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Financial Services

3 August 2026
1QFY27 Results Update | Sector: Retail

Aditya Birla Lifestyle Brands

Estimate changes	↔
TP change	↓
Rating change	↔

Bloomberg	ABLBL IN
Equity Shares (m)	1221
M.Cap.(INRb)/(USDb)	117.1 / 1.2
52-Week Range (INR)	151 / 88
1, 6, 12 Rel. Per (%)	-4/-11/-31
12M Avg Val (INR M)	248

Financials & Valuations (INR b)

Y/E March	FY27E	FY28E	FY29E
Sales	90.9	98.4	105.8
EBITDA	14.7	16.3	17.8
Adj. PAT	2.6	3.0	3.4
EBITDA Margin (%)	16.2	16.5	16.8
Adj. EPS (INR)	2.2	2.5	2.8
BV/Sh. (INR)	13.2	14.9	16.8
Ratios			
Net D:E	1.6	1.3	0.9
RoE (%)	17.4	17.5	17.8
RoCE (%)	13.2	13.7	14.5
Valuations			
P/E (x)	44.3	38.9	33.9
EV/EBITDA (x)	9.7	8.6	7.6
EV/Sales (x)	1.6	1.4	1.3
Div. Yield (%)	0.8	1.0	1.3

Shareholding pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	46.6	46.6	46.6
DII	20.8	20.3	11.0
FII	13.2	13.3	23.0
Others	19.4	19.9	19.5

FII includes depository receipts

CMP: INR96 **TP: INR105 (+9%)** **Neutral**

Steady 1Q; consistent double-digit growth and margin expansion key to re-rating

- ABLBL reported 11% YoY revenue growth (though weaker vs. ~16% YoY for Arvind Fashions), supported by robust ~19% YoY growth in Emerging brands. Lifestyle brands' revenue grew ~10% YoY, driven by 7% retail LTL and strong performance in E-com.
- Gross margin contracted ~155bp YoY to 61% (~135bp miss), due to adverse channel mix and higher inventory provisioning. However, it was largely offset by operating leverage on employee and rental costs, leading to ~17% YoY EBITDA growth and ~75bp YoY margin expansion to 15.1% (~55bp beat).
- Management continues to target 150-200 net store additions (~5-6% network growth), which, coupled with sustainable 7-8% retail LTL growth, should support early double-digit growth for ABLBL.
- We fine-tune our FY27-28 estimates and model a CAGR of 8%/10%/18% in revenue/EBITDA/adj. PAT over FY26-29.
- **We reiterate our Neutral rating with a revised TP of INR105,** premised on ~15x Sep'28E pre-Ind AS EV/EBITDA.
- Consistent double-digit revenue growth, along with improved profitability in emerging brands, remains the key catalyst for a potential re-rating.

Revenue in line; Lifestyle brands' margin slightly better than our estimate

- Revenue at INR20.5b **grew 11% YoY** (in line), though it remained weaker than the ~16% YoY growth reported by Arvind Fashions.
  - Lifestyle Brands grew 10% YoY, driven by 7% retail LTL growth and strong growth in the E-com channel.
  - Emerging brands delivered 19% YoY growth, driven by robust growth in Reebok and Van Heusen Innerwear.
  - The company's presence expanded to 3,362 brand stores (~14 net store additions in 1Q).
- Gross profit rose ~8% YoY to INR12.5b (vs. our est. INR12.7b) as gross margin contracted ~155bp YoY to 61% (~135bp miss).
- Other expenses rose ~8% YoY, while employee (up 6% YoY) and rental expenses (1% YoY) were contained and led to operating leverage.
- Reported EBITDA at INR3.1b grew ~17% YoY (vs. our est. INR2.96b) as EBITDA margin expanded ~75bp YoY to 15.1% (55bp beat).
  - Lifestyle Brands' EBITDA grew 12% YoY to INR3.2b, with margin improving 40bp YoY (50bp beat) to 18.5%.
  - Emerging brands' EBITDA rose to INR140m (vs. INR40m YoY), with margins expanding ~240bp YoY to 4.2% (~80bp miss).
- Depreciation grew 18% YoY, while interest cost declined ~2% YoY. Other income also declined ~18% YoY.
- Reported PAT at INR290m grew ~21% YoY but came in ~12% below our estimates due to higher depreciation, finance costs, and lower other income.

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Key highlights from the management commentary

- **Demand trends** remained broadly consistent with 4Q, with consumer traction remaining healthy across categories and channels. Occasion wear saw slight moderation, primarily due to Adhikmaas, which temporarily impacted demand during the peak wedding period. Management remains cautious about inflationary pressures on household budgets but has not seen any meaningful shift in the demand momentum so far.
- **RM inflation** had a minimal impact during 1QFY27, and the ~155bp gross margin contraction was largely due to adverse channel mix and slightly higher inventory provisioning. Management expects a 3-4% cost increase in 2HCY26, driven by raw material prices, higher logistics costs, and an increase in minimum wages in some states. The company expects to address a large part of the increase through calibrated price hikes, productivity gains, and cost rationalization.
- **Outlook:** Closures remained elevated in 1Q (68 gross, 16 net store openings). However, management expects the pace of store additions to pick up in 2H, with a target of adding ~150-200 net stores in FY27. It expects ~5-6% area growth and ~7-8% steady-state LTL to aid early double-digit revenue growth for ABLBL.
- **Reebok:** The growth remains robust with the doubling of revenue over the last 3.0-3.5 years since the acquisition. Management expects the revenue to potentially further double in the coming 3-3.5 years, driven by expansion in the retail network (~200 stores currently), wholesale channel, and small town foray through a differentiated proposition.

Valuation and view

- ABLBL combines scaled and highly profitable lifestyle brands with a portfolio of currently sub-scale but high-potential emerging brands, offering a balanced mix of steady cash generation with levers for growth and margin expansion.
- We expect an ~8% CAGR in overall revenue over FY26-29, driven by ~165 net annual store additions, mid-single-digit LTL, and scale-up of emerging brands.
- We build in a CAGR of ~10%/18% in overall reported EBITDA/adj. PAT, aided by ~85bp blended reported EBITDA margin expansion over FY26-29. Improved profitability of emerging brands remains the key driver of margin expansion.
- We expect ABLBL to generate a cumulative OCF of ~INR17b and FCF of ~INR8b over FY26-29, which should provide headroom for increasing shareholder payouts while deleveraging the balance sheet (INR7.3b net debt in FY26).
- **We reiterate our Neutral rating with a revised TP of INR105 (earlier INR110), based on 15x Sep'28E pre-Ind AS EV/EBITDA.**
- Consistent double-digit revenue growth, along with improved profitability in emerging brands, remains the key catalyst for a potential re-rating.

Our TP of INR105 is premised on ~15x Sep'28E pre-IND AS EV/EBITDA

Sep'28E (INR b)	EBITDA/Revenue	Multiple	EV	EV/share
Lifestyle Brands EBITDA	17.2	8	136	111
Emerging Brands revenue	17.0	1	17	14
ABLBL EV	**17.0**	**9**	**153**	**125**
Net debt (inc. leases)			25	20
ABLBL equity value			**128**	**105**
Share count (m)			1,220	
ABLBL TP			**105**	

Quarterly earnings summary

Y/E March	FY26				FY27E				FY26	FY27	FY27	Est
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	Var (%)
Revenue	**18,406**	**20,379**	**23,432**	**21,742**	**20,457**	**21,151**	**26,222**	**23,086**	**83,958**	**90,916**	**20,390**	**0.3**
YoY Change (%)	3.1	10.0	11.4	11.9	11.1	3.8	11.9	6.2	7.2	8.3		
Total Expenditure	15,775	17,212	19,314	18,218	17,377	17,844	21,601	19,358	70,518	76,175	17,433	**-0.3**
EBITDA	**2,631**	**3,167**	**4,118**	**3,523**	**3,081**	**3,307**	**4,622**	**3,728**	**13,440**	**14,742**	**2,957**	**4.2**
Change, YoY (%)	-2.1	12.7	23.6	14.1	17.1	4.4	12.2	5.8	12.8	9.7		
Depreciation	1,725	2,090	2,037	2,103	2,041	2,092	2,197	2,559	7,954	8,889	1,993	
Interest	850	978	954	863	833	755	936	722	3,644	3,246	751	
Other Income	225	211	191	224	185	222	238	274	851	919	230	
PBT before EO expense	**282**	**311**	**1,318**	**781**	**392**	**681**	**1,727**	**721**	**2,692**	**3,526**	**443**	**-11.5**
Extra-Ord expense	0	0	-413	-77	0	0	0	0	-490	0	0	
PBT	**282**	**311**	**905**	**704**	**392**	**681**	**1,727**	**721**	**2,202**	**3,526**	**443**	**-11.5**
Tax	41	76	215	159	102	171	435	180	492	887	111	
Rate (%)	14.6	24.6	23.8	22.6	25.9	25.2	25.2	24.9	22.3	25.2	25.2	
Reported PAT	**241**	**234**	**690**	**545**	**290**	**510**	**1,292**	**542**	**1,711**	**2,638**	**331**	**-12.4**
Adj PAT	**241**	**234**	**999**	**603**	**290**	**510**	**1,292**	**542**	**2,077**	**2,638**	**331**	**-12.4**
YoY Change (%)	4.6	-39.7	49.4	269.8	20.6	117.4	29.3	-10.2	56.0	27.0		

Segment-wise result summary

Lifestyle Brands:

- Revenue at INR17.3b **grew 10% YoY** (vs. our est. INR17b).
  - **Retail** grew ~9% YoY, driven by 7% LTL growth (vs. 4% LTL in 4QFY26). Total network reached 2,950+ stores across 4.5m sqft.
  - **Wholesale** performance was adversely impacted by lower primary sales, while secondary sales remained healthy.
  - **E-Commerce** grew ~20% YoY, with own e-commerce business rising 50%+ YoY.
- **EBITDA** stood at INR 3.2b (up 12% YoY, our est. INR3.1b).
  - **EBITDA margin** at 18.5% inched up ~40bp YoY (50bp beat).

Emerging brands (Reebok, American Eagle, and Van Heusen Innerwear):

- Revenues at INR3.3b surged ~19% YoY, led by strong ~11% retail LTL growth (vs. 16% LTL in 4QFY26) and 30%+ YoY growth in E-com.
- EBITDA stood at INR140m (vs. INR40m YoY, though lower vs. our estimate of INR175m) as margin expanded ~240bp YoY to 4.3% (~80bp miss), driven by scale benefits.
- The company has reclassified the performance of its subsidiary, ABGL, from Emerging Brands to Lifestyle Brands, resulting in the performance not being like-for-like compared to our estimates.

Exhibit 1: Quarterly performance

ABLBL (INR m)	1QFY26	4QFY26	1QFY27	YoY%	QoQ%	1QFY27E	vs. est
Revenue	**18,406**	**21,742**	**20,457**	***11.1***	***-5.9***	**20,390**	***0.3***
Raw Material cost	6,883	8,805	7,968	*15.8*	*-9.5*	7,667	*3.9*
Gross Profit	**11,523**	**12,937**	**12,489**	***8.4***	***-3.5***	**12,723**	***-1.8***
Gross margin (%)	**62.6**	**59.5**	**61.0**	***-155bps***	***155bps***	**62.4**	***-135bps***
Employee Costs	2,346	2,403	2,486	*6.0*	*3.5*	2,488	*-0.1*
Rent	1,905	1,863	1,925	*1.1*	*3.3*	2,039	*-5.6*
SGA Expenses	4,641	5,148	4,997	*7.7*	*-2.9*	5,240	*-4.6*
Total	**8,891**	**9,413**	**9,408**	***5.8***	***-0.1***	**9,766**	***-3.7***
EBITDA	**2,631**	**3,523**	**3,081**	***17.1***	***-12.6***	**2,957**	***4.2***
EBITDA margin (%)	***14.3***	***16.2***	***15.1***	***76bps***	***-115bps***	***14.5***	***56bps***
Depreciation and amortization	1,725	2,103	2,041	*18.3*	*-2.9*	1,993	*2.4*
EBIT	906	1,421	1,040	*14.7*	*-26.8*	964	*7.8*
EBIT margin (%)	*4.9*	*6.5*	*5.1*	*16bps*	*-145bps*	*4.7*	*35bps*
Finance Costs	850	863	833	*-2.0*	*-3.5*	751	*10.8*
Other income	225	224	185	*-18.1*	*-17.4*	230	*-19.7*
Exceptional item	0	-77	*0*				
Profit before Tax	**282**	**704**	**392**	***39.0***	***-44.4***	**443**	***-11.5***
Tax	41	159	102	*147.0*		111	*-8.9*
Tax rate (%)	*14.6*	*22.6*	*25.9*			*25.2*	
Profit after Tax	**241**	**545**	**290**	***20.6***	***-46.8***	**331**	***-12.4***
Adj Profit after Tax	**241**	**622**	**290**	***20.6***	***-53.4***	**331**	***-12.4***

Exhibit 2: Segment-wise performance

Segments	1QFY26	4QFY26	1QFY27	YoY%	QoQ%	1QFY27E	vs. est
Lifestyle Brands							
Revenue	**15,700**	**18,290**	**17,250**	***9.9***	***-5.7***	**17,018**	***1.4***
EBITDA	**2,850**	**3,660**	**3,190**	***11.9***	***-12.8***	**3,063**	***4.2***
% Margin	*18.2*	*20.0*	*18.5*	*34bps*	*-152bps*	*18.0*	*49bps*
Others (Reebok, AE, VH innerwear)							
Revenue	**2,790**	**3,560**	**3,320**	***19.0***	***-6.7***	**3,472**	***-4.4***
EBITDA	**50**	**150**	**140**	***180.0***	***-6.7***	**174**	***-19.4***
% Margin	*1.8*	*4.2*	*4.2*	*242bps*	*0bps*	*5.0*	*-78bps*

Source: MOFSL, Company

Detailed highlights from the management commentary

- **Demand trends** remained broadly consistent with 4Q, with consumer traction remaining healthy across categories and channels. Occasion wear saw slight moderation, primarily due to Adhikmaas, which temporarily impacted demand during the peak wedding period. Management remains cautious about inflationary pressures on household budgets but has not seen any meaningful shift in the demand momentum so far.
- **RM Inflation** had minimal impact during 1QFY27, and the ~155bp gross margin contraction was largely due to adverse channel mix and slightly higher inventory provisioning. Management expects a 3-4% cost increase in 2HCY26, driven by raw material prices, higher logistics costs, and an increase in minimum wages in some states. The company expects to address a large part of the increase through calibrated price hikes, productivity gains, and cost rationalization.
- **Outlook:** Closures remained elevated in 1Q (68 gross, 16 net store openings). However, management expects the pace of store additions to pick up in 2H, with a target of adding ~300 gross and ~150-200 net stores in FY27. Management expects ~5-6% network additions and ~7-8% steady-state LTL to aid early double-digit revenue growth for ABLBL.
- **Reebok:** The growth remains robust with doubling of revenue over the last 3-3.5 years, since the acquisition. Management expects the revenue to potentially further double in the coming 3-3.5 years, driven by expansion in retail network (~200 stores currently), wholesale channel and small town foray through a differentiated proposition. The share of apparel has risen from ~26-27% at the time of acquisition to ~33% currently, while women-wear presents a significant growth opportunity.
- **Small town growth and opportunity:** Management noted that small town stores grew faster than the overall network and attributed the strength to improved execution and better demand trends. It indicated that compared to ~500-550 stores, small towns currently contribute ~16% to overall revenue, which it expects to improve to 20%+ over the next three years. The company is tailoring retail formats, price propositions, and merchandise assortments to address different customer segments across these markets.
- **Retail Channel growth drivers:** Management believes that the company has been growing slightly ahead of the industry, supported by consistent high-single-digit LTL growth over the last several quarters. It highlighted continuous merchandise contemporization, improved store experience, and premiumization as the key growth drivers. Over the longer term, management indicated that around half of the growth could come through premiumization, with the remainder coming from other factors such as footfalls and price increases.
- **E-commerce:** After letting go of low-quality e-com growth for the past few years to focus on profitable growth, management now believes that e-com profitability is now very close to retail profitability and hence has accelerated the growth in e-com, without pursuing margin-dilutive growth on the back of heavy discounting.
- **Wholesale:** Primary sales were impacted by a slight delay in the festive period (~10–15 days). Management expects this to even out across 1Q and 2Q, as secondary sales remain strong.

- **Channel Mix:** Retail accounts for ~65% of sales mix for Lifestyle brands, while the Emerging Business portfolio has a slightly lower retail contribution. Wholesale and e-commerce have a relatively higher share in Emerging Brands, primarily due to Van Heusen Innerwear's large wholesale business and Reebok's meaningful e-commerce presence.
- **Marketing Investment:** Marketing spends stood at around 3.5% of sales during 1QFY27 (slightly lower vs. 1QFY26, which had large spends on IPL). The company has shifted its marketing primarily towards digital advertising now.
- **BIS:** It continues to remain a challenge, as factories require approval on an ongoing and annual basis. Reebok continues to operate with a couple of factories outside India, while simultaneously building a stronger domestic sourcing base. The company is also creating substitute Indian sourcing and vendors for international imports, while its current overseas factories remain BIS-certified.

Exhibit 3: Our estimate revisions

	FY26	FY27E	FY28E
Revenue (INR m)			
Old	91,058	98,790	-
Actual/New	90,916	98,443	1,05,759
Change (%)	-0.2	-0.4	-
EBITDA (INR m)			
Old	14,825	16,306	-
Actual/New	14,742	16,274	17,817
Change (%)	*-0.6*	*-0.2*	-
EBITDA margin (%)			
Old	16.3	16.5	-
Actual/New	16.2	16.5	16.8
Change (bp)	*-7*	*3*	-
Net Profit (INR m)			
Old	2,624	2,846	-
Actual/New	2,638	3,006	3,449
Change (%)	0.5	5.6	-
EPS (INR)			
Old	2.1	2.3	-
Actual/New	2.2	2.5	2.8
Change (%)	*0.5*	*5.6*	-

Story in charts

Exhibit 4: ABLBL's consol. revenue grew ~11% YoY

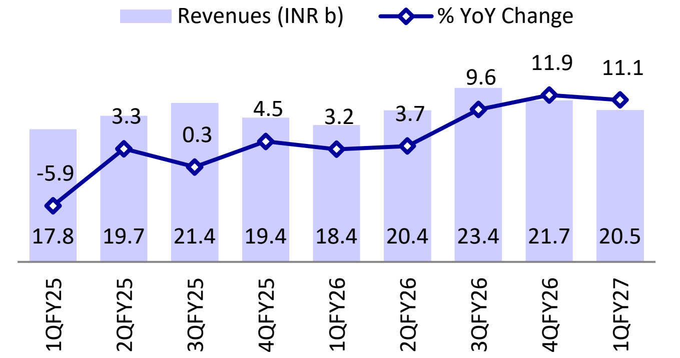


Exhibit 5: EBITDA up 17% YoY with ~75bp margin expansion

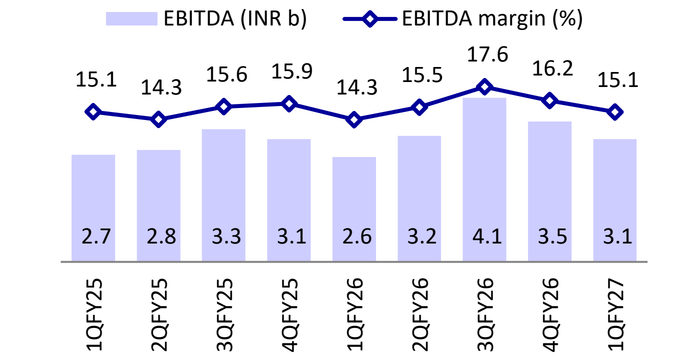


Exhibit 6: Lifestyle's revenue grew ~10% YoY

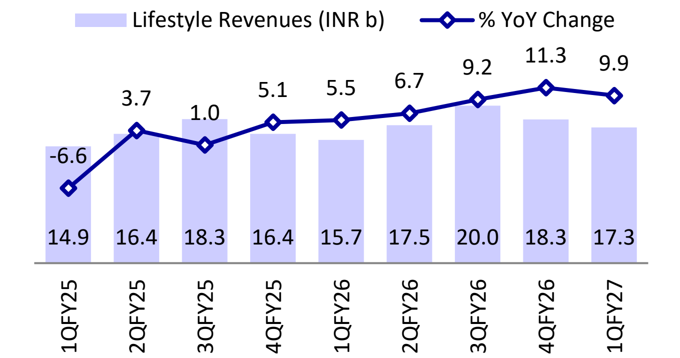


Exhibit 7: Lifestyle's EBITDA grew ~12% YoY

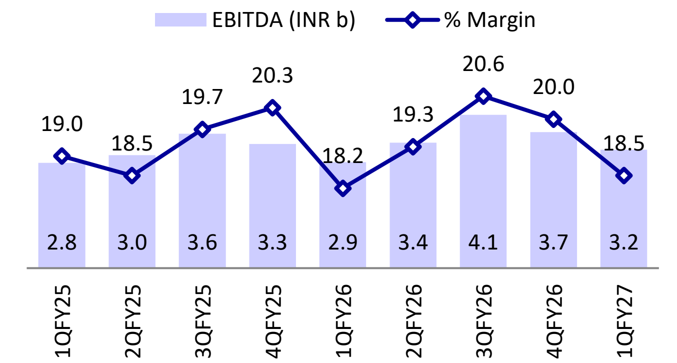


Exhibit 8: Emerging brands' revenue grew ~19% YoY

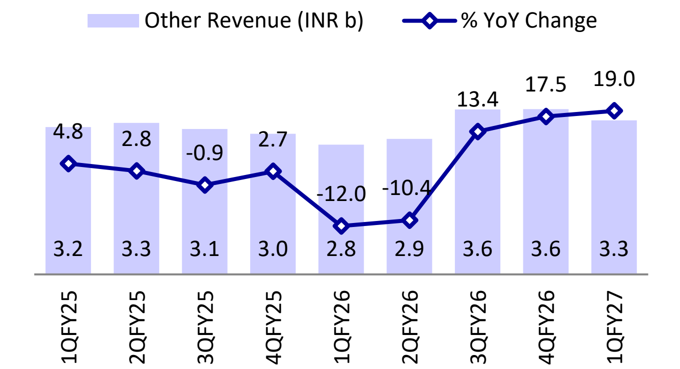


Exhibit 9: YoY EBITDA improvement continues

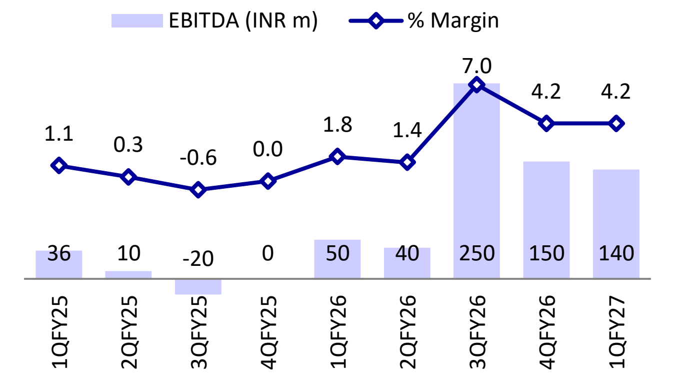


Exhibit 10: Lifestyle brands to record ~7-8% revenue and EBITDA CAGR over FY26-29E

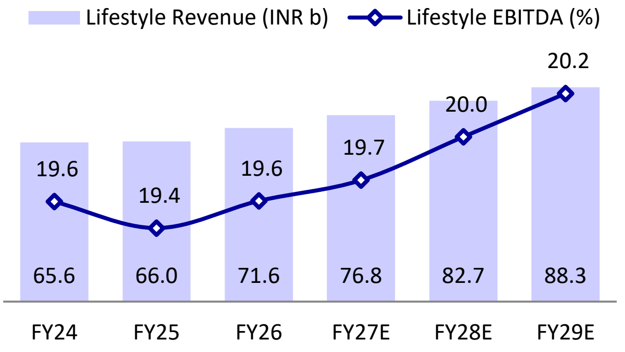


Exhibit 11: Expect ~12% revenue CAGR and a sharp margin expansion over FY26-29 for emerging brands

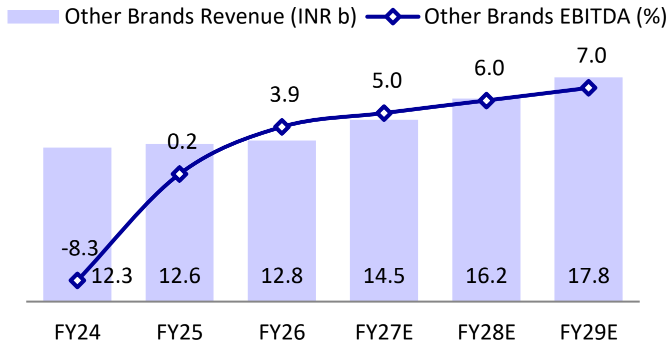


Exhibit 12: Expect ABLBL to deliver ~8% revenue CAGR over FY26-29

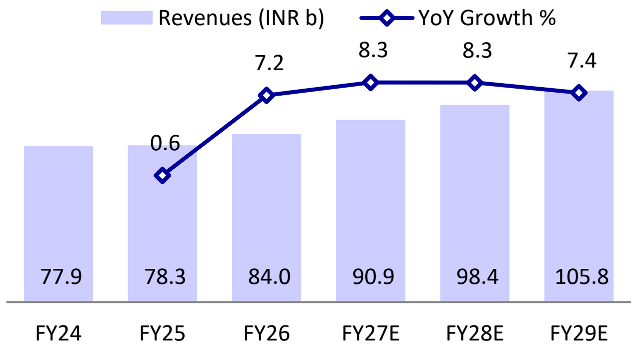


Exhibit 13: Expect ~8% CAGR in gross profit over FY26-29

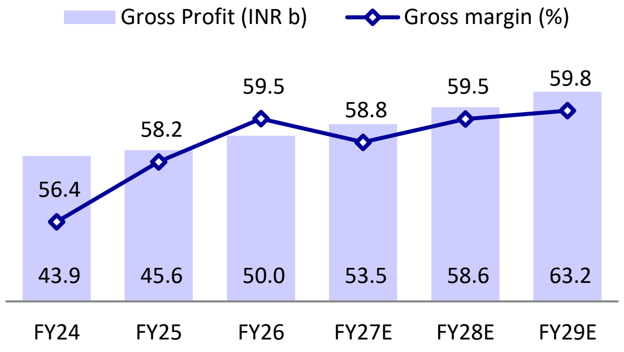


Exhibit 14: Expect ~10% reported EBITDA CAGR over FY26-29

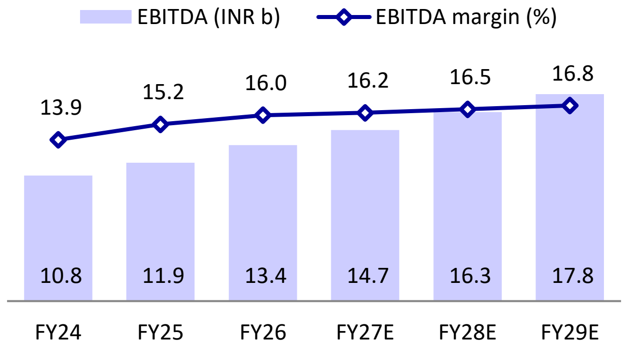
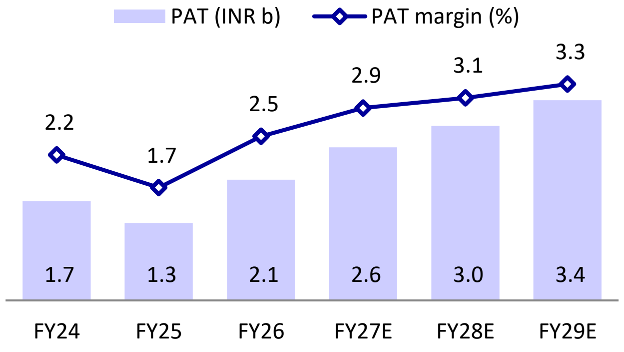


Exhibit 15: Adj. PAT to record ~18% CAGR over FY26-29E



Financials and valuations

Income Statement						(INR m)
Y/E March	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**	**FY29E**
Total Income from Operations	**77,860**	**78,300**	**83,958**	**90,916**	**98,443**	**1,05,759**
Change (%)		0.6	7.2	8.3	8.3	7.4
Raw Materials	33,947	32,720	33,994	37,458	39,869	42,568
Employees Cost	8,201	9,184	9,413	10,001	10,632	11,316
Rent	7,393	7,647	7,538	7,819	8,368	8,937
Other Expenses	17,498	16,831	19,573	20,897	23,300	25,121
Total Expenditure	**67,038**	**66,382**	**70,518**	**76,175**	**82,169**	**87,942**
EBITDA	**10,822**	**11,918**	**13,440**	**14,742**	**16,274**	**17,817**
Margin (%)	13.9	15.2	16.0	16.2	16.5	16.8
Depreciation	6,383	7,057	7,954	8,889	10,254	11,472
EBIT	**4,439**	**4,860**	**5,486**	**5,853**	**6,020**	**6,344**
Int. and Finance Charges	3,249	3,820	3,644	3,246	2,996	2,807
Other Income	999	777	851	919	992	1,071
PBT bef. EO Exp.	**2,188**	**1,817**	**2,692**	**3,526**	**4,017**	**4,609**
EO Items/Share of Associates	-	-983	-490	-	-	-
PBT after EO Exp.	**2,188**	**834**	**2,202**	**3,526**	**4,017**	**4,609**
Total Tax	481	238	492	887	1,011	1,160
Tax Rate (%)	22.0	28.5	22.3	25.2	25.2	25.2
Reported PAT	**1,707**	**596**	**1,711**	**2,638**	**3,006**	**3,449**
Adjusted PAT	**1,707**	**1,332**	**2,077**	**2,638**	**3,006**	**3,449**
Change (%)	NA	-22.0	56.0	27.0	13.9	14.8
Margin (%)	2.2	1.7	2.5	2.9	3.1	3.3

Balance Sheet						(INR m)
Y/E March	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Equity Share Capital		12,203	12,205	12,205	12,205	12,205
Total Reserves		562	1,917	3,945	6,035	8,264
Net Worth		**12,765**	**14,122**	**16,150**	**18,240**	**20,469**
Borrowings		9,522	8,337	6,437	4,537	3,287
Lease Liability		19,803	21,844	21,528	20,784	19,977
Deferred Tax Liabilities		-1,447	-1,318	-1,318	-1,318	-1,318
Other Long-Term Liability		8,411	8,707	8,707	8,707	8,707
Capital Employed		**49,054**	**51,692**	**51,504**	**50,950**	**51,122**
Gross Block		24,761	27,377	30,377	33,127	35,627
Less: Accum. Deprn.		7,203	9,036	11,804	14,975	18,513
Net Fixed Assets		**6,385**	**7,684**	**8,444**	**8,551**	**8,041**
Right to use Assets		15,244	17,750	17,368	15,864	13,758
Intangible		11,173	10,656	10,128	9,600	9,073
Capital WIP		130	460	460	460	460
Total Investments		**1,172**	**163**	**163**	**163**	**163**
Other Long-Term Assets		4,359	3,515	3,515	3,515	3,515
Curr. Assets, Loans&Adv.		**42,881**	**45,653**	**47,996**	**52,048**	**57,969**
Inventory		21,088	23,485	24,410	26,162	27,816
Account Receivables		13,221	11,981	12,454	13,485	14,487
Cash and Bank Balance		537	915	1,208	1,860	4,523
Loans and Advances		8,035	9,272	9,923	10,541	11,143
Curr. Liability & Prov.		**32,289**	**34,191**	**36,570**	**39,251**	**41,857**
Account Payables		21,213	22,882	23,663	25,622	27,526
Other Current Liabilities		9,660	9,873	11,269	11,836	12,387
Provisions		1,416	1,435	1,639	1,793	1,944
Net Current Assets		**10,591**	**11,463**	**11,426**	**12,797**	**16,112**
Appl. of Funds		**49,054**	**51,692**	**51,504**	**50,951**	**51,123**

Financials and valuations

Ratios

Y/E March	FY24	FY25	FY26	FY27E	FY28E	FY29E
Basic (INR)						
EPS	**1.4**	**1.1**	**1.7**	**2.2**	**2.5**	**2.8**
Cash EPS	6.6	6.9	8.2	9.4	10.9	12.2
BV/Share	0.0	10.5	11.6	13.2	14.9	16.8
DPS	NA	0.0	0.5	0.7	1.0	1.2
Payout (%)	0.0	0.0	35.7	34.7	40.6	44.2
Valuation (x)						
P/E	NA	87.7	56.2	44.3	38.9	33.9
Cash P/E	NA	13.9	11.6	10.1	8.8	7.8
P/BV	NA	9.2	8.3	7.2	6.4	5.7
EV/Sales	NA	1.9	1.7	1.6	1.4	1.3
EV/EBITDA	0.0	12.2	10.9	9.7	8.6	7.6
Dividend Yield (%)	NA	0.0	0.5	0.8	1.0	1.3
FCF per share	NA	1.0	0.5	1.5	2.0	3.3
Return Ratios (%)						
RoE	NA	10.4	15.5	17.4	17.5	17.8
RoCE	NA	11.5	12.7	13.2	13.7	14.5
RoIC	NA	12.1	13.2	13.8	14.4	15.9
Working Capital Ratios						
Fixed Asset Turnover (x)	NA	3.2	3.1	3.0	3.0	3.0
Asset Turnover (x)	NA	1.6	1.6	1.8	1.9	2.1
Inventory (Days)	0	98	97	96	94	93
Debtor (Days)	0	62	55	49	48	48
Creditor (Days)	0	99	96	93	91	92
Leverage Ratio (x)						
Current Ratio	NA	1.3	1.3	1.3	1.3	1.4
Interest Cover Ratio	1.4	1.3	1.5	1.8	2.0	2.3
Net Debt/Equity	NA	2.2	2.1	1.6	1.3	0.9

Cash Flow Statement **(INR m)**

Y/E March	FY24	FY25	FY26	FY27E	FY28E	FY29E
OP/(Loss) before Tax		834	2,202	3,526	4,017	4,609
Depreciation		7,886	7,954	8,889	10,254	11,472
Interest & Finance Charges		3,820	3,644	3,246	2,996	2,807
Direct Taxes Paid		-36	-366	-887	-1,011	-1,160
(Inc)/Dec in WC		-828	-1,009	331	-720	-652
CF from Operations		**11,676**	**12,425**	**15,104**	**15,535**	**17,076**
Others		-234	(237)	(919)	(992)	(1,071)
CF from Operating incl EO		**11,442**	**12,188**	**14,185**	**14,543**	**16,004**
(Inc)/Dec in FA		-2,435	-3,225	-3,000	-2,750	-2,500
Lease Payments		-7,771	-8,377	-9,301	-9,318	-9,442
Free Cash Flow		**1,235**	**586**	**1,884**	**2,475**	**4,062**
(Pur)/Sale of Investments		2,446	1,078	0	0	0
Others		58	166	919	992	1,071
CF from Investments		**-7,702**	**-10,358**	**-11,382**	**-11,076**	**-10,871**
Issue of Shares		1	-267	0	0	0
Inc/(Dec) in Debt		-4,533	-1,185	-1,900	-1,900	-1,250
Dividend Paid		0	0	-610	-915	-1,220
CF from Fin. Activity		**-4,533**	**-1,452**	**-2,510**	**-2,815**	**-2,470**
Inc/Dec of Cash		**-793**	**379**	**293**	**651**	**2,663**
Opening Balance		1,324	531	910	1,202	1,854
Closing Balance		**531**	**910**	**1,202**	**1,854**	**4,517**
less: Other Bank Balance		6	6	6	6	6
Net Closing Balance		**536**	**916**	**1,208**	**1,860**	**4,523**

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
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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