

# Go Fashion (India)

Estimate change 

TP change

Rating change 

Bloomberg	GOCOLORS IN
Equity Shares (m)	54
M.Cap.(INRb)/(USD\$b)	14.8 / 0.2
52-Week Range (INR)	944 / 237
1, 6, 12 Rel. Per (%)	6/-50/-63
12M Avg Val (INR M)	102

## Financials & Valuations Consol (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	8.4	9.1	10.1
EBITDA	1.0	1.1	1.3
Adj. PAT	0.6	0.6	0.7
EBITDA Margin (%)	11.5	12.4	12.5
Adj. EPS (INR)	11.3	11.6	13.8
EPS Gr. (%)	(36.7)	3.1	19.4
BV/Sh. (INR)	127.6	138.9	152.3

## Ratios

Net D:E	(0.3)	(0.5)	(0.6)
RoE (%)	8.2	7.7	8.4
RoCE (%)	10.1	11.0	12.3
Payout (%)	-	-	-

## Valuations

P/E (x)	26.4	24.9	20.9
EV/EBITDA (x)	14.4	11.4	9.6
EV/Sales (X)	1.7	1.4	1.2
Div. Yield (%)	-	-	-

## Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	54.2	52.8	52.8
DII	28.4	32.8	33.3
FII	4.4	7.5	11.7
Others	13.0	6.9	2.3

FII includes depository receipts

**CMP: INR282**

**TP: INR340 (+21%)**

**Buy**

## Near-term pressure persists; valuation and cash provide cushion

- FY26 marked a reset year for Go Fashion (GOCOLORS), with revenue declining ~1% and EBITDA dipping ~32% amid weak SSSG and negative operating leverage.
- In response, management initiated an aggressive network rationalization (54 closures in FY26; ~50 more in 1QFY27), alongside efforts to improve store productivity through format optimization and sharper merchandising.
- On the demand side, the company is stepping up brand investments and accelerating product refresh cycles. However, the turnaround remains execution-intensive, with risks around revenue migration and the pace of demand recovery.
- Accordingly, we cut our revenue/EBITDA estimates by ~4% and now model a revenue/EBITDA/PAT CAGR of 10%/14%/11% over FY26–28E on a low base.
- While the business remains under pressure with limited near-term visibility, valuations (~25x TTM) and a strong balance sheet (cash at ~10% of market cap) provide downside support. We therefore reiterate our BUY rating with a TP of INR340 (based on 25x 1-year forward earnings).

## LFS drag and weak SSSG weigh on performance

- Revenue declined 4% YoY to INR1.9b, largely impacted by continued weakness in the LFS channel (down 17% YoY).
  - LFS revenue was also hit by lower credit notes in 4Q (INR60m vs. INR110m in 4QFY25). Adjusted for this, revenue declined 7% YoY.
  - EBO revenue remained flat at INR1.4b, with SSSG at -2.6% in 4Q and -3.4% for FY26, reflecting muted demand.
  - Store network rationalization is underway, with a shift toward larger formats; this has led to 23 closures in 4Q (26 net additions in FY26).
- GOCOLORS' gross profit declined 6% YoY to INR1.25b, with margins contracting 140bp YoY to 62.9%. However, adjusting for lower credit note flow-through, margins remained largely stable.
- Cost pressures persisted, as employee and other expenses rose 5% and 8% YoY, respectively.
- Weak revenue growth and rising costs drove negative operating leverage, resulting in a sharp 57% YoY decline in Pre-Ind-AS EBITDA, with margins at 6.8% (down 800bp).
  - Reported EBITDA declined 20% YoY to INR496m, with the margin compressing 515bp to 25.3%.
- Other income rose 26% YoY to INR84m, while PAT fell sharply to INR79m.

### Full-year performance

- GOCOLORS' revenue declined 1% YoY to INR8.4b, hurt by the ongoing network consolidation and continued weakness in the LFS channel.
- EBO revenues grew marginally by 1% YoY to INR6b, but underlying demand remained weak with a same-store sales decline of 3.4%.
- Store expansion remained muted, with 26 net additions during FY26 (80 additions, 54 closures).
- The company is pivoting toward larger formats, with total retail area increasing 11% YoY to 0.43m sq. ft., and average store size up 8% YoY to 540 sq. ft.
- LFS revenues declined 10% YoY, reflecting sustained issues with a key partner.
- Gross profit was largely flat YoY, with margins stable at 63.2%.
- However, cost pressures intensified, with employee and other expenses rising 11% and 5% YoY, respectively.
- Negative operating leverage led to a 32% YoY decline in Pre-Ind AS EBITDA, with margins contracting 530bp to 11.5%.
- PAT declined sharply by 36% YoY.
- **Core working capital** increased to 152 days (+18 days YoY), driven by a sharp rise in inventory (up 15 days to 117 days), while receivables/payables remained broadly stable.
- **CFO** (adjusted for leases) declined to INR256m (vs INR762m in FY25), impacted by lower profitability and higher working capital intensity. Following the capex of INR360m, **FCFF** stood at negative INR140m (vs. INR366m YoY).

### Highlights from the management commentary

- **SSSG** remained weak at ~-3–3.5%, largely due to legacy small-store formats not keeping pace with evolving customer experience. These high-density stores are ill-suited for a broader, display-led assortment (~70% value-added), limiting visibility and discovery, while larger stores continue to deliver healthy growth.
- Cluster-based consolidation is underway, with 2–3 small stores being merged into larger formats. The company closed ~50 stores in FY26 and has identified another ~50 for closure in 1QFY27. **Net retail area is still expected to grow ~10% (vs. ~11% in FY26) despite lower store additions.**
- **Brand relevance:** GOCOLORS is intensifying brand investments to improve relevance among younger cohorts through influencer-led campaigns and an upcoming brand ambassador (June 2026). Alongside faster product refresh cycles and range expansion, these efforts aim to drive store productivity and support SSSG recovery.

### Valuation and view

- FY26 marked a sharp reset year for Go Fashion, with revenues declining ~1% and EBITDA falling ~32% amid weak SSSG and negative operating leverage.
- In response, management has initiated aggressive network rationalization (54 closures in FY26; ~50 more in 1QFY27) and is focusing on improving store productivity through format optimization and sharper merchandising.
- On the demand side, the company is stepping up brand investments and accelerating product refresh cycles, although the turnaround remains execution-intensive with risks around revenue migration and demand recovery.
- Accordingly, we cut our revenue/EBITDA estimates by ~4% and now model FY26–28E CAGR of 10%/14%/11% (revenue/EBITDA/PAT).

■ Despite near-term pressure, the stock valuation (~25x TTM) and a strong balance sheet (cash ~10% of market cap) provide downside support; we reiterate our BUY rating with a TP of INR340.

**Quarterly performance**

Y/E March	(INR m)											
	FY25				FY26E				FY25	FY26E	FY26	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		3QE	Est	
<b>Revenue</b>	2,201	2,085	2,147	2,048	2,228	2,242	1,949	1,961	8,482	8,380	2,125	-7.7
YoY Change (%)	16	10	6	13	1	7	-9	-4	11	-1	4	
<b>Gross margins (%)</b>	61.8	63.1	64.1	64.3	63.0	62.6	64.3	62.9	63.3	63.2	64	
Change in bp (YoY)	44	240	264	75	119	-46	20	-141	156	-13		
Total Expenditure	1,480	1,450	1,449	1,424	1,541	1,575	1,428	1,465	5,802	6,009	1,504	-2.6
<b>EBITDA</b>	721	635	698	624	687	666	521	496	2,680	2,371	621	-20.0
Change YoY (%)	12	12	3	16	-5	5	-25	-20	11	-12	-1	
<b>EBITDA margins (%)</b>	32.8	30.4	32.5	30.5	30.8	29.7	26.7	25.3	31.6	28.3	29	
Change in bp (YoY)	-100	47	-91	82	-194	-71	-576	-516	-19	-330		
Depreciation	295	311	317	314	323	328	348	348	1,237	1,347	349	-0.3
Interest	110	115	116	122	120	122	124	128	464	494	129	-0.6
Other Income	58	71	58	66	52	73	51	84	254	260	86	-2.4
<b>PBT</b>	374	281	323	254	297	290	99	104	1,233	790	228	-54.5
Tax	88	76	79	55	74	72	28	25	298	199	57	-57.3
Rate (%)	23.5	26.9	24.6	21.8	25.0	24.8	27.9	23.6	24.2	25.1	25.2	-6.1
<b>Reported PAT</b>	287	205	243	199	223	218	72	79	935	592	171	-53.5
<b>Adj PAT</b>	287	205	243	199	223	218	72	79	935	592	171	-53.5
YoY Change (%)	9	2	4	52	-22	6	-71	-60	13	-37		

**Quarterly performance (INR m)**

Consol P&L (INR m)	4QFY25	3QFY26	4QFY26	YoY%	QoQ%	4QFY26E	v/s Est (%)
<b>Total Revenue</b>	2,048	1,949	1,961	-4	1	2,125	-8
Raw Material cost	732	695	728	0	5	756	-4
<b>Gross Profit</b>	1,316	1,254	1,233	-6	-2	1,368	-10
Gross margin (%)	64.3	64.3	62.9	-140.7	-145.9	64.4	-153.6
Employee Costs	416	442	438	5	-1	449	-3
Other expenses	276	290	299	8	3	298	0
Total Opex	692	733	736	6	1	748	-1
<b>EBITDA</b>	624	521	496	-20	-5	621	-20
EBITDA margin (%)	30.5	26.7	25.3	-516.4	-142.0	29.2	-389.8
<b>Pre-IND AS EBITDA</b>	304	164	133	-56	-19		
Margin (%)	23.1	13.1	10.8	-1230.6	-229.5	0.0	1078.8
Depreciation and amortization	314	348	348	11	0	349	0
EBIT	310	173	148	-52	-14	271	-45
EBIT margin (%)	15.1	8.9	7.6	-758.2	-133.2	12.8	-521.4
Finance Costs	122	124	128	5	3	129	-1
Other income	66	51	84	26	66	86	-2
<b>Profit before Tax</b>	254	99	104	-59	5	228	-54
Tax	55	28	25	-56	-12	57	-57
Tax rate (%)	21.8	27.9	23.6	186.3	-432.1	25.2	-6.1
<b>Profit after Tax</b>	199	72	79	-60	11	171	-54

**Key Performance Indicators**

Y/E March	FY25				FY26E			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Total Stores	734	755	775	776	803	812	825	802
Additions	23	31	30	20	31	14	21	14
Closures	(3)	(10)	(10)	(19)	(4)	(5)	(8)	(37)
<b>Net Additions</b>	20	21	20	1	27	9	13	-23
EBO	1,527	1,479	1,589	1,415	1,573	1,540	1,561	1,414
LFS	563	511	460	512	490	601	296	428
Online	70	60	60	55	76	58	60	57
Others	42	35	39	63	87	43	31	61
<b>Total</b>	2,203	2,085	2,147	2,046	2,226	2,242	1,949	1,959

Source: MOFSL, Company

**Exhibit 1: Key assumptions; store additions moderated**

(INR m)	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
EBO	449	503	630	714	776	802	842	902
Net Adds		54	127	84	62	26	40	60
LFS	1,267	1,473	1,750	2,189	2,386	2,568	2,618	2,668
Net Adds		206	277	439	197	182	50	50
% SSSG	-37%	31%	36%	0%	1%	-3%	0%	3%
<b>Revenues</b>	<b>2,507</b>	<b>4,013</b>	<b>6,653</b>	<b>7,628</b>	<b>8,482</b>	<b>8,388</b>	<b>9,068</b>	<b>10,136</b>
<b>% YoY</b>		60%	66%	15%	11%	-1%	8%	12%
EBO	-35%	69%	68%	14%	8%	1%	6%	11%
LFS	-46%	47%	72%	19%	23%	-10%	14%	15%
Gross Profit (incl job work)	1,467	2,411	4,036	4,709	5,368	5,293	5,749	6,426
% Margin	58.5%	60.1%	60.7%	61.7%	63.3%	63.1%	63.4%	63.4%
<b>EBITDA</b>	<b>463</b>	<b>1,190</b>	<b>2,123</b>	<b>2,424</b>	<b>2,680</b>	<b>2,371</b>	<b>2,788</b>	<b>3,084</b>
% YoY		157%	78%	14%	11%	-12%	18%	11%
% Margin	18.5%	29.7%	31.9%	31.8%	31.6%	28.3%	30.7%	30.4%
<b>Pre- IND AS EBITDA</b>	<b>337</b>	<b>692</b>	<b>1,289</b>	<b>1,347</b>	<b>1,430</b>	<b>966</b>	<b>1,121</b>	<b>1,266</b>
% YoY		105%	86%	5%	6%	-32%	16%	13%
% Margin	13.4%	17.2%	19.4%	17.7%	16.9%	11.5%	12.4%	12.5%
<b>PAT</b>	<b>-35</b>	<b>356</b>	<b>828</b>	<b>828</b>	<b>935</b>	<b>592</b>	<b>610</b>	<b>728</b>
% YoY		-1107%	133%	0%	13%	-37%	3%	19%
% Margin	-1.4%	8.9%	12.4%	10.9%	11.0%	7.1%	6.7%	7.2%

Source: Company, MOFSL

**Exhibit 2: Valuation based on Sep'27E P/E**

Valuation	FY28E
EPS	13.8
PE multiple (x)	25
<b>Target Price (INR)</b>	<b>340</b>
CMP (INR)	281
<b>Upside (%)</b>	<b>21%</b>

Source: MOFSL, Company

**Exhibit 3: Our estimate change summary**

	FY26	FY27E	FY28E
<b>Revenue (INR m)</b>			
Old		9,460	10,304
Actual/New	8,380	9,068	10,136
Change (%)		-4%	-2%
<b>EBITDA (INR m)</b>			
Old		2,797	2,988
Actual/New	2,371	2,788	3,084
Change (%)		0%	3%
<b>EBITDA margin (%)</b>			
Old		29.6%	29.0%
Actual/New	28.3%	30.7%	30.4%
Change (bp)		118	143
<b>Net Profit (INR m)</b>			
Old		725	869
Actual/New	592	610	728
Change (%)		-16%	-16%
<b>EPS (INR)</b>			
Old		13.4	16.1
Actual/New	11.3	11.6	13.8
Change (%)		-14%	-14%

Source: MOFSL, Company

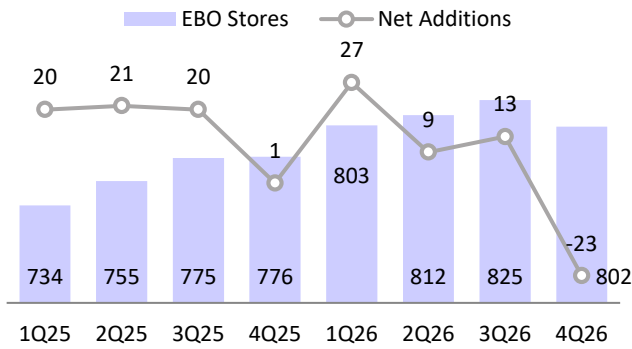


## Detailed takeaways from the management commentary

- **SSSG** remained weak at ~-3–3.5%, largely due to legacy small-store formats not keeping pace with evolving customer experience. These high-density stores are ill-suited for a broader, display-led assortment (~70% value-added), limiting visibility and discovery, while larger stores continue to deliver healthy growth.
- **Store performance remained skewed**, with ~275 of ~800 stores delivering high single-digit SSSG, while the rest, mainly ~100 sub-300 sq ft stores, underperformed. This is driving cluster-based consolidation, with 2–3 small stores merged into one larger format; ~50 closures in FY26 and another 50 marked for closure in Q1FY27. **Net retail area is still expected to grow ~10% (vs ~11% in FY26) despite lower store additions.**
- **Brand Relevance:** GOCOLORS is intensifying brand investments to improve relevance among younger cohorts through influencer-led campaigns and an upcoming brand ambassador (June 2026). Alongside faster product refresh cycles and range expansion, these efforts aim to drive store productivity and support SSSG recovery.
- **Revenue transition** will be gradual. While store closures create near-term sales loss, demand is expected to migrate to nearby larger stores over time, with incremental upside driven by better assortment visibility and improved customer experience.
- Gross margin remained resilient at ~63%, supported by strong pricing discipline with no discount-led recovery strategy. Any near-term cotton price inflation, if it materializes, is expected to be passed through, keeping margins broadly stable at current levels.
- **ASP vs. volume** trends indicate mix-led growth. Higher ASPs (~₹800–900) are offsetting declining units per bill, suggesting stable wallet spend but weaker volume throughput—pointing to potential softness in repeat purchases or consumption intensity.
- **Operating margin** has bottomed out, per management, following pressure from weak store productivity and fixed cost deleverage. Store rationalization (~INR250m cost savings) offers immediate cost relief, with margin recovery expected from Q2 FY27 as revenues stabilize and operating leverage improves.
- **LFS channel** weakness remained pronounced, impacted by a disruption with a key partner. Although Q4 improved sequentially (decline narrowing to ~7–8%), structural issues persist, including weak footfalls and slower secondary sales. FY27 focus is on assortment, placement, and partner execution.
- **Unit economics** remain broadly neutral across small and large formats. Larger stores consolidate catchment demand, improve throughput, and reduce aggregate manpower costs vs multiple small stores. Inventory efficiency and self-browsing benefits support productivity, positioning the shift as optimization rather than cost escalation.
- **Inventory** has risen to ~4 months due to sales softness and new pilot category stocking, but remains healthy with no obsolescence. Expects normalization as demand improves and flexible sourcing.
- **Daily wear concept** (10 stores) shows promising unit economics, with plans to scale to 20-25 stores by FY27. International expansion has begun with a Middle East pilot.

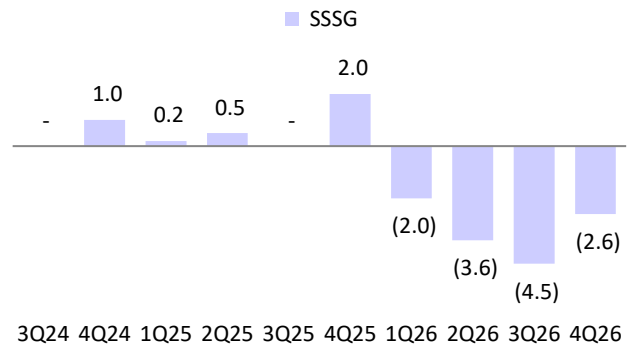
## Story in charts

**Exhibit 4: Network consolidation with 23 closures in 4Q**



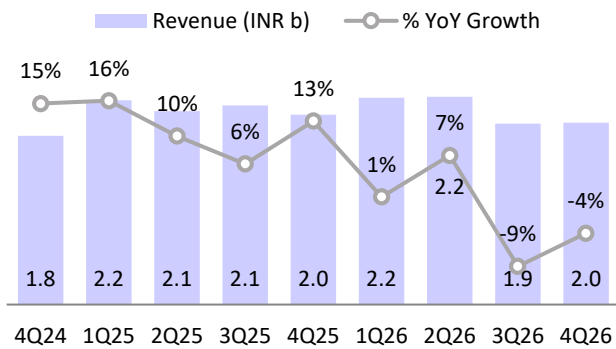
Source: MOFSL, Company

**Exhibit 5: SSSG remained weak**



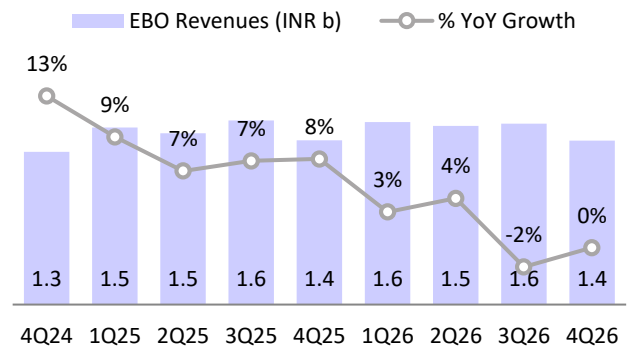
Source: MOFSL, Company

**Exhibit 6: Revenue declined 4% YoY**



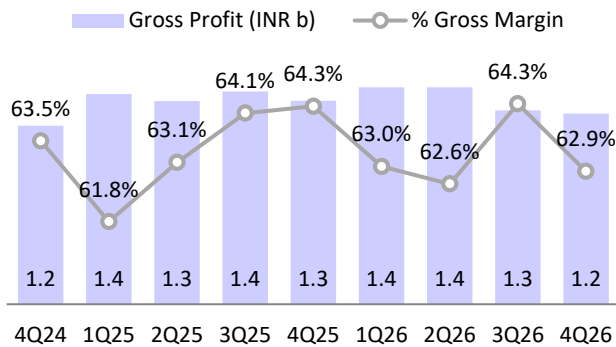
Source: MOFSL, Company

**Exhibit 7: EBO revenue flat**



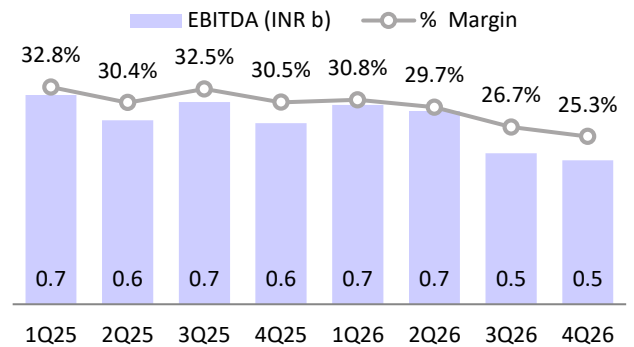
Source: MOFSL, Company

**Exhibit 8: Gross margin impacted by credit notes**



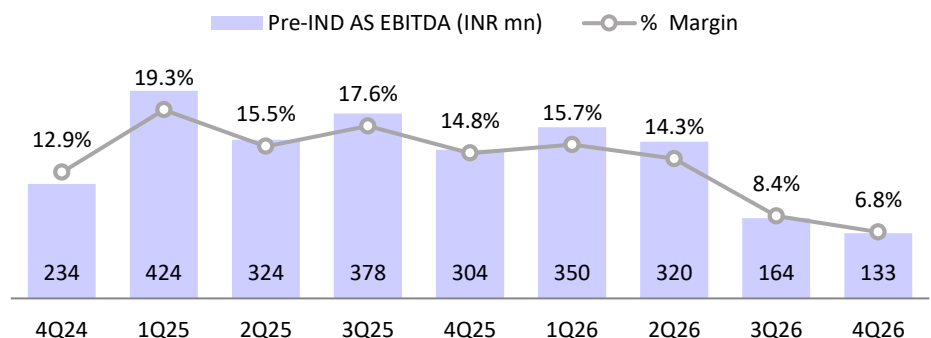
Source: MOFSL, Company

**Exhibit 9: EBITDA margin nosedived**



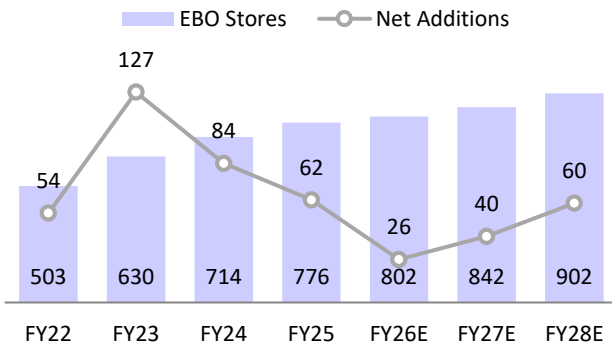
Source: MOFSL, Company

**Exhibit 10: Profitability declined sharply due to negative operating leverage**



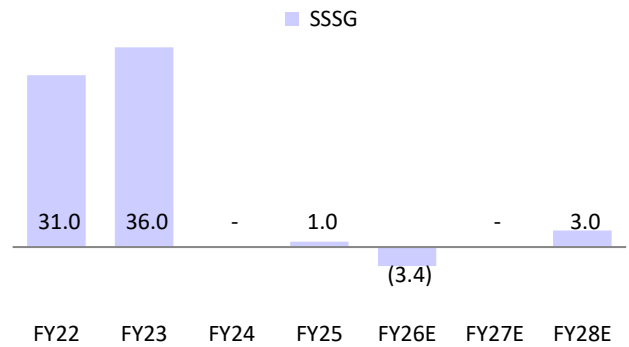
Source: Company, MOFSL

**Exhibit 11: Net additions calibrated in the near term**



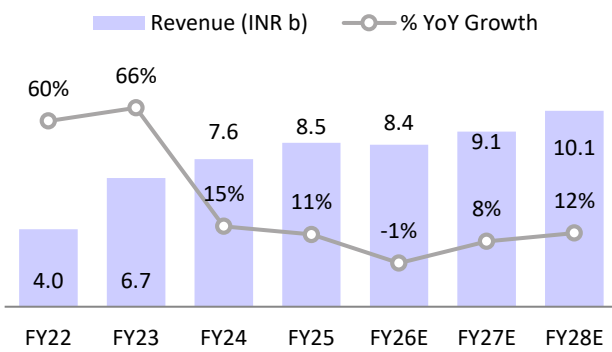
Source: MOFSL, Company

**Exhibit 12: SSSG to remain muted in FY26E**



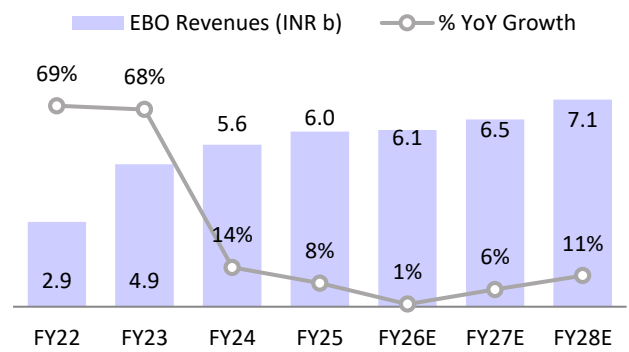
Source: MOFSL, Company

**Exhibit 13: Expect revenue CAGR of ~10% over FY25-28**



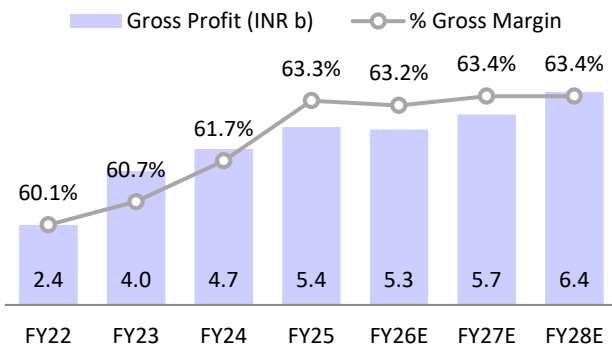
Source: MOFSL, Company

**Exhibit 14: EBO also slows down to 8% CAGR**



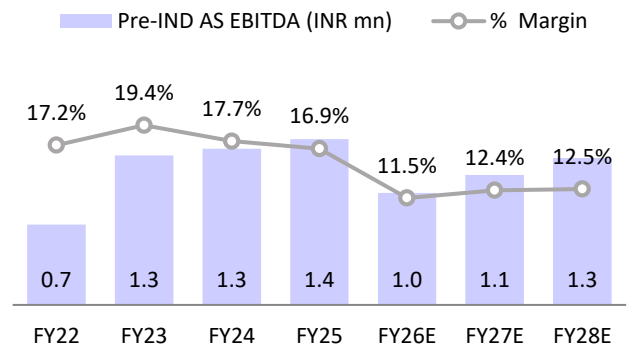
Source: MOFSL, Company

**Exhibit 15: Gross margin to remain elevated**



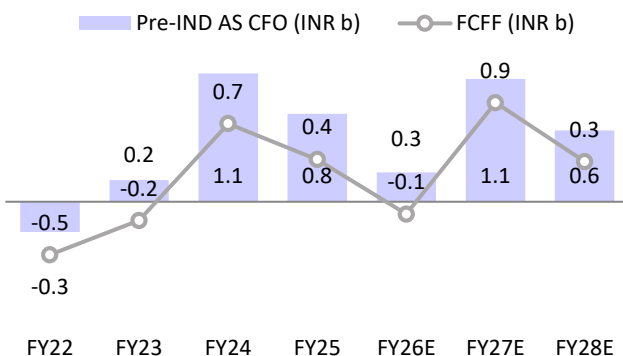
Source: MOFSL, Company

**Exhibit 16: Operating margin to remain muted in near term**



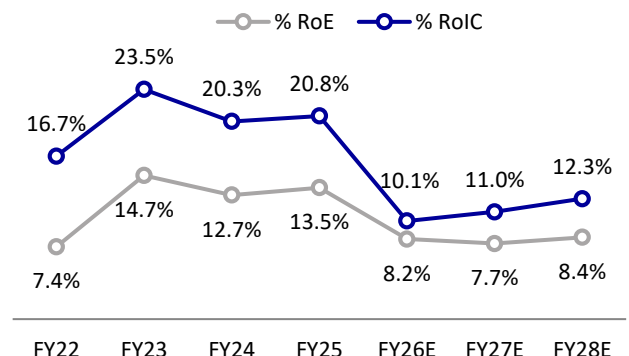
Source: MOFSL, Company

**Exhibit 17: Steady cash flow generation**



Source: MOFSL, Company

**Exhibit 18: Return ratios to remain under pressure**



Source: MOFSL, Company

## Financials and Valuation

### Consolidated - Income Statement

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
<b>Total Income from Operations</b>	<b>4,013</b>	<b>6,653</b>	<b>7,628</b>	<b>8,482</b>	<b>8,380</b>	<b>9,068</b>	<b>10,136</b>
Change (%)	60.1	65.8	14.7	11.2	-1.2	8.2	11.8
Raw Materials	1,355	2,215	2,550	2,664	2,605	2,820	3,152
Job Work	248	401	370	450	483	499	557
<b>Gross Profit (Incl Job Work)</b>	<b>2,411</b>	<b>4,036</b>	<b>4,709</b>	<b>5,368</b>	<b>5,293</b>	<b>5,749</b>	<b>6,426</b>
Margin (%)	60.1	60.7	61.7	63.3	63.2	63.4	63.4
Employees Cost	731	1,023	1,302	1,602	1,779	1,884	2,028
Other Expenses	490	891	982	1,086	1,143	1,077	1,314
<b>Total Expenditure</b>	<b>2,823</b>	<b>4,530</b>	<b>5,204</b>	<b>5,802</b>	<b>6,009</b>	<b>6,281</b>	<b>7,052</b>
% of Sales	70.3	68.1	68.2	68.4	71.7	69.3	69.6
<b>EBITDA</b>	<b>1,190</b>	<b>2,123</b>	<b>2,424</b>	<b>2,680</b>	<b>2,371</b>	<b>2,788</b>	<b>3,084</b>
Margin (%)	29.7	31.9	31.8	31.6	28.3	30.7	30.4
Depreciation	686	871	1,104	1,237	1,347	1,609	1,789
<b>EBIT</b>	<b>504</b>	<b>1,252</b>	<b>1,321</b>	<b>1,443</b>	<b>1,024</b>	<b>1,178</b>	<b>1,296</b>
Int. and Finance Charges	233	285	391	464	494	606	661
Other Income	208	119	173	254	260	243	339
<b>PBT bef. EO Exp.</b>	<b>479</b>	<b>1,087</b>	<b>1,102</b>	<b>1,233</b>	<b>790</b>	<b>815</b>	<b>973</b>
<b>PBT after EO Exp.</b>	<b>479</b>	<b>1,087</b>	<b>1,102</b>	<b>1,233</b>	<b>790</b>	<b>815</b>	<b>973</b>
Total Tax	123	259	274	298	199	205	245
Tax Rate (%)	25.6	23.8	24.9	24.2	25.1	25.2	25.2
<b>Reported PAT</b>	<b>356</b>	<b>828</b>	<b>828</b>	<b>935</b>	<b>592</b>	<b>610</b>	<b>728</b>
<b>Adjusted PAT</b>	<b>356</b>	<b>828</b>	<b>828</b>	<b>935</b>	<b>592</b>	<b>610</b>	<b>728</b>
Change (%)	-1,107.0	132.6	0.0	13.0	-36.7	3.1	19.4
Margin (%)	8.9	12.4	10.9	11.0	7.1	6.7	7.2

### Consolidated - Balance Sheet

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Equity Share Capital	541	541	541	541	526	526	526
Total Reserves	3,844	4,664	5,499	6,434	6,377	6,987	7,715
<b>Net Worth</b>	<b>4,385</b>	<b>5,205</b>	<b>6,040</b>	<b>6,975</b>	<b>6,903</b>	<b>7,513</b>	<b>8,241</b>
Lease Liabilities	2,498	3,395	4,691	5,070	5,325	6,514	7,107
Deferred Tax Liabilities	29	50	50	39	43	43	43
<b>Capital Employed</b>	<b>6,912</b>	<b>8,651</b>	<b>10,781</b>	<b>12,084</b>	<b>12,271</b>	<b>14,070</b>	<b>15,391</b>
Gross Block	3,258	4,431	5,934	6,517	6,873	7,986	8,512
Less: Accum. Deprn.	347	494	667	917	1,036	1,304	1,598
<b>Net Fixed Assets</b>	<b>2,912</b>	<b>3,937</b>	<b>5,266</b>	<b>5,600</b>	<b>5,837</b>	<b>6,682</b>	<b>6,913</b>
Other Non-Current	125	381	135	20	16	-	-
Capital WIP	87	74	109	115	83	83	83
<b>Total Investments</b>	<b>124</b>	<b>194</b>	<b>234</b>	<b>402</b>	<b>675</b>	<b>1,051</b>	<b>1,051</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>4,150</b>	<b>4,510</b>	<b>5,425</b>	<b>6,358</b>	<b>5,985</b>	<b>6,924</b>	<b>8,094</b>
Inventory	1,659	2,303	2,163	2,376	2,687	2,609	2,916
Account Receivables	602	722	793	1,057	1,057	1,118	1,250
Cash and Bank Balance	1,629	1,204	2,155	2,617	1,724	2,825	3,512
Loans and Advances	260	281	313	307	518	373	417
<b>Curr. Liability &amp; Prov.</b>	<b>600</b>	<b>613</b>	<b>613</b>	<b>720</b>	<b>686</b>	<b>671</b>	<b>750</b>
Account Payables	177	303	368	316	248	373	417
Other Current Liabilities	423	310	245	404	438	298	333
<b>Net Current Assets</b>	<b>3,550</b>	<b>3,897</b>	<b>4,811</b>	<b>5,638</b>	<b>5,299</b>	<b>6,253</b>	<b>7,345</b>
Deferred Tax assets	114	168	226	309	360	0	0
<b>Appl. of Funds</b>	<b>6,912</b>	<b>8,650</b>	<b>10,782</b>	<b>12,083</b>	<b>12,271</b>	<b>14,070</b>	<b>15,392</b>

(INR m)

## Financials and Valuation

### Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
<b>Basic (INR)</b>							
<b>EPS</b>	<b>6.6</b>	<b>15.3</b>	<b>15.3</b>	<b>17.3</b>	<b>11.3</b>	<b>11.6</b>	<b>13.8</b>
Cash EPS	13.2	21.5	24.5	27.5	24.5	28.1	31.9
BV/Share	55.5	65.9	76.5	88.3	127.6	138.9	152.3
DPS	-	-	-	-	-	0.0	0.0
Payout (%)	-	-	-	-	-	0.0	0.0
<b>Valuation (x)</b>							
P/E	167.5	77.5	68.3	46.2	25.0	24.2	20.3
Cash P/E	83.6	55.2	42.7	29.0	11.5	10.0	8.8
P/BV	19.9	18.0	13.7	9.0	2.2	2.0	1.8
EV/Sales	14.5	9.5	7.1	4.8	1.6	1.3	1.1
EV/EBITDA	48.7	29.7	22.4	15.1	14.4	11.4	9.6
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF per share	2.4	12.7	32.4	29.4	24.1	48.0	41.2
<b>Return Ratios (%)</b>							
RoE	9.9	17.3	14.7	14.4	8.2	7.7	8.4
RoCE	14.5	21.8	19.9	19.8	10.1	11.0	12.3
RoIC	8.2	15.6	12.8	12.7	8.2	8.9	9.3
<b>Working Capital Ratios</b>							
Fixed Asset Turnover (x)	1.2	1.5	1.3	1.3	1.2	1.1	1.2
Asset Turnover (x)	0.6	0.8	0.7	0.7	0.7	0.6	0.7
Inventory (Days)	447	380	310	326	376	338	338
Debtor (Days)	55	40	38	46	46	45	45
Creditor (Days)	48	50	53	43	35	48	48
<b>Leverage Ratio (x)</b>							
Current Ratio	6.9	7.4	8.8	8.8	8.7	10.3	10.8
Interest Cover Ratio	2.2	4.4	3.4	3.1	2.1	1.9	2.0
Net Debt/Equity	-0.4	-0.3	-0.4	-0.4	-0.3	-0.5	-0.6

### Consolidated - Cash Flow Statement

(INR m)

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
OP/(Loss) before Tax	479	1,087	1,102	1,233	790	815	973
Depreciation	686	871	1,104	1,237	1,347	1,609	1,789
Interest & Finance Charges	-	-	-	-	-	-	-
Direct Taxes Paid	(110)	(324)	(366)	(356)	(247)	(205)	(245)
(Inc)/Dec in WC	(847)	(833)	87	(411)	(570)	147	(404)
Others	123	236	260	285	306	363	322
<b>CF from Operations</b>	<b>330</b>	<b>1,037</b>	<b>2,187</b>	<b>1,988</b>	<b>1,626</b>	<b>2,730</b>	<b>2,436</b>
(Inc)/Dec in FA	(198)	(349)	(434)	(396)	(360)	(205)	(270)
<b>Free Cash Flow</b>	<b>132</b>	<b>688</b>	<b>1,753</b>	<b>1,592</b>	<b>1,266</b>	<b>2,525</b>	<b>2,166</b>
(Pur)/Sale of Investments	(29)	(45)	(602)	128	94	-	-
Others	(357)	119	(253)	(488)	646	243	339
<b>CF from Investments</b>	<b>(584)</b>	<b>(276)</b>	<b>(1,289)</b>	<b>(756)</b>	<b>381</b>	<b>38</b>	<b>69</b>
Issue of Shares	1,187	-	-	-	(662)	-	-
Lease Liabilities	(545)	(842)	(1,078)	(1,225)	(1,394)	(1,666)	(1,818)
Others	(0)	2	(0)	(2)	(2)	-	-
<b>CF from Fin. Activity</b>	<b>642</b>	<b>(841)</b>	<b>(1,078)</b>	<b>(1,227)</b>	<b>(2,058)</b>	<b>(1,666)</b>	<b>(1,818)</b>
<b>Inc/Dec of Cash</b>	<b>388</b>	<b>(79)</b>	<b>(179)</b>	<b>4</b>	<b>(52)</b>	<b>1,101</b>	<b>686</b>
Opening Balance	468	1,320	1,549	1,024	161	1,723	2,825
Other Bank balances	464	308	(346)	1,130	1,592	0	-
<b>Closing Balance</b>	<b>1,320</b>	<b>1,549</b>	<b>1,024</b>	<b>2,159</b>	<b>1,724</b>	<b>2,825</b>	<b>3,511</b>

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SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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