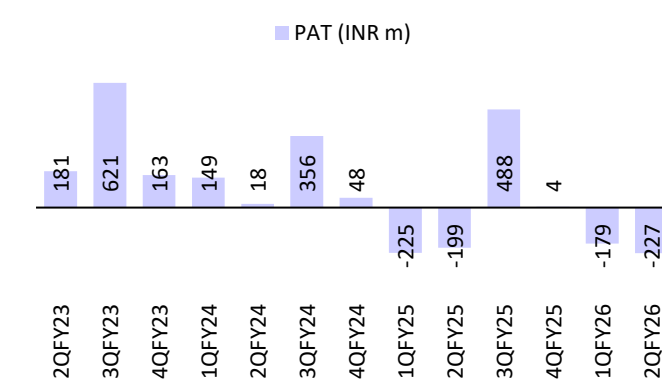
**Exhibit 5: GP rose 8% YoY as margin contracted 65bp YoY**



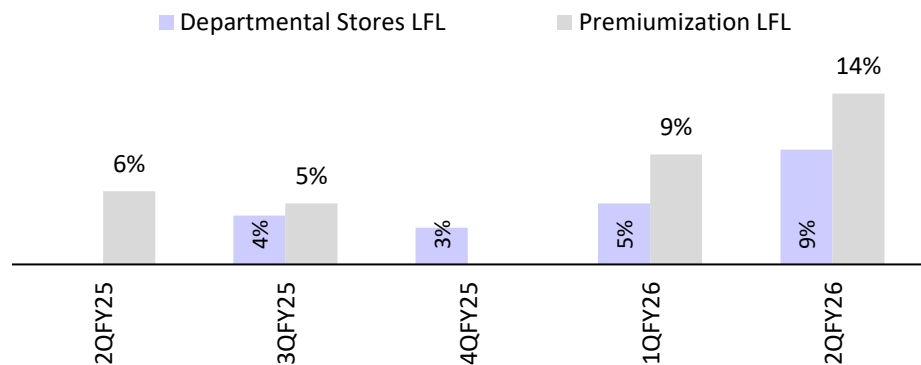
**Exhibit 6: EBITDA grew 12% YoY, with ~20bp YoY margin expansion**



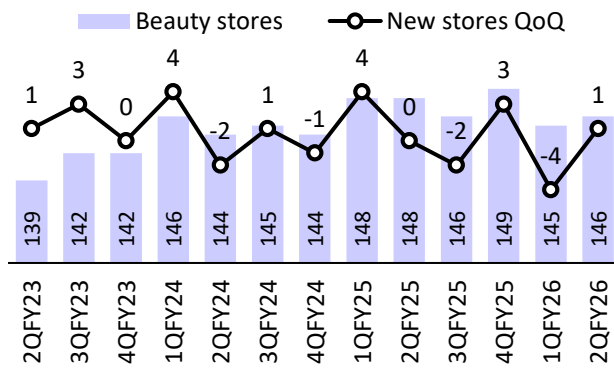
**Exhibit 7: SHOP remained in losses during 2QFY26**



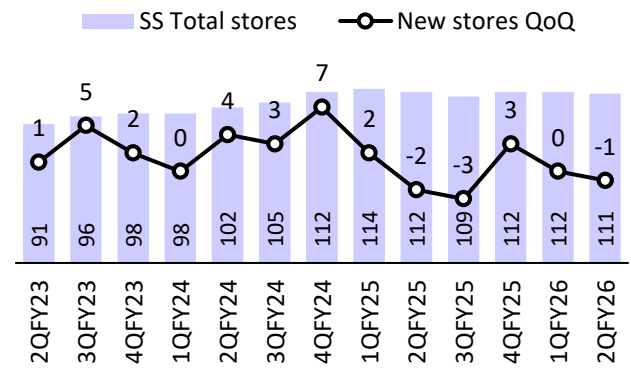
**Exhibit 8: Strong LFL growth in departmental stores led by premiumization**



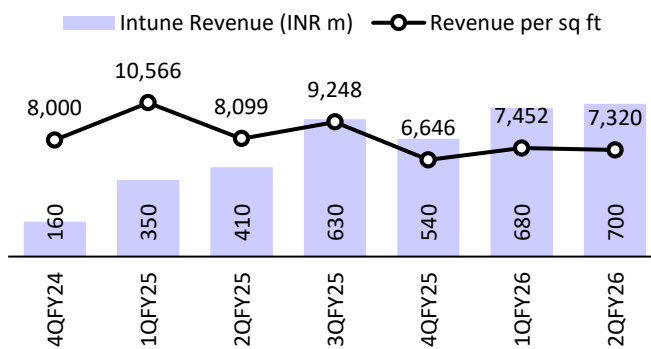
**Exhibit 9: Beauty store count stood at 146, including SIS**



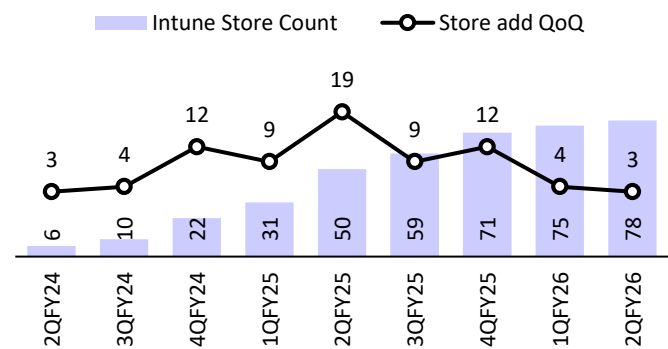
**Exhibit 10: Closed one departmental store during 2QFY26**



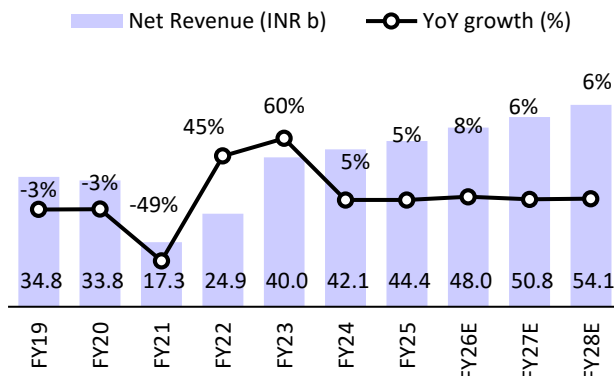
**Exhibit 11: INTUNE's revenue grew modestly**



**Exhibit 12: INTUNE store additions continue, albeit tracking below management's guidance**

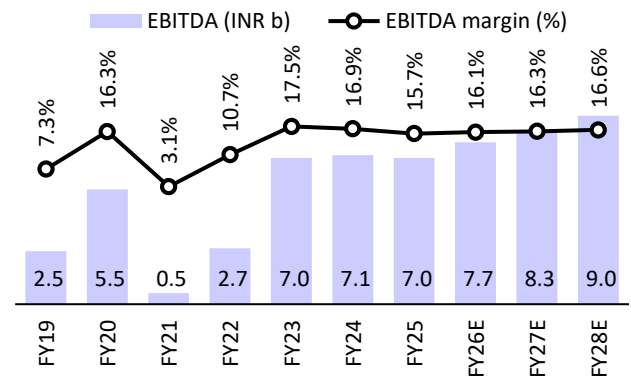


**Exhibit 13: Expect ~7% revenue CAGR over FY25-28**



Source: MOFSL, Company

**Exhibit 14: Expect ~9% EBITDA CAGR over FY25-28**



Source: MOFSL, Company



## Standalone financials and valuations

### Standalone - Income Statement

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Total Income from Operations</b>	<b>17,251</b>	<b>24,938</b>	<b>39,984</b>	<b>42,132</b>	<b>44,356</b>	<b>47,996</b>	<b>50,831</b>	<b>54,110</b>
Change (%)	-49.0	44.6	60.3	5.4	5.3	8.2	5.9	6.5
Raw Materials	10,651	15,034	23,274	24,963	26,036	28,246	29,888	31,789
Employees Cost	2,575	2,693	3,493	3,818	4,101	4,388	4,651	4,930
Lease Rentals	0	0	0	0	0	0	0	0
Other Expenses	3,492	4,536	6,229	6,235	7,238	7,631	8,006	8,387
<b>Total Expenditure</b>	<b>16,717</b>	<b>22,263</b>	<b>32,996</b>	<b>35,016</b>	<b>37,374</b>	<b>40,265</b>	<b>42,545</b>	<b>45,106</b>
% of Sales	96.9	89.3	82.5	83.1	84.3	83.9	83.7	83.4
<b>EBITDA</b>	<b>534</b>	<b>2,675</b>	<b>6,988</b>	<b>7,116</b>	<b>6,982</b>	<b>7,732</b>	<b>8,286</b>	<b>9,003</b>
Margin (%)	3.1	10.7	17.5	16.9	15.7	16.1	16.3	16.6
Depreciation	3,847	3,520	3,816	4,361	4,916	5,364	6,145	6,838
<b>EBIT</b>	<b>-3,313</b>	<b>-844</b>	<b>3,172</b>	<b>2,754</b>	<b>2,065</b>	<b>2,367</b>	<b>2,140</b>	<b>2,166</b>
Int. and Finance Charges	2,200	2,054	2,092	2,236	2,579	2,719	2,783	2,963
Other Income	2,188	1,661	561	557	530	556	584	613
<b>PBT bef. EO Exp.</b>	<b>-3,325</b>	<b>-1,238</b>	<b>1,641</b>	<b>1,076</b>	<b>16</b>	<b>205</b>	<b>-59</b>	<b>-184</b>
EO Items	-224	-150	-20	-65	0	0	0	0
<b>PBT after EO Exp.</b>	<b>-3,549</b>	<b>-1,388</b>	<b>1,621</b>	<b>1,011</b>	<b>16</b>	<b>205</b>	<b>-59</b>	<b>-184</b>
Total Tax	-797	-521	429	272	-52	52	-15	-46
Tax Rate (%)	22.5	37.5	26.4	26.9	-328.7	25.2	25.2	25.2
Minority Interest	0	0	0	0	0	0	0	0
<b>Reported PAT</b>	<b>-2,752</b>	<b>-867</b>	<b>1,192</b>	<b>739</b>	<b>67</b>	<b>153</b>	<b>-44</b>	<b>-138</b>
<b>Adjusted PAT</b>	<b>-2,976</b>	<b>-717</b>	<b>1,212</b>	<b>605</b>	<b>67</b>	<b>153</b>	<b>-44</b>	<b>-138</b>
Change (%)	84.9	-75.9	-269.2	-50.1	-88.9	127.6	-128.9	210.8
Margin (%)	-17.3	-2.9	3.0	1.4	0.2	0.3	-0.1	-0.3

### Standalone - Balance Sheet

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY28E
Equity Share Capital	547	548	548	550	550	550	550	550
Total Reserves	1,270	435	1,771	2,690	2,845	2,998	2,954	2,817
<b>Net Worth</b>	<b>1,817</b>	<b>983</b>	<b>2,320</b>	<b>3,240</b>	<b>3,396</b>	<b>3,549</b>	<b>3,504</b>	<b>3,367</b>
Total Loans	20,054	20,934	23,527	27,317	32,238	31,439	33,316	36,319
Lease Liabilities	19,116	18,995	22,487	26,069	26,069	26,069	26,069	26,069
Deferred Tax Liabilities	-3,424	-3,740	-3,312	-3,043	-3,099	-3,099	-3,099	-3,099
<b>Capital Employed</b>	<b>18,447</b>	<b>18,177</b>	<b>22,535</b>	<b>27,513</b>	<b>32,535</b>	<b>31,889</b>	<b>33,722</b>	<b>36,587</b>
<b>Net Fixed Assets</b>	<b>5,011</b>	<b>4,481</b>	<b>4,612</b>	<b>5,448</b>	<b>5,677</b>	<b>6,975</b>	<b>7,789</b>	<b>8,335</b>
Right to use assets	12,096	12,764	16,361	20,299	23,767	23,057	23,493	24,454
Capital WIP	29	140	339	211	117	117	117	117
<b>Total Investments</b>	<b>1,279</b>	<b>1,464</b>	<b>734</b>	<b>554</b>	<b>600</b>	<b>600</b>	<b>600</b>	<b>600</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>13,902</b>	<b>15,240</b>	<b>20,629</b>	<b>22,831</b>	<b>26,295</b>	<b>25,826</b>	<b>27,438</b>	<b>30,434</b>
Inventory	8,472	10,075	14,863	16,153	19,198	18,573	19,653	20,903
Account Receivables	348	382	304	703	351	380	402	428
Cash and Bank Balance	416	321	254	162	133	35	419	1,689
Loans and Advances	4,666	4,462	5,208	5,813	6,612	6,838	6,964	7,413
<b>Curr. Liability &amp; Prov.</b>	<b>13,870</b>	<b>15,913</b>	<b>20,139</b>	<b>21,830</b>	<b>23,920</b>	<b>24,685</b>	<b>25,713</b>	<b>27,351</b>
Account Payables	11,399	14,419	18,259	19,547	22,118	22,055	22,928	24,386
Other Current Liabilities	2,409	1,409	1,841	2,283	1,802	2,630	2,785	2,965
Provisions	62	86	39	0	0	0	0	0
<b>Net Current Assets</b>	<b>32</b>	<b>-673</b>	<b>490</b>	<b>1,001</b>	<b>2,375</b>	<b>1,141</b>	<b>1,724</b>	<b>3,082</b>
<b>Appl. of Funds</b>	<b>18,447</b>	<b>18,177</b>	<b>22,535</b>	<b>27,513</b>	<b>32,535</b>	<b>31,889</b>	<b>33,722</b>	<b>36,587</b>



## Standalone financials and valuations

### Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY28E
<b>Basic (INR)</b>								
<b>EPS</b>	<b>-27.1</b>	<b>-6.5</b>	<b>11.0</b>	<b>5.5</b>	<b>0.6</b>	<b>1.4</b>	<b>-0.4</b>	<b>-1.3</b>
Cash EPS	7.9	25.5	45.7	45.2	45.3	66.1	73.1	80.2
BV/Share	16.5	8.9	21.1	29.5	30.9	42.5	42.0	40.3
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Valuation (x)</b>								
P/E	n/a	n/a	50.5	101.2	910.1	400.3	n/a	n/a
Cash P/E	70.3	21.9	12.2	12.3	12.3	8.4	7.6	6.9
P/BV	33.7	62.3	26.4	18.9	18.0	13.1	13.3	13.8
EV/Sales	4.7	3.3	2.1	2.1	2.1	1.9	1.9	1.8
EV/EBITDA	151.0	30.5	12.1	12.4	13.4	12.0	11.4	10.7
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF per share	-6.6	25.8	38.1	40.5	36.2	54.2	49.6	57.4
<b>Return Ratios (%)</b>								
RoE	-187.0	-51.2	73.4	21.8	2.0	4.4	-1.3	-4.0
RoCE	-3.9	2.3	11.5	8.6	5.9	6.2	5.7	5.4
RoIC	-14.7	-3.2	12.5	8.4	30.4	5.6	5.0	4.9
<b>Working Capital Ratios</b>								
Asset Turnover (x)	0.9	1.4	1.8	1.5	1.4	1.5	1.5	1.5
Inventory (Days)	179	147	136	140	158	141	141	141
Debtor (Days)	7	6	3	6	3	3	3	3
Creditor (Days)	241	211	167	169	182	168	165	165
<b>Leverage Ratio (x)</b>								
Current Ratio	1.0	1.0	1.0	1.0	1.1	1.0	1.1	1.1
Interest Cover Ratio	-1.5	-0.4	1.5	1.2	0.8	0.9	0.8	0.7
Net Debt/Equity	10.1	19.5	9.7	8.2	9.3	8.7	9.2	10.1

### Standalone - Cash Flow Statement

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY28E
OP/(Loss) before Tax	-3,549	-1,388	1,621	1,011	16	205	-59	-184
Depreciation	3,847	3,520	3,816	4,361	4,916	5,364	6,145	6,838
Interest & Finance Charges	2,200	2,054	2,092	2,236	2,579	2,719	2,783	2,963
Direct Taxes Paid	124	210	-36	53	-54	-52	15	46
(Inc)/Dec in WC	-575	899	-1,683	-1,116	-1,410	1,136	-199	-87
<b>CF from Operations</b>	<b>2,046</b>	<b>5,295</b>	<b>5,810</b>	<b>6,544</b>	<b>6,047</b>	<b>9,372</b>	<b>8,685</b>	<b>9,576</b>
Others	-1,948	-1,403	-188	-381	-390	-556	-584	-613
<b>CF from Operating incl EO</b>	<b>99</b>	<b>3,892</b>	<b>5,622</b>	<b>6,164</b>	<b>5,657</b>	<b>8,816</b>	<b>8,101</b>	<b>8,963</b>
(Inc)/Dec in FA	-823	-1,067	-1,444	-1,712	-1,671	-2,852	-2,645	-2,645
<b>Free Cash Flow</b>	<b>-724</b>	<b>2,824</b>	<b>4,178</b>	<b>4,452</b>	<b>3,986</b>	<b>5,964</b>	<b>5,456</b>	<b>6,318</b>
(Pur)/Sale of Investments	578	-55	796	332	12	0	0	0
Others	-721	-666	-365	-391	-138	379	407	436
<b>CF from Investments</b>	<b>-965</b>	<b>-1,788</b>	<b>-1,013</b>	<b>-1,772</b>	<b>-1,797</b>	<b>-2,473</b>	<b>-2,238</b>	<b>-2,209</b>
Issue of Shares	2,960	25	27	98	26	0	0	0
Inc/(Dec) in Debt	1,500	-773	-1,102	-26	1,090	200	100	-500
Interest Paid	-2,195	-2,056	-2,094	-2,233	-2,969	-2,719	-2,783	-2,963
Dividend Paid	0	0	0	0	0	0	0	0
Others	-558	0	-2,203	-2,816	-2,441	-4,099	-2,973	-2,197
<b>CF from Fin. Activity</b>	<b>1,707</b>	<b>-2,804</b>	<b>-5,372</b>	<b>-4,977</b>	<b>-4,294</b>	<b>-6,618</b>	<b>-5,656</b>	<b>-5,660</b>
<b>Inc/Dec of Cash</b>	<b>841</b>	<b>-701</b>	<b>-763</b>	<b>-585</b>	<b>-434</b>	<b>-275</b>	<b>207</b>	<b>1,094</b>
Opening Balance	-425	1,022	1,017	747	567	310	212	596
<b>Closing Balance</b>	<b>416</b>	<b>321</b>	<b>254</b>	<b>162</b>	<b>133</b>	<b>35</b>	<b>419</b>	<b>1,689</b>

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SELL	< - 10%
NEUTRAL	< - 10 % to 15%
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