

Vishal Mega Mart

Estimate change	↔
TP change	↑
Rating change	↔

CMP: INR119 **TP: INR160 (+34%)** **Buy**

Robust 4Q; RM cost inflation a key near-term monitorable

Bloomberg	VMM IN
Equity Shares (m)	4673
M.Cap.(INRb)/(USDb)	556.1 / 5.8
52-Week Range (INR)	158 / 99
1, 6, 12 Rel. Per (%)	4/-4/-1
12M Avg Val (INR M)	3163

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	129.1	154.2	182.7
EBITDA	18.8	22.1	27.4
NP	8.4	10.1	13.2
EBITDA Margin (%)	14.6	14.4	15.0
Adj. EPS (INR)	1.8	2.2	2.8
EPS Gr. (%)	28.6	19.8	31.2
BV/Sh. (INR)			

Ratios

Net D:E	0.0	-0.0	-0.1
RoE (%)	12.1	12.7	14.5
RoCE (%)	10.3	10.5	11.7
Payout (%)	-	-	-

Valuations

P/E (x)	66.3	55.3	42.2
EV/EBITDA (x)	30.3	25.5	20.3
EV/Sales (x)	4.4	3.7	3.0

Shareholding pattern (%)

As On	Mar-26	Dec-25	Mar-25
Promoter	40.1	54.1	74.6
DII	32.7	25.5	12.2
FII	22.0	15.5	7.0
Others	5.1	4.9	6.2

FII includes depository receipts

- Vishal Mega Mart (VMM) delivered a robust 4QFY26, with revenue rising ~22% YoY, driven by a robust 13.2% adj. SSSG and ~11% YoY area additions.
- Despite a 40bp YoY gross margin decline due to inventory liquidation and higher promotional spends, VMM's pre-IND AS EBITDA margin expanded ~100bp YoY to 8.5%, driven by operating leverage. Pre-IND AS EBITDA/PAT grew 39%/46% YoY in 4Q.
- FY26 revenue/Pre-Ind AS EBITDA/PAT grew 20%/30%/33%, driven by 1) 11% adj. SSSG, 2) 99 net store additions, and 3) ~75bp YoY AS EBITDA margin expansion, reflecting disciplined cost controls and operating leverage.
- Management indicated that demand remains healthy despite rising geopolitical and inflationary headwinds. VMM plans to absorb part of the input-cost inflation while limiting price hikes to higher-ASP categories, protecting entry-level pricing, and reinforcing its value-led positioning.
- Inflation-led downtrading and weaker regional competition could further support market-share gains, while smaller regional players may struggle to absorb rising costs. Despite near-term pressures, VMM remains committed to its ongoing store expansion strategy.
- VMM's operating performance remains stellar, driven by its differentiated product mix, strong own-brand portfolio, and best-in-class cost controls. However, concerns regarding long-term promoter shareholding and the continuity of key management personnel—specifically, the tenure of its long-standing CEO beyond Jun'27—remain significant overhangs.
- We trim our FY27 pre-IND AS EBITDA/PAT estimates by 3-5% owing to lower gross margin, which is cut by ~55bp. However, we expect normalization by FY28, and hence, we raise our FY28 estimates by ~2-3%.
- We model a CAGR of 19%/23%/25% in revenue/pre-IND AS EBITDA/PAT over FY26-28E, driven by ~10% CAGR in area, a consistent ~10%+ SSSG, and ~65bp pre-IND AS EBITDA margin expansion.
- We reiterate our **BUY rating on the stock with a revised TP of INR160**. Our TP is premised on DCF-implied ~38x FY28E pre-IND AS 116 EV/EBITDA (implying ~57x FY28E EPS).

Robust growth and pre-IND AS EBITDA margin expansion in 4Q

- Consolidated revenue at INR31.1b grew **22% YoY** (vs. our est. 19% YoY), **driven by ~13.2% adj. SSSG** (11% in FY26) and ~11% YoY area additions.
- VMM added **24 net new stores** (25 openings, 1 closure) in 4Q, bringing the total store count to 795 stores across 535 cities (18/77 cities added in 4Q/1H) with total retail areas of ~13.45m sqft (up ~11% YoY).
- Gross profit at INR8.7b grew ~20% YoY as gross margin contracted ~40bp YoY to 27.8% (50bp below our est.) due to higher promotions and inventory liquidation.
- Employee and other expenses increased 13%/30% YoY, later due to the reclassification of a part of lease rentals above EBITDA.

- Reported EBITDA rose ~**19% YoY** to INR4.25b (~**5% miss**) as reported EBITDA margin **contracted ~40bp YoY** to 13.6%, driven by lower gross margins and higher opex (reclassification from fixed lease to variable rentals).
- However, Pre-INDAS 116 EBITDA (post-ESOP charges) **grew by a stellar ~39% YoY** to INR2.65b, with **EBITDA margin expanding ~100bp YoY to 8.5%**.
- Reported PAT at INR1.68b (**10% miss**) rose ~46% YoY, driven primarily by higher EBITDA and other income (32% YoY).

FY26 result: Healthy 20%/30% revenue/pre-IND AS EBITDA growth with 11% SSSG

- Consolidated revenue at INR129b grew ~20% YoY, driven by ~**11% adj. SSSG** and ~**11%** store area additions.
 - Revenue from private labels grew 21% YoY, while the third-party brands' revenue grew ~16% YoY.
 - Among key categories, Apparel grew 21%, GM by ~21% YoY, and FMCG 17%.
- VMM added 99 net new stores (105 opened, 6 closures) in FY26 to reach 795 stores, with presence ramping significantly in South India (47 net additions).
- Gross profit at INR36.7b grew ~20% YoY as gross margin contracted by 10bp YoY to 28.4%.
 - Share of apparel inched up ~35bp YoY to 44.2%. The GM improved ~30bp YoY to 28.5%, while that of FMCG contracted ~80bp YoY to ~27%.
 - Revenue contribution from own brands rose ~100bp YoY to ~74.1% (+21% YoY)
- Reported EBITDA at INR18.8b was up ~23% YoY as margin expanded ~30bp YoY to 14.1%, driven by operating leverage.
- Pre-INDAS 116 EBITDA (post-ESOP charges) grew ~30% YoY to INR12.7b, with EBITDA margin expanding ~75bp YoY to 9.85%.
- Reported PAT at INR8.4b surged 33% YoY, driven by robust EBITDA growth and higher other income (up 48% YoY).
- Core working days improved to 12 days (vs. 15 YoY), driven largely by a reduction in inventory days to 57 (vs. ~63 YoY). In absolute terms, WC stands at INR4.3b (-3% YoY).
- OCF (post leases and interest) grew ~20% YoY to INR10b (vs. INR8.3b YoY), led by better profitability and WC discipline.
- Despite ~23% YoY increase in capex to ~INR3.3b, FCF generation was robust at INR6.7b (vs. INR 5.7b YoY).

Key highlights from the management commentary

- **Demand trends** remain healthy with improving consumption trends driven by benefits from GST and the rationalization of income tax rates. Emerging inflationary pressures could create near-term demand headwinds, particularly on input costs and overall household budgets. However, downtrading trends are likely to support VMM, given its private-label-led value positioning and structurally lower pricing versus national brands.
- **Vendor-side disruptions** linked to gas availability and temporary labor shortages impacted sourcing to an extent, though supply conditions are gradually normalizing as vendors shift towards alternate energy sources and labor availability improves.

- **Input cost inflation** is rising, particularly in petroleum-linked inputs, with fabric prices up ~10–11%. Pricing actions are expected to remain selective, focused on higher-fashion categories, while entry price points will remain unchanged. Margins will be cushioned through cost-efficiency measures and private-label strength (will look to maintain current discount levels to leading brands).
- **Store expansion** is unlikely to slow despite macro uncertainty, with weaker industry conditions potentially creating opportunities to accelerate market-share gains while smaller regional players face balance-sheet pressure.

Valuation and view

- VMM remains the most consistent retailer within our coverage. We believe its diversified category mix, ownership of opening price points, significant contribution from its own brands, and lean cost structure provide it with a strong moat against intense competition from both offline and online value retailers.
- However, concerns regarding long-term promoter shareholding and the continuity of key management personnel—specifically, the tenure of its long-standing CEO beyond Jun’27—remain significant overhangs for the stock.
- We trim our FY27 pre-IND AS EBITDA/PAT estimates by 3-5% owing to lower gross margin, which is cut by ~55bp. However, we expect normalization by FY28, and hence, we raise our FY28 estimates by ~2-3%.
- We model a CAGR of 19%/23%/25% in revenue/pre-IND AS EBITDA/PAT over FY26-28E, driven by ~10% CAGR in area, a consistent ~10%+ SSSG, and ~65bp pre-IND AS EBITDA margin expansion.
- **We reiterate our BUY rating on the stock with a revised TP of INR160.** Our TP is premised on DCF-implied ~38x FY28E pre-IND AS 116 EV/EBITDA (implying ~57x FY28E EPS).

Consolidated – Quarterly earnings

	FY25				FY26				FY25	FY26	FY26	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue	25,963	24,362	31,359	25,479	31,403	29,815	36,704	31,141	1,07,163	1,29,063	30,630	1.7
YoY Change (%)	0.0	19.3	19.5	23.2	21.0	22.4	17.0	22.2	20.2	20.4	21.0	
Gross Profit	7,331	6,872	9,123	7,201	8,913	8,431	10,665	8,672	30,527	36,681	8,689	-0.2
Gross margin	28.2	28.2	29.1	28.3	28.4	28.3	29.1	27.8	28.5	28.4	28.4	-52
Total Expenditure	22,307	21,338	26,309	21,908	26,811	25,869	30,653	26,893	91,862	1,10,227	26,133	2.9
EBITDA	3,656	3,025	5,050	3,571	4,592	3,946	6,051	4,248	15,302	18,836	4,497	-5.5
EBITDA margins (%)	14.1	12.4	16.1	14.0	14.6	13.2	16.5	13.6	14.3	14.6	14.7	-7
Depreciation	1,383	1,405	1,407	1,707	1,591	1,691	1,676	1,776	5,902	6,734	1,811	-2.0
Interest	342	342	315	493	411	412	427	464	1,492	1,715	438	6.0
Other Income	77	132	190	186	170	202	246	245	586	863	259	-5.3
PBT before EO expense	2,008	1,409	3,519	1,557	2,760	2,044	4,194	2,253	8,493	11,250	2,507	-10.1
PBT	2,008	1,409	3,519	1,557	2,760	2,044	4,194	2,253	8,493	11,250	2,507	-10.1
Tax	506	369	892	406	699	521	1,065	574	2,173	2,858	631	-9.0
Rate (%)	25.2	26.2	25.3	26.1	25.3	25.5	25.4	25.5	25.6	25.4	25.2	
Reported PAT	1,501	1,040	2,627	1,151	2,061	1,523	3,129	1,679	6,320	8,392	1,876	-10.5
Adj PAT	1,501	1,040	2,627	1,151	2,061	1,523	3,129	1,679	6,320	8,392	1,876	-10.5
YoY Change (%)	0	0	28	88	37	46	19	46	37	32.8	63	

Exhibit 1: Our TP implies ~27x reported FY28E EV/EBITDA or (~57x FY28 EPS)

INR b	EBITDA	Multiple (x)	Value
Enterprise value	27.4	27	745
Net debt (incl. leases)			-3
Equity value			748
TP (INR/share)			160
CMP (INR/share)			119
Potential upside (%)			34

Source: MOFSL

Exhibit 2: We ascribe a TP of INR160, premised on ~38x FY28E pre-IND AS 116 EV/EBITDA

INR b	EBITDA	Multiple (x)	Value
Enterprise value	19.2	38	723
Net debt (excl. leases)			-25
Equity value			748
TP (INR/share)			160
CMP (INR/share)			119
Potential upside (%)			34

Source: MOFSL

Exhibit 3: Relative valuation

FY26-28E CAGR (%)	M.Cap INR b	MOSL Est			P/E (X)		EV/EBITDA (x)		EV/Sales (X)		RoE (%)	
		Sales	EBITDA	PAT	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E	FY25	FY28E
VMM	565	19.0	23.4	25.4	56.2	42.8	35.9	27.5	3.0	2.5	13.5	14.8
V-Mart	52	17.2	23.3	26.9	33.0	25.6	18.3	14.3	1.2	1.0	15.1	16.7
Value Retailers		18.1	23.4	26.1	44.6	34.2	27.1	20.9	2.1	1.8	14.3	15.7
D-Mart	2,837	19.1	18.4	19.0	80.1	67.5	49.2	41.8	2.9	2.4	14.0	14.5
Trent	1,441	20.7	19.3	16.6	72.0	60.8	44.2	36.5	4.9	4.0	26.9	27.4
ABLBL	128	8.9	8.6	24.2	44.6	40.0	16.6	15.4	1.2	1.1	19.1	22.4
Manyavar	107	6.5	8.9	5.8	27.9	25.3	20.0	17.2	5.5	4.8	19.0	19.5
Arvind fashions	58	12.0	27.4	33.0	33.7	26.4	15.1	12.5	0.9	0.8	18.4	19.6
Traditional retailers		10.7	15.9	5.1	41.3	35.4	25.8	22.0	3.0	2.7	16.4	17.3
Metro	285	15.3	15.9	12.9	62.4	55.8	39.3	34.2	8.3	7.2	22.4	23.6
Bata	90	4.5	21.3	22.5	38.1	31.1	18.9	15.8	2.1	2.0	12.7	15.4
Campus	73	12.4	20.3	18.5	42.8	35.3	25.1	20.6	3.5	3.1	17.9	18.2
Relaxo	72	5.8	18.1	23.3	35.8	30.6	19.7	16.9	2.3	2.1	8.7	9.5
Footwear		9.5	18.9	19.3	44.8	38.2	25.8	21.9	4.0	3.6	15.4	16.7

Source: Company, MOFSL

Exhibit 4: Quarterly performance

Consol P&L (INR m)	4QFY25	3QFY26	4QFY26	YoY%	QoQ%	4QFY26E vs. est (%)	FY25	FY26	YoY	
Total Revenue	25,479	36,704	31,141	22.2%	-15.2%	30,630	1.7%	1,07,163	1,29,063	20%
Raw Material cost	18,277	26,039	22,469	22.9%	-13.7%	21,941	2.4%	76,636	92,382	21%
Gross Profit	7,201	10,665	8,672	20.4%	-18.7%	8,689	-0.2%	30,527	36,681	20%
Gross margin (%)	28.3%	29.1%	27.8%	-42 bp	-121 bp	28.4%	-52 bp	28.5%	28.4%	-7 bp
Employee Costs	1,673	1,921	1,890	12.9%	-1.6%	1,934	-2.3%	6,406	7,283	14%
Other expenses	1,957	2,692	2,535	29.5%	-5.8%	2,258	12.3%	8,820	10,561	20%
EBITDA	3,571	6,051	4,248	18.9%	-29.8%	4,497	-5.5%	15,302	18,836	23%
EBITDA margin (%)	14.0%	16.5%	13.6%	-38 bp	-285 bp	14.7%	-104 bp	14.3%	14.6%	32 bp
Depreciation and amortization	1,707	1,676	1,776	4.0%	5.9%	1,811	-2.0%	5,902	6,734	14%
EBIT	1,864	4,375	2,472	32.6%	-43.5%	2,686	-8.0%	9,399	12,102	29%
EBIT margin (%)	7.3%	11.9%	7.9%	62	-398	8.8%	-83	8.8%	9.4%	61
Finance Costs	493	427	464	-5.9%	8.7%	438	6.0%	1,492	1,715	15%
Other income	186	246	245	31.6%	-0.3%	259	-5.3%	586	863	47%
Profit before Tax	1,557	4,194	2,253	44.7%	-46.3%	2,507	-10.1%	8,493	11,250	32%
Tax	406	1,065	574	41.2%	-46.1%	631	-9.0%	2,173	2,858	31%
Tax rate (%)	26.1%	25.4%	25.5%			25.2%		25.6%	25.4%	
Profit after Tax	1,151	3,129	1,679	45.9%	-46.3%	1,876	-10.5%	6,320	8,392	33%

Exhibit 5: Key operational metrics

	4QFY25	3QFY26	4QFY26	YoY%	QoQ
SSSG (%)	13.7	7.5	13.2		
Store Count	696	771	795	14.2%	3.1%
Retail Area (m sq ft)	12.2	13.2	13.5	10.6%	2.3%
Pre-IND AS EBITDA	1,905	4,542	2,646	38.9%	-41.8%
% Margin	7.5	12.4	8.5	102	-388
Category wise revenue (INR b)					
Apparel	10,566	16,367	13,270	25.6%	-18.9%
General Merch	7,332	10,476	9,074	23.8%	-13.4%
FMCG	7,507	9,739	8,647	15.2%	-11.2%
Category Mix (%)					
Apparel	41.5	44.6	42.6	114	-198
General Merch	29.5	26.5	27.8	-170	123
FMCG	28.8	28.5	29.1	36	60
Revenue (INR b)					
Own Brands		27,222	22,726		
Third-Party		9,482	8,415		
Mix (%)					
Own Brands		74.2	73.0		
Third-Party		25.8	27.0		

Exhibit 6: Key assumptions for VMM

Key assumptions	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
EoP stores	501	557	611	696	795	900	1,010
Net store additions		56	54	85	99	105	110
EoP retail area (msf)	9.1	10.2	11.0	12.2	13.5	14.8	16.2
YoY		11.3	8.1	10.5	10.6	10.1	9.7
SSSG (%)	11.9	25.2	13.6	12.3	11.0	10.5	10.0
Revenue (INR b)	56	76	89	107	129	154	183
YoY		36	17	20	20	19	18
Rev/sqft (INR)		7,853	8,415	9,251	10,078	10,911	11,765
Gross margin (%)	28.2	27.2	27.7	28.5	28.4	28.0	28.5
EBITDA (INR b)	8.0	10.2	12.5	15.3	18.8	22.1	27.4
EBITDA margin (%)	14.4	13.5	14.0	14.3	14.6	14.4	15.0
Pre-IND AS EBITDA (INR b)	4.2	5.5	7.4	9.7	12.6	15.0	19.2
Pre-IND AS margin (%)	7.5	7.3	8.3	9.1	9.8	9.7	10.5
PAT	2.0	3.2	4.6	6.3	8.4	10.1	13.2
Capex (INR b)	1.6	2.2	2.5	2.6	3.2	3.1	3.4
Capex /sqft		2,119	3,007	2,280	2,523	2,306	2,343

Exhibit 7: Summary of our estimate changes

Particulars	FY26	FY27E	FY28E
Revenue (INR m)			
Old		1,52,767	1,79,892
Actual/New	1,29,063	1,54,194	1,82,710
Change (%)		0.9	1.6
Gross Profit (INR m)			
Old		43,610	51,353
Actual/New	36,681	43,176	51,983
Change (%)		-1.0	1.2
Gross Margin (%)			
Old		28.5	28.5
Actual/New	28.4	28.0	28.5
Change (bp)		-54.6	-9.6
EBITDA (INR m)			
Old		22,910	27,248
Actual/New	18,836	22,128	27,408
Change (%)		-3.4	0.6
EBITDA margin (%)			
Old		15.0	15.1
Actual/New	14.6	14.4	15.0
Change (bp)		-64.6	-14.6
Net Profit (INR m)			
Old		10,533	12,938
Actual/New	8,392	10,055	13,192
Change (%)		-4.5	2.0
EPS (INR/share)			
Old		2.3	2.8
Actual/New	1.8	2.2	2.8
Change (%)		-4.5	2.0


Detailed takeaways from the management commentary

- **Demand trends** remain healthy with improving consumption trends driven by benefits from GST and income tax rate rationalization. Emerging inflationary pressures could create near-term demand headwinds, particularly on input costs and overall household budgets. However, downtrading trends are likely to support VMM, given its private-label-led value positioning and structurally lower pricing versus national brands.
- **SSSG** remained strong at ~11% for FY26, driven by market-share gains. Management indicated that new customer additions contributed ~7% to growth, with ~2% each from higher units per bill and higher ticket size (premiumization), indicating both expanding customer base and improving basket mix.
- **Growth was broad-based** across price points, with entry-price merchandise up ~11.1%, mid-tier ~13.6%, and premium/high-fashion up ~14.7%, reflecting sustained demand strength. Mix continues to shift towards higher-fashion categories, supported by sharper merchandising and stronger brand engagement, without diluting value positioning.
- **Vendor-side disruptions** linked to gas availability and temporary labor shortages impacted sourcing to an extent, though supply conditions are gradually normalizing as vendors shift towards alternate energy sources and labor availability improves.
- **Input-cost inflation** is rising, particularly in petroleum-linked inputs, with fabric prices up ~10–11%. Pricing actions are expected to remain selective, focused on

higher-fashion categories, while entry price points will remain unchanged. Margins will be cushioned through cost efficiency measures and private-label strength (will look to maintain current discount levels to leading brands).

- **Store expansion** is unlikely to slow despite macro uncertainty, with weaker industry conditions potentially creating opportunities to accelerate market-share gains while smaller regional players face balance-sheet pressure.
- **Private-label mix** enables VMM to absorb inflation while sustaining pricing discount vs. national brands (30-50% across apparel and FMCG). The company intends to at least maintain, and potentially widen, its discount to branded peers.
- **Small-format stores and new states performance** remains comparable to larger format stores on revenue productivity, RoCE, and operating margins, supporting accelerated expansion into deeper markets (13 small format stores at end-FY26). Early performance in Kerala has been ahead of expectations, and pilot stores in Gujarat and Maharashtra have been broadly in line with network averages despite minor format adjustments due to higher costs in these markets.
- **Gross margin** compression during the quarter was largely tactical, driven by aggressive liquidation of aged inventory ahead of the spring-summer season to improve freshness and full-price sell-through going forward.

Story in charts

Exhibit 8: Revenue grew ~22% YoY, driven by ~13.2% adj. SSSG

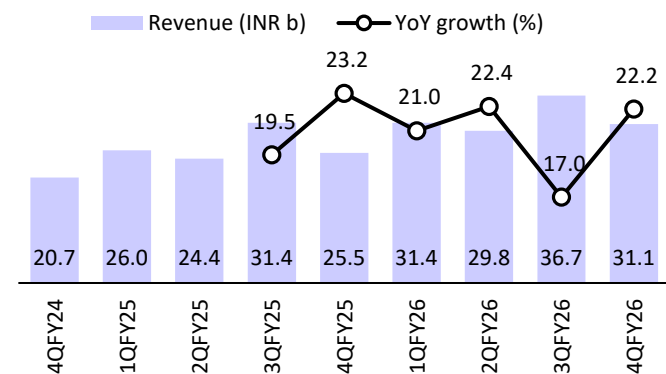


Exhibit 9: GM dipped 40bp YoY to 27.8%

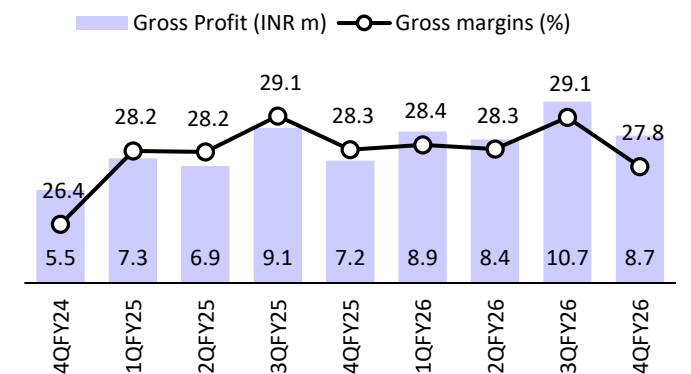


Exhibit 10: Pre-IND AS EBITDA margins expanded ~100bp YoY

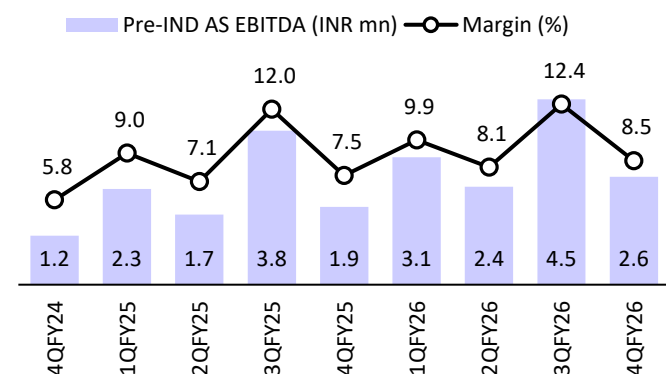


Exhibit 11: Healthy improvement in profitability continued

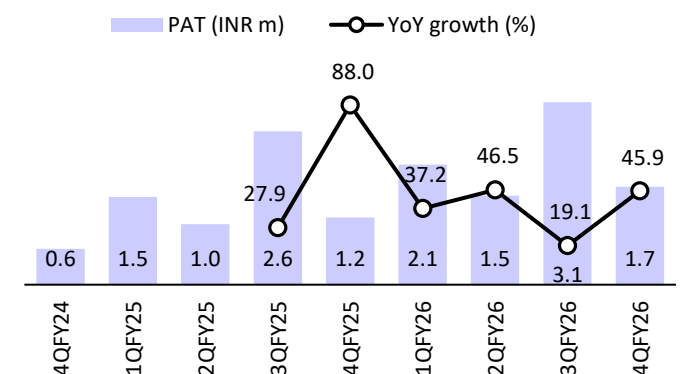
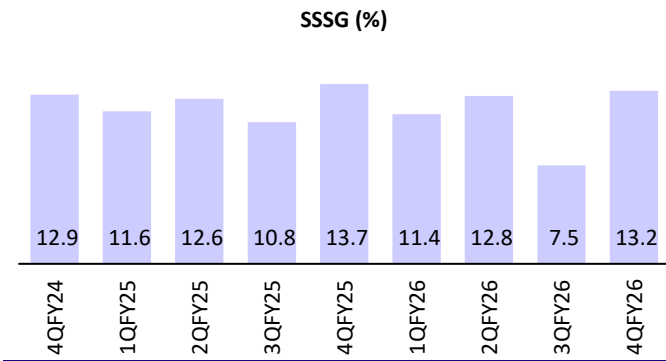
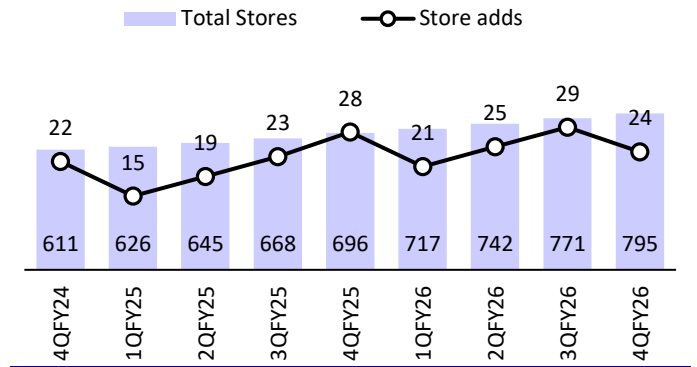


Exhibit 12: Adj SSSG came in at 13.2%



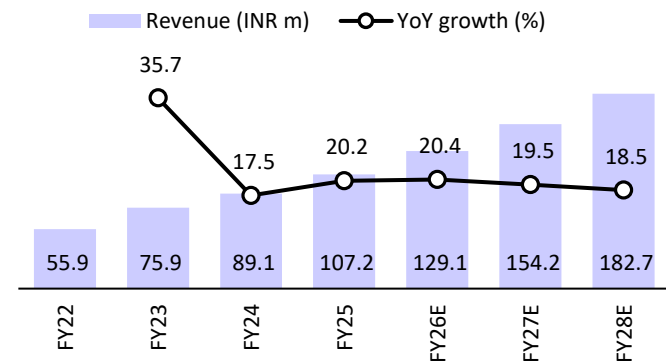
Source: Company, MOFSL

Exhibit 13: Opened 24 net new stores; total store count reached 795



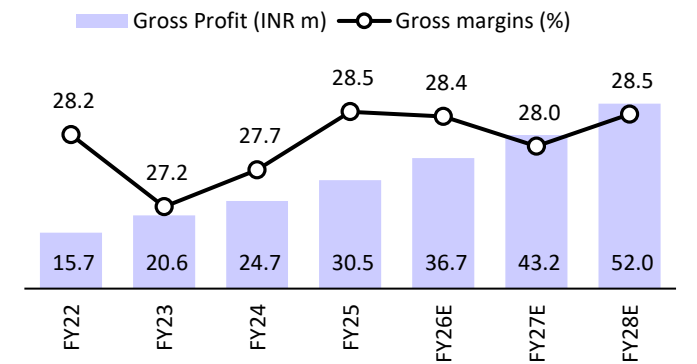
Source: Company, MOFSL

Exhibit 14: Expect 19% revenue CAGR over FY26-28



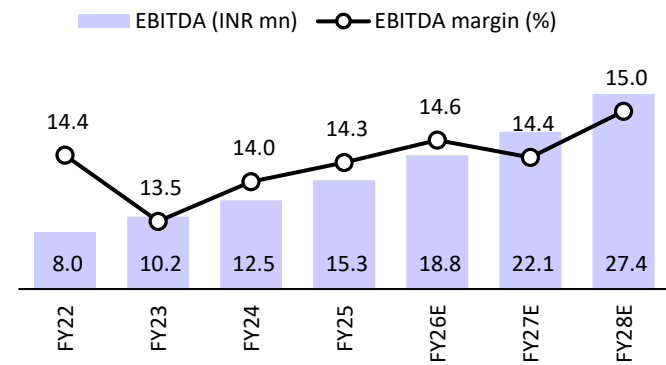
Source: Company, MOFSL

Exhibit 15: Expect a slight moderation in GM due to inflationary pressures



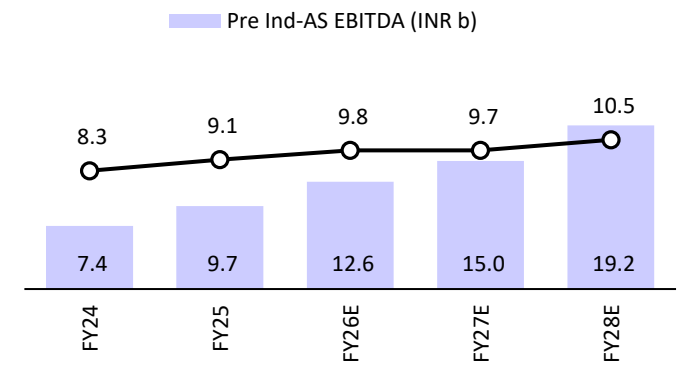
Source: Company, MOFSL

Exhibit 16: Expect 21% EBITDA CAGR over FY26-28



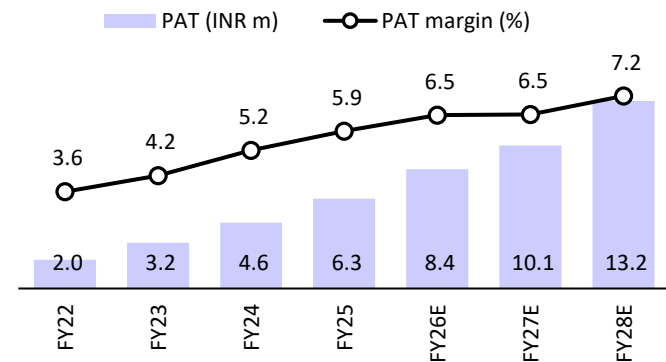
Source: Company, MOFSL

Exhibit 17: Expect 23% Pre-Ind AS EBITDA CAGR over FY26-28



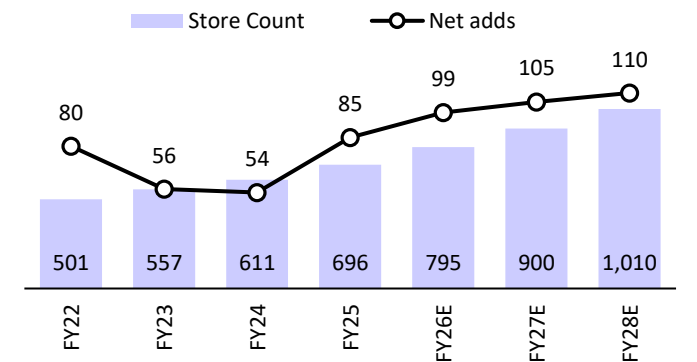
Source: Company, MOFSL

Exhibit 18: Expect 25% PAT CAGR over FY26-28



Source: Company, MOFSL

Exhibit 19: Store adds to remain robust



Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement

	INRm						
Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Total Income from Operations	55,885	75,860	89,119	1,07,163	1,29,063	1,54,194	1,82,710
Change (%)	25.5	35.7	17.5	20.2	20.4	19.5	18.5
Raw Materials	40,146	55,263	64,461	76,636	92,382	1,11,018	1,30,728
Gross Profit	15,739	20,597	24,659	30,527	36,681	43,176	51,983
Margin (%)	28.2	27.2	27.7	28.5	28.4	28.0	28.5
Employees Cost	3,377	4,318	5,047	6,406	7,283	8,558	9,958
Other Expenses	4,325	6,074	7,126	8,820	10,561	12,490	14,617
Total Expenditure	47,848	65,655	76,633	91,862	1,10,227	1,32,066	1,55,302
% of Sales	85.6	86.5	86.0	85.7	85.4	85.6	85.0
EBITDA	8,037	10,205	12,486	15,302	18,836	22,128	27,408
Margin (%)	14.4	13.5	14.0	14.3	14.6	14.4	15.0
Depreciation	4,056	4,614	5,173	5,902	6,734	8,024	9,470
EBIT	3,981	5,591	7,313	9,399	12,102	14,104	17,938
Int. and Finance Charges	1,938	1,614	1,435	1,492	1,715	1,938	2,172
Other Income	653	329	332	586	863	1,271	1,863
PBT bef. EO Exp.	2,696	4,305	6,210	8,493	11,250	13,437	17,629
PBT after EO Exp.	2,696	4,305	6,210	8,493	11,250	13,437	17,629
Total Tax	669	1,093	1,590	2,173	2,858	3,382	4,437
Tax Rate (%)	24.8	25.4	25.6	25.6	25.4	25.2	25.2
Reported PAT	2,028	3,213	4,619	6,320	8,392	10,055	13,192
Adjusted PAT	2,028	3,213	4,619	6,320	8,392	10,055	13,192
Change (%)	71.0	58.4	43.8	36.8	32.8	19.8	31.2
Margin (%)	3.6	4.2	5.2	5.9	6.5	6.5	7.2

Balance Sheet

	INRm						
Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	45,033	45,066	45,087	45,974	46,731	46,731	46,731
Total Reserves	3,219	6,495	11,131	18,039	27,401	37,456	50,648
Net Worth	48,252	51,561	56,218	64,013	74,133	84,187	97,379
Total Loans	17,895	14,616	14,834	17,294	19,880	22,805	25,430
Net Deferred Tax Liabilities/ (Asset)	-1,978	-2,139	-2,221	-2,464	-975	-975	-975
Capital Employed	64,169	64,038	68,831	78,843	93,038	1,06,018	1,21,835
Net Fixed Assets	15,048	16,000	18,914	22,407	25,803	29,000	31,554
Goodwill on Consolidation	42,976	42,926	42,918	42,941	43,014	43,028	43,038
Capital WIP	111	685	383	136	336	336	336
Total Investments	4,987	1,229	855	4,791	12,273	12,273	12,273
Curr. Assets, Loans&Adv.	16,921	19,759	19,769	27,191	30,202	44,382	61,748
Inventory	12,160	14,907	14,650	18,503	20,170	25,347	30,035
Account Receivables	23	42	317	664	278	332	394
Cash and Bank Balance	2,158	1,692	1,189	4,637	5,949	14,169	25,958
Other Current Assets	2,506	2,958	3,565	3,341	3,746	4,475	5,303
Loans and Advances	74	160	48	46	58	58	58
Curr. Liability & Prov.	15,875	16,561	14,009	18,624	18,590	23,000	27,114
Account Payables	14,606	15,008	12,200	14,786	16,188	20,278	24,028
Other Current Liabilities	634	844	1,311	3,249	1,645	1,965	2,329
Provisions	635	710	497	589	757	757	757
Net Current Assets	1,046	3,198	5,760	8,567	11,611	21,381	34,634
Appl. of Funds	64,169	64,038	68,831	78,843	93,038	1,06,018	1,21,835

Financials and valuations

Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)							
EPS	0.5	0.7	1.0	1.4	1.8	2.2	2.8
Cash EPS	1.4	1.7	2.2	2.7	3.2	3.9	4.8
BV/Share	10.7	11.4	12.5	13.9	15.9	18.0	20.8
DPS	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
Valuation (x)							
P/E	264.3	166.9	116.2	86.6	66.3	55.3	42.2
Cash P/E	88.1	68.5	54.8	44.8	36.8	30.8	24.5
P/BV	11.1	10.4	9.5	8.5	7.5	6.6	5.7
EV/Sales	9.9	7.5	6.4	5.2	4.4	3.7	3.0
EV/EBITDA	68.6	53.8	44.1	36.6	30.3	25.5	20.3
Dividend Yield (%)	NA	NA	NA	NA	NA	NA	NA
FCF per share	0.1	-0.2	0.1	1.2	2.4	1.5	2.1
Return Ratios (%)							
RoE	4.3	6.4	8.6	10.5	12.1	12.7	14.5
RoCE	4.6	6.3	7.9	9.2	10.3	10.5	11.7
RoIC	5.4	7.1	8.6	10.3	12.6	13.7	16.5
Working Capital Ratios							
Fixed Asset Turnover (x)	3.7	4.7	4.7	4.8	5.0	5.3	5.8
Asset Turnover (x)	0.9	1.2	1.3	1.4	1.4	1.5	1.5
Inventory (Days)	79	72	60	63	57	60	60
Debtor (Days)	0	0	1	2	1	1	1
Creditor (Days)	95	72	50	50	46	48	48
Net WC days	-16	0	11	15	12	13	13
Leverage Ratio (x)							
Current Ratio	1.1	1.2	1.4	1.5	1.6	1.9	2.3
Interest Cover Ratio	2.1	3.5	5.1	6.3	7.1	7.3	8.3
Net Debt/Equity	0.2	0.2	0.2	0.1	0.0	0.0	-0.1

Cash Flow Statement

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
							INRm
OP/(Loss) before Tax	2,696	4,305	6,210	8,493	11,250	13,437	17,629
Depreciation	4,056	4,614	5,173	5,902	6,734	8,024	9,470
Interest & Finance Charges	1,938	1,614	1,435	1,492	1,715	1,938	2,172
Direct Taxes Paid	-700	-1,245	-1,497	-2,400	-3,255	-3,382	-4,437
(Inc)/Dec in WC	-1,419	-2,934	-3,024	503	-232	-1,550	-1,463
CF from Operations	6,571	6,355	8,297	13,991	16,213	17,196	21,508
Leases and interest paid	-4,600	-5,028	-5,266	-5,683	-1,715	-7,100	-8,231
CF from Operating incl EO	1,971	1,327	3,030	8,308	14,498	10,096	13,277
(Inc)/Dec in FA	-1,575	-2,187	-2,494	-2,638	-3,249	-3,148	-3,350
Free Cash Flow	397	-860	537	5,669	11,249	6,949	9,927
(Pur)/Sale of Investments	1,800	3,909	1,086	-3,563	-6,727	-	-
Others	47	51	107	97	96	1,271	1,863
CF from Investments	272	1,773	-1,301	-6,105	-9,879	-1,877	-1,487
Issue of Shares	222	22	18	897	1,241	-	-
Inc/(Dec) in Debt	-2,727	-3,639	-1,333	-	-4,529	-	-
Others	-	-	-	667	-	-	-
CF from Fin. Activity	-2,505	-3,617	-1,315	1,564	-3,288	-	-
Inc/Dec of Cash	-262	-517	415	3,767	1,331	8,219	11,790
Opening Balance	1,234	972	455	870	4,619	5,949	14,169
Closing Balance	972	455	870	4,637	5,949	14,169	25,958

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