

Kalyan Jewellers

Estimate change



TP change



Rating change



Bloomberg	KALYANKJ IN
Equity Shares (m)	1033
M.Cap.(INRb)/(USD\$)	529.5 / 6
52-Week Range (INR)	795 / 399
1, 6, 12 Rel. Per (%)	4/-6/-33
12M Avg Val (INR M)	4821

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	329.4	411.3	489.8
EBITDA	21.3	25.7	29.9
Margins (%)	6.5	6.2	6.1
Adj. PAT	11.6	14.8	17.6
Adj. EPS (INR)	11.2	14.3	17.0
EPS Growth (%)	43.4	27.6	18.9
BV/Sh.(INR)	54.8	64.1	74.1

Ratios

RoE (%)	22.1	24.1	24.6
RoIC (%)	15.7	17.3	18.9

Valuations

P/E (x)	45.7	35.8	30.1
P/BV (x)	9.4	8.0	6.9
EV/Sales (x)	1.6	1.3	1.0
EV/EBITDA(x)	24.6	20.1	16.9

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	62.8	62.8	62.9
DII	14.6	13.3	13.7
FII	14.1	16.8	15.8
Others	8.5	7.0	7.6

FII includes depository receipts

CMP: INR513

TP: INR675 (+32%)

Buy

Growth trajectory sustains; healthy festive season fuels growth further

- Kalyan Jewellers (KALYANKJ)'s consolidated revenue grew 30% YoY to INR78.6b (in line). India business achieved 31% YoY revenue growth, driven by store additions (added a net of 13 Kalyan Indian stores and 15 Candere stores) and 16% SSSG (14% in the South, 17% in the non-South).
- Management said that demand momentum on the ground remained healthy, with Navratri witnessing robust offtakes. During the 30 days leading up to Diwali, KALYANKJ reported LFL growth of over 30%, indicating sustained festive momentum.
- KALYANKJ's studded share remained stable at 31% in 2QFY26 vs 30% in 2QFY25. Studded revenue surged 36% YoY.
- Gross margin for the Indian business contracted 100bp YoY to 12.5%. The margin contraction was largely due to the rising mix from franchised stores (~49% revenue mix in 2QFY26). EBITDA margin for the India business remained flat YoY to 6.3%. Lower advertising costs were offset by higher employee and other expenses. PBT margin expanded 60bp YoY to 5.1%, while PBT jumped 49% YoY, fueled by interest savings on debt reduction.
- KALYANKJ repaid INR1.3b of non-GML debt during the quarter, reducing debt to INR5.5b. It further plans to lower non-GML debt by ~INR1.5b in 2HFY26, targeting INR4b by Mar'26, with the aim to become debt-free by FY27.
- The Middle East business delivered 8% revenue growth driven by 7% SSSG. Studded share was 18%. There were two new store additions in 2QFY26.
- KALYANKJ plans to launch a new regional jewelry brand in 4QFY26 with an initial investment of INR3b, primarily towards inventory. It will begin with five pilot COCO stores and further expansion to be franchisee-led. We look forward to more clarity on this initiative and remain watchful of its progress.
- With the successful scale-up of its new franchise businesses (>45% revenue contribution) and stable success in non-Southern markets, the company has established itself as a leading brand in the industry. KALYANKJ is further establishing a region-specific store format to combat increasing competition from the unorganized players. We model a 25%/22%/30% revenue/EBITDA/PAT CAGR during FY25-28E. **We reiterate our BUY rating with a TP of INR675 (based on 45x Sep'27 P/E).**

India outperformance sustains; store roll-outs remain healthy

India business

- **Strong revenue growth with double-digit SSSG:** India revenue grew 31% YoY to INR68.4b (est. of INR66.7b), and same-store sales increased 16% YoY. SSSG was 14% in the South regions and 17% in the non-South regions. South revenue growth was 19%, and non-South was 44% YoY. Non-South markets showed promising growth, with revenue contribution increasing to 54%. Studded share remained stable at 30.9% in 2QFY26 vs 29.7% in 2QFY25. Studded revenue grew 37% YoY.
- **Stellar growth in profitability:** EBITDA grew 30% YoY to INR4.3b. PBT grew by 49% YoY to INR3.5b, and APAT jumped 52% YoY to 2.6b.

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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.

- **Rapid store expansion:** The company added a net of 13 Kalyan stores in India, reaching a total of 300 stores. Candere added 15 stores, reaching a total of 96 stores. Total stores in India stood at 396. 'My Kalyan' grassroots stores reached 1,092 in 2QFY26, contributing ~13% to revenue from operations in India and over 28% to enrolment in advance purchase schemes in India.
- In 1HFY26, its revenue/EBITDA/PAT grew 31%/34%/54%.

Middle East

- Sales grew 8% YoY to INR8.7b, driven by SSSG of 7%.
- Gross margin contracted 60bp YoY to 13.7%, and EBITDA margin contracted 30bp YoY to 7.1%. EBITDA grew 4% YoY to INR613m. PAT grew 9% YoY to INR151m.
- There were two new store additions during the quarter. The studded share stood at 18% vs 19%.
- In 1HFY26, its revenue/EBITDA/PAT grew 18%/11%/15%.

Consolidated performance

- KALYANKJ's consolidated revenue grew 30% YoY to INR78.6b (est. INR76.4).
- Gross margin contracted ~80bp YoY to 12.9% (est. 13.3%).
- EBITDA margin contracted 20bp YoY to 6.3% (est. 6.7%). EBITDA grew 25% YoY to INR5.0b (est. INR5.1b). PBT rose 42% YoY to INR3.5b, and APAT grew 43% YoY to INR2.6b.

Key takeaways from the management commentary

- Momentum on the ground remained healthy, with Navratri witnessing robust offtakes, and the strong demand trend continued into the festive period. During the 30 days leading up to Diwali, KALYANKJ reported LFL growth of over 30%, indicating sustained festive momentum.
- The company will launch a new regional jewelry brand store in 4QFY26, with an initial investment of INR3b (primarily in inventory). It will open five pilot COCO stores, after which expansion will follow a FOCO.
- Of the planned 84 Kalyan India stores, 40 have already opened; internationally, six stores are planned (three already operational – two in the Middle East and one in the US). For Candere, 30 stores are open out of the 80 planned for FY26.
- The company has restarted debt repayment after getting approval from its lead bank to release real estate kept as collateral. It repaid INR1,300m during the quarter, bringing non-GML debt down to INR5,500m as of Sep'25. KALYANKJ plans to further reduce its non-GML debt by about INR1,500m in 2HFY26 to reach INR4,000m by Mar'26 and aims to be debt-free by FY27.

Valuation and view

- We raise our EPS estimates by 5% for FY26 and FY27.
- With the successful scale-up of its new franchise businesses (>45% 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 25%/22%/30% revenue/EBITDA/PAT CAGR during FY25-28E. **We reiterate our BUY rating with a TP of INR675 (based on 45x Sep'27 P/E).**

Consolidated Quarterly Performance

(InR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2Q	(%)
Stores	277	303	349	388	406	436	480	560	388	560	452	
Net Sales	55,355	60,655	72,869	61,815	72,685	78,560	98,655	79,487	2,50,451	3,29,387	76,401	2.8%
Change (%)	26.5	37.4	39.5	36.6	31.3	29.5	35.4	28.6	35.0	31.5	26.0	
Raw Material/PM	47,419	52,313	63,323	53,314	62,603	68,395	86,589	69,349	2,16,370	2,86,936	66,275	
Gross Profit	7,935	8,342	9,546	8,501	10,081	10,166	12,066	10,138	34,081	42,451	10,127	0.4%
Gross Margin (%)	14.3	13.8	13.1	13.8	13.9	12.9	12.2	12.8	13.6	12.9	13.3	
Operating Expenses	4,175	4,379	4,609	4,507	5,001	5,196	5,629	5,346	17,671	21,172	5,021	
% of Sales	7.5	7.2	6.3	7.3	6.9	6.6	5.7	6.7	7.1	6.4	6.6	
EBITDA	3,760	3,962	4,936	3,994	5,080	4,970	6,437	4,792	16,410	21,279	5,106	-2.7%
Margin (%)	6.8	6.5	6.8	6.5	7.0	6.3	6.5	6.0	6.6	6.5	6.7	
Change (%)	16.4	26.3	33.5	34.8	35.1	25.4	30.4	20.0	25.0	29.7	28.9	
Interest	852	903	876	962	1,036	949	876	810	3,595	3,671	903	
Depreciation	755	850	890	933	977	1,032	1,042	977	3,427	4,028	997	
Other Income	222	260	313	408	463	514	454	521	1,446	1,952	377	
PBT	2,375	2,469	3,484	2,507	3,530	3,503	4,972	3,526	10,834	15,531	3,583	-2.2%
Tax	599	649	886	630	889	898	1,268	908	2,764	3,962	914	
Effective Tax Rate (%)	25.2	26.3	25.4	25.1	25.2	25.6	25.5	25.7	25.5	25.5	25.5	
Adjusted PAT	1,776	1,821	2,598	1,877	2,641	2,605	3,704	2,618	8,070	11,569	2,669	-2.4%
Change (%)	23.4	34.6	43.8	36.4	48.7	43.1	42.6	39.5	35.1	43.4	46.6	
Reported PAT	1,776	1,303	2,187	1,877	2,641	2,605	3,704	2,618	7,142	11,569	2,669	

E: MOFSL Estimates

India Quarterly Performance (Standalone)

(InR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	(%)	3QE	4QE			2Q	
Stores	241	267	312	351	368	396	438	516	351	516	413	
SSSG (%)	12	23	24	21	18	16	23	13	20	17	14	
Studded ratio (%)	30.4	29.7	29.5	31.1	30.2	30.9	29.0	31.0	30	30	30	
Net Sales	46,875	52,268	63,864	53,504	61,422	68,428	88,895	72,348	2,16,510	2,91,094	66,747	2.5%
Change (%)	28.7	39.2	41.6	38.3	31.0	30.9	39.2	35.2	37.3	34.4	27.7	
Raw Material/PM	40,226	45,205	55,767	46,378	53,058	59,881	78,139	63,142	1,87,577	2,54,219	57,936	
Gross Profit	6,648	7,062	8,097	7,126	8,364	8,548	10,756	9,206	28,934	36,875	8,811	-3.0%
Gross Margin (%)	14.2	13.5	12.7	13.3	13.6	12.5	12.1	12.7	13.4	12.7	13.2	
Operating Expenses	3,499	3,741	3,845	3,691	4,023	4,227	5,020	4,844	14,776	18,113	4,404	
% of Sales	7.5	7.2	6.0	6.9	6.5	6.2	5.6	6.7	6.8	6.2	6.6	
EBITDA	3,150	3,322	4,251	3,435	4,342	4,321	5,736	4,362	14,158	18,761	4,406	-1.9%
Margin (%)	6.7	6.4	6.7	6.4	7.1	6.3	6.5	6.0	6.5	6.4	6.6	
Change (%)	17.1	24.3	34.4	34.7	37.9	30.1	34.9	27.0	27.8	32.5	32.6	
Interest	601	626	585	686	724	650	625	594	2,497	2,592	700	
Depreciation	560	612	610	679	697	723	735	751	2,461	2,906	720	
Other Income	250	277	411	424	521	569	425	341	1,485	1,857	425	
PBT	2,239	2,361	3,467	2,494	3,443	3,517	4,801	3,359	10,685	15,120	3,411	3.1%
Tax	588	641	876	640	878	895	1,200	837	2,745	3,810	860	
Effective Tax Rate (%)	26.3	27.1	25.3	25.7	25.5	25.5	25.0	24.9	25.7	25.2	25.2	
Adjusted PAT	1,651	1,720	2,591	1,854	2,565	2,622	3,601	2,522	7,630	11,310	2,552	
Change (%)	28.1	37.1	54.0	41.1	55.4	52.4	39.0	36.1	39.8	48.2	48.3	
Reported PAT	1,651	1,203	2,180	1,854	2,565	2,622	3,601	2,522	6,702	11,310	2,552	

E: MOFSL Estimates

Middle East Quarterly Performance

(INR m)

Y/E March	FY25				FY26			
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE
Stores	36	36	36	36	36	38	41	43
Net Sales	8,092	7,989	8,403	7,845	10,265	8,657	9,159	8,519
Change (%)	15.6	27.0	23.1	26.0	26.9	8.4	9.0	8.6
Raw Material/PM	6,900	6,847	7,156	6,677	8,828	7,469	7,849	7,296
Gross Profit	1,192	1,142	1,247	1,168	1,437	1,188	1,310	1,224
Gross Margin (%)	14.7	14.3	14.8	14.9	14.0	13.7	14.3	14.4
Operating Expenses	569	551	603	581	709	575	609	575
% of Sales	7.0	6.9	7.2	7.4	6.9	6.6	6.7	6.7
EBITDA	623	591	644	587	728	613	701	649
Margin (%)	7.7	7.4	7.7	7.5	7.1	7.1	7.7	7.6
Change (%)	12.5	22.9	21.6	33.1	16.9	3.7	8.8	10.5
Interest	264	276	277	269	287	261	265	254
Depreciation	168	173	191	194	204	212	220	223
Other Income	2	20	5	26	29	45	15	6
PBT	193	162	181	150	266	185	231	178
Tax	6	24	28	29	45	34	37	17
Effective Tax Rate (%)	3.1	14.8	15.5	19.3	16.9	18.4	16.0	9.7
Adjusted PAT	187	138	153	121	221	151	194	160
Change (%)	10.7	16.0	10.9	22.2	18.2	9.4	26.7	32.5

E: MOFSL Estimates

Exhibit 1: Store network

Store data	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
Kalyan India	172	194	204	217	231	253	278	287	300
-COCO	130	135	128	128	126	121	126	126	126
-FOCO	42	59	76	89	105	132	152	161	174
Candere	3	7	13	24	36	59	73	81	96
-COCO	2	5	5	8	12	35	36	40	42
-FOCO	1	2	8	16	24	24	37	41	54
Total stores in India	175	201	217	241	267	312	351	368	396
Middle East	34	34	36	36	36	36	36	36	38
-COCO	33	33	35	35	32	32	32	32	34
-FOCO	1	1	1	1	4	4	4	4	4
US	0	0	0	0	0	1	1	2	2
Total stores	209	235	253	277	303	349	388	406	436

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

Particulars	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26
South revenue share (%)	54	46	51	51	51	44	47	51	46
Non South revenue share (%)	46	54	49	49	49	56	53	49	54
SSSG (%)	10	11	17	12	23	24	21	18	16
South SSSG (%)		10	18	13	25	23	20	20	14
Non south SSSG (%)		13	16	11	21	25	22	16	17



Key takeaways from the management commentary

Demand environment and outlook

- Momentum on the ground remained healthy, with Navratri witnessing robust offtakes, and the strong demand trend continued into the festive period.
- During the 30 days leading up to Diwali, KALYANKJ reported LFL growth of over 30%, indicating sustained festive momentum.
- In India, revenue grew ~31% YoY in 2QFY26, supported by a 16% SSSG; SSSG stood at 17% in non-South markets and 14% in South India.
- New customer additions remained strong, contributing over 38% of total buyers, while the average ticket size remained largely flat YoY as customers maintained budget discipline amid high gold prices.
- The share of revenue from franchised showrooms in India stood at ~49%.
- Making charges have remained broadly stable despite higher gold prices; while minor tactical discounts were offered, the overall industry pricing structure remained consistent.
- The company will launch a new regional jewelry brand store in 4QFY26, with an initial investment of INR3b (primarily in inventory). It will open five pilot COCO stores, after which expansion will follow a FOCO.
- Kalyan India opened 25 stores in 1HFY26 and 15 more before Diwali, taking the total new stores to 40. It plans to open 84 stores in India during FY26.
- Of the planned 84 Kalyan India stores, 40 have already opened; internationally, six stores are planned (three already operational – two in the Middle East and one in the U.S.). For Candere, 30 stores are open out of the 80 planned for FY26.
- Employee attrition rose due to My Kalyan, the marketing division, which experiences high staff turnover given its door-to-door sales nature. Attrition in the core jewelry business remains low.
- From FY28 onward, KALYANKJ plans to reaccelerate COCO store expansion, which is expected to improve blended EBITDA margins as the mix shifts back towards owned stores with higher profitability.

Cost and margin

- GM improvement of 0.2-0.3% is due to the pilot project related to procurement and partially from a higher mix of silver/platinum, which are higher margin. Normally, 3Q gross margins is better than 2Q.
- PBT margin expanded YoY, led by improved procurement efficiencies, operating leverage, interest cost savings from debt reduction, and a higher share of FOCO-operated showrooms in the revenue mix.
- PBT margins are expected to be higher in 2HFY26 versus 1HFY26, driven by festive sales and interest cost savings from debt reduction.

Debt reduction

- The company has restarted debt repayment after getting approval from its lead bank to release real estate kept as collateral. It repaid INR1,300m during the quarter, bringing non-GML debt down to INR5,500m as of Sep'25.
- KALYANKJ plans to further reduce its non-GML debt by about INR1,500m in 2HFY26 to reach INR4,000m by Mar'26, and aims to be debt-free by FY27.

- Around INR1,500–2,000m worth of non-core real estate will be sold over the next year to help repay the remaining debt, while collateral worth INR2,500–3,000m has already been released.

Candere

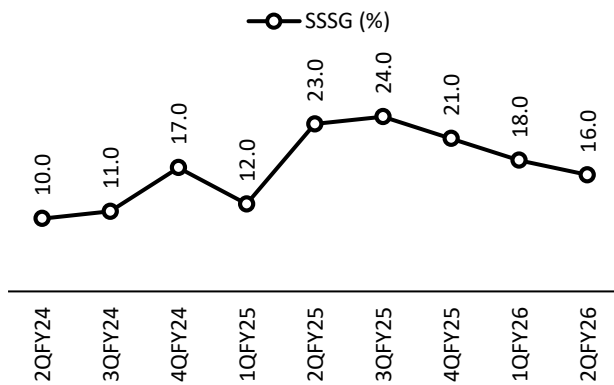
- Candere's revenue grew to INR930m in 2QFY26 vs INR410m in 2QFY25, with a loss of INR90m vs INR40m loss last year.
- The store-level EBITDA turned positive in double digits, while Corporate EBITDA was neutral.
- The company expected to deliver revenue of INR5b.
- Candere is expected to be PAT level neutral/positive by FY26 end.
- The company plans to launch 80 Candere showrooms in India during the FY26 through a mix of FOCO and COCO showrooms.

International business

- Middle East revenue was impacted by gold price volatility, though the region still delivered 8% revenue growth, supported by 7% SSSG.
- The studded share stood at 18% vs 19% in 2QFY26.

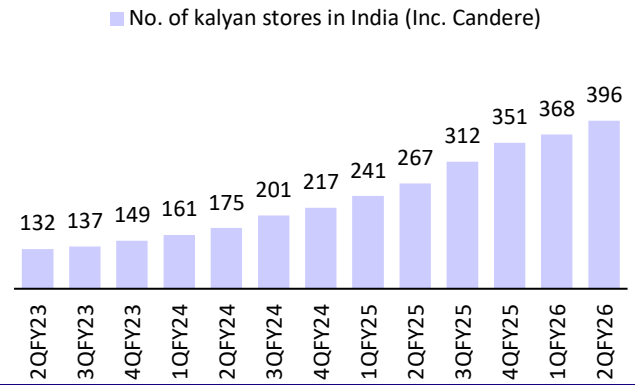
Key exhibits

Exhibit 3: India SSSG at 16% YoY in 2QFY26



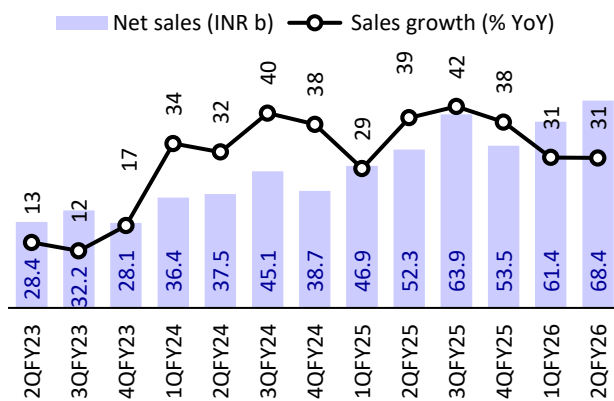
Source: Company, MOFSL

Exhibit 4: Added net 28 (13 Kalyan India, 15 Candere) stores in India



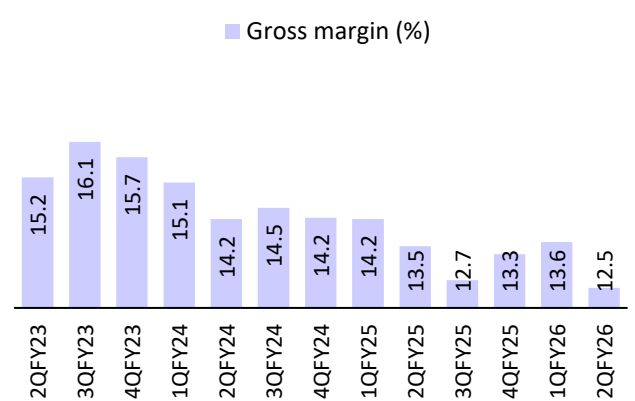
Source: Company, MOFSL

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



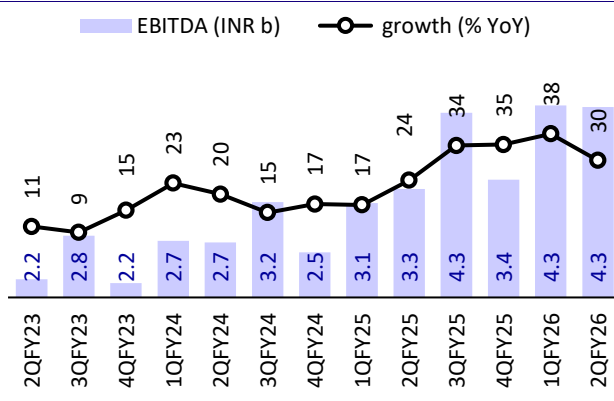
Source: Company, MOFSL

Exhibit 6: India business GP margin contracted 100bp YoY to 12.5%



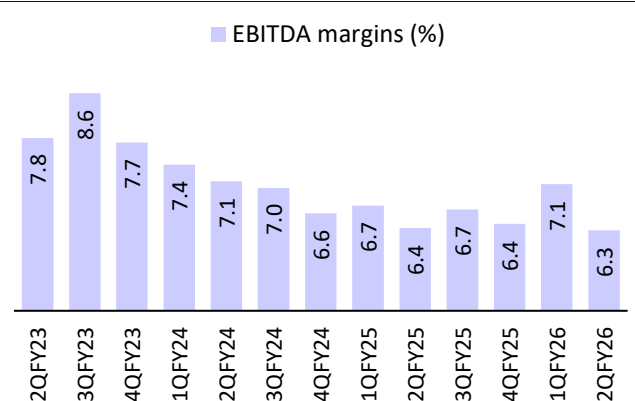
Source: Company, MOFSL

Exhibit 7: India business EBITDA grew 30% YoY to INR4.3b



Source: Company, MOFSL

Exhibit 8: India business EBITDA margin was flat YoY at 6.3%



Source: Company, MOFSL

Valuation and view

- We raise our EPS estimates by 5% for FY26 and FY27.
- With the successful scale-up of its new franchise businesses (>45% 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 25%/22%/30% revenue/EBITDA/PAT CAGR during FY25-28E. **We reiterate our BUY rating with a TP of INR675 (based on 45x Sep'27 P/E).**

Exhibit 9: We increase our EPS estimates by 5% each for FY26 and FY27

INR m	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Sales	3,29,387	4,11,323	4,89,849	3,19,009	3,91,342	4,67,984	3%	5%	5%
EBITDA	21,279	25,675	29,886	21,545	25,260	29,427	-1%	2%	2%
PAT	11,569	14,760	17,557	11,449	14,052	16,740	1%	5%	5%

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	3,29,387	4,11,323	4,89,849
Change (%)	3.4	-15.1	26.2	30.1	31.8	35.0	31.5	24.9	19.1
Raw Materials	83,918	71,141	91,263	1,18,722	1,58,346	2,16,370	2,86,936	3,60,539	4,31,454
Gross Profit	17,092	14,592	16,916	21,992	27,137	34,081	42,451	50,783	58,395
Margin (%)	16.9	17.0	15.6	15.6	14.6	13.6	12.9	12.3	11.9
Operating Expenses	9,489	8,649	8,771	10,852	14,010	17,671	21,172	25,108	28,509
EBITDA	7,603	5,943	8,145	11,141	13,127	16,410	21,279	25,675	29,886
Change (%)	31.0	-21.8	37.1	36.8	17.8	25.0	29.7	20.7	16.4
Margin (%)	7.5	6.9	7.5	7.9	7.1	6.6	6.5	6.2	6.1
Depreciation	2,391	2,249	2,316	2,446	2,743	3,427	4,028	4,477	5,015
Int. and Fin. Charges	3,803	3,754	3,224	3,026	3,232	3,595	3,671	3,478	3,536
Other Income	801	454	383	379	737	1,446	1,952	2,147	2,362
Profit before Taxes	2,209	394	2,989	6,048	7,888	10,834	15,531	19,868	23,696
Change (%)	955.7	-82.2	659.3	102.4	30.4	37.3	43.4	27.9	19.3
Margin (%)	2.2	0.5	2.8	4.3	4.3	4.3	4.7	4.8	4.8
Tax	786	455	748	1,396	1,925	2,764	3,962	5,108	6,140
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	11,569	14,760	17,557
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	11,569	14,760	17,557
Adjusted PAT	1,430	-64	2,244	4,599	5,973	8,070	11,569	14,760	17,557
Change (%)	-4,113	-104	-3,616	105	30	35	43	28	19
Margin (%)	1.4	-0.1	2.1	3.3	3.2	3.2	3.5	3.6	3.6

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	46,200	55,810	66,156
Net Worth	21,611	28,260	31,370	36,347	41,891	48,036	56,514	66,124	76,470
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	21,864	27,174	32,268
Deferred tax	-81	-461	-450	-562	-662	-1,125	-1,125	-1,125	-1,125
Capital Employed	64,979	68,567	71,223	78,738	86,079	96,504	1,08,053	1,20,876	1,34,260
Gross Block	15,462	15,031	16,056	15,373	18,644	22,286	23,886	25,486	27,086
Less: Accum. Depn.	4,669	5,413	6,240	6,635	7,739	9,230	11,146	13,121	15,224
Net Fixed Assets	10,793	9,618	9,816	8,738	10,904	13,056	12,739	12,365	11,862
Goodwill	51	51	51	51	51	51	51	51	51
Intangible assets	97	94	70	49	35	21	74	83	52
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	17,232	20,026	22,429
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	14,039	18,261	22,514
Curr. Assets, L&A	58,984	67,103	68,414	85,158	99,490	1,13,993	1,33,203	1,56,747	1,80,670
Inventory	47,203	53,031	57,943	70,139	82,976	96,811	1,12,895	1,28,544	1,42,944
Account Receivables	2,137	1,127	1,195	2,442	3,283	3,999	5,231	6,516	7,739
Cash and Bank Balance	7,501	10,966	7,772	9,819	9,751	10,311	11,300	16,970	24,370
Others	2,142	1,979	1,504	2,759	3,480	2,872	3,777	4,717	5,617
Curr. Liab. and Prov.	17,127	19,627	17,778	27,830	41,436	53,630	69,416	86,786	1,03,448
Account Payables	5,576	6,901	6,566	11,927	19,441	23,503	30,615	38,053	45,099
Provisions	385	445	493	714	668	857	1,179	1,482	1,773
Other current liabilities	11,166	12,280	10,720	15,188	21,326	29,270	37,622	47,251	56,575
Net Current Assets	41,857	47,476	50,635	57,329	58,054	60,363	63,787	69,961	77,222
Application of Funds	64,979	68,564	71,224	78,738	86,079	96,504	1,08,053	1,20,876	1,34,260

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	11.2	14.3	17.0
Cash EPS	4.0	2.1	4.4	6.8	8.5	11.1	15.1	18.7	21.9
BV/Share	22.6	27.4	30.5	35.3	40.7	46.6	54.8	64.1	74.1
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	26.7	34.9	41.1
Valuation (x)									
P/E	343.7	-8,281.1	235.5	114.9	88.5	65.6	45.7	35.8	30.1
Cash P/E	128.6	241.8	115.9	75.0	60.6	46.0	33.9	27.5	23.4
EV/Sales	5.0	6.3	5.0	3.8	2.9	2.1	1.6	1.3	1.0
EV/EBITDA	66.9	90.4	66.2	48.0	40.3	32.2	24.6	20.1	16.9
P/BV	22.7	18.7	16.8	14.5	12.6	11.0	9.4	8.0	6.9
Dividend Yield (%)	0.0	0.0	0.0	0.1	0.2	0.3	0.6	1.0	1.4
Return Ratios (%)									
RoE	6.9	-0.3	7.5	13.6	15.3	17.9	22.1	24.1	24.6
RoCE	6.0	-1.0	6.7	9.3	10.2	11.8	14.0	15.2	15.8
RoIC	6.8	-1.1	7.7	10.6	11.6	13.3	15.7	17.3	18.9
Working Capital Ratios									
Inventory (Days)	167	213	187	166	151	131	116	107	101
Debtor (Days)	7	7	4	5	6	5	5	5	5
Payable (Days)	18	27	23	24	31	31	30	30	31
Cash conversion (Days)	155	194	168	147	125	105	91	82	75
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	3.4	3.6
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	15,531	19,868	23,696
Depreciation	2,391	2,249	2,316	2,446	2,743	3,427	4,028	4,477	5,015
Net interest	3,333	3,461	2,805	2,753	2,649	2,830	1,720	1,331	1,174
Others	-460	1,396	-59	85	170	328	0	0	0
Direct Taxes Paid	-65	-569	-1,529	-1,290	-2,262	-2,379	-3,962	-5,108	-6,140
(Incr)/Decr in WC	-4,213	-642	-4,071	424	2,040	-1,708	-1,978	-25	674
CF from Operations	3,196	6,288	2,450	10,134	13,227	12,095	15,339	20,543	24,420
Incr in FA	-1,075	-479	-908	-1,863	-3,712	-4,275	-1,676	-1,634	-1,594
Free Cash Flow	2,121	5,810	1,542	8,272	9,516	7,820	13,663	18,908	22,826
Pur of Investments	28	0	-6	-37	0	0	0	0	0
Others	529	-268	705	188	1,896	866	-8,115	-6,920	-6,774
CF from Invest.	-517	-747	-209	-1,712	-1,816	-3,409	-9,791	-8,554	-8,369
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	-3,671	-3,478	-3,536
Others	-2,542	-1,646	-2,167	-1,939	-2,667	-3,394	5,203	5,310	5,095
CF from Fin. Activity	-3,432	-2,076	-5,435	-6,376	-11,479	-8,126	-4,558	-6,318	-8,652
Incr/Decr of Cash	-753	3,465	-3,194	2,047	-68	560	989	5,670	7,400
Add: Opening Balance	8,255	7,501	10,966	7,772	9,819	9,751	10,311	11,300	16,971
Closing Balance	7,501	10,966	7,772	9,819	9,751	10,311	11,300	16,971	24,370

E: MOFSL Estimates

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