

Kalyan Jewellers

Estimate change	↔
TP change	↑
Rating change	↔

Bloomberg	KALYANKJ IN
Equity Shares (m)	1033
M.Cap.(INRb)/(USD\$)	610.8 / 6.4
52-Week Range (INR)	649 / 327
1, 6, 12 Rel. Per (%)	53/57/0
12M Avg Val (INR M)	4672

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	357.4	466.8	550.7
EBITDA	24.9	29.8	34.6
Margins (%)	7.0	6.4	6.3
Adj. PAT	13.8	17.6	20.8
Adj. EPS (INR)	13.4	17.0	20.2
EPS Growth (%)	71.0	27.1	18.7
BV/Sh.(INR)	61.1	73.6	87.3

Ratios

RoE (%)	24.9	25.3	25.1
RoIC (%)	17.0	16.4	17.1

Valuations

P/E (x)	44.1	34.7	29.2
P/BV (x)	9.7	8.0	6.8
EV/Sales (x)	1.7	1.3	1.1
EV/EBITDA(x)	24.3	20.4	17.1

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	62.9	62.9	62.8
DII	15.8	14.1	13.3
FII	10.8	14.6	16.8
Others	10.5	8.5	7.0

FII includes depository receipts

CMP: INR591 TP: INR700 (+18%) Buy

Growth momentum continues; miss on margins

- Kalyan Jewellers (Kalyan)'s consolidated revenue growth was at 46% YoY to INR105.9b (est. INR105.7b). The India business delivered 47% YoY revenue growth and registered a robust 28% SSSG (30% in the South, 27% in the non-South). Candere's revenue grew to INR1,410m vs. INR660m in 1QFY26. Management indicated that on-ground demand momentum remained healthy in 1QFY27, driven by wedding traction.
- There is a one-time gain of INR410m due to an increase in customs duty from 6% to 15%. Adjusted for the gain, the India business GM dipped 280bp YoY to 10.8%. It was hit by a higher proportion of exchanged gold, promotional offers as part of the exchange campaign, and a one-off gain in platinum and silver sales during the base quarter (1QFY26). Studded share moderated to 28% in 1QFY27 vs 30% in 1QFY26. EBITDA margin contracted by 280bps YoY to 5.1% (est. 6.7%). PBT up 14% YoY. Candere reported a profit of INR21m (vs. a loss of INR100m in 1QFY26).
- The company added 12 net Kalyan Indian stores and 5 Candere stores, taking the total store count to 483 in India. It will open its first regional store in Chennai in Aug'26. In FY27, the company plans to open 84 Kalyan (all FOCO) and 50 Candere stores.
- The Middle East business delivered a 29% revenue growth, driven by 25% SSSG. Studded share was 16%. Demand picked up from the end of Apr'26. The company opened no stores during the quarter; however, discussions are underway with potential investors in the region for a larger FOCO partnership.
- With the successful scale-up of franchise businesses (>50% revenue contribution) and stable success in non-Southern markets, Kalyan has established itself as a leading brand in the industry. Consistent success on customer acquisition, improving operating margin, and deleveraging the balance sheet remains the key rationale for our constructive view on the business. We model a 24%/18%/23% revenue/EBITDA/PAT CAGR during FY26-28E. **Reiterate BUY with a TP of INR700 (based on 35x Mar'28E P/E).**

Strong revenue performance; margins below our estimate

India business

- Strong revenue growth with 28% SSSG:** India revenue grew 47% YoY to INR90.3b (est. INR92.9b). Same-store sales grew 28% YoY in 1QFY27. SSSG of the South region was 30%, and Non-South regions were 27%. Revenue growth in the South was 34%, and in non-South regions it was 43%. Studded share moderated to 28% vs. 30% in 1QFY26. Studded revenue rose 36%.
- Store expansion:** The company added a net of 12 Kalyan stores in India, reaching a total of 354 stores. Candere added 5 stores, reaching a total of 129 stores. Total stores in India stood at 483.
- Moderation in profitability:** There is a one-time gain of INR410m due to an increase in customs duty from 6% to 15%. Adjusted to custom duty gain, Gross margin contracted 280bp YoY to 10.8%. EBITDA margin contracted 200bp YoY to 5.1%. EBITDA grew 6% YoY to INR4.6b. PBT grew 14% YoY to INR3.9b, and APAT rose 14% YoY to INR2.9b.

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

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Middle East

- The ME business revenue grew 29% YoY. SSSG grew 25% YoY. Walk-ins in the showrooms were back on track from the end of Apr'26.
- Studded share stood at 16.3% vs. 18.3% YoY.
- GM contracted 200bp YoY to 12% in 1QFY27.
- EBITDA grew 24%. EBITDA margin contracted 30bp YoY to 6.8%.
- PBT and APAT grew by 12% and 14%.
- There were no new store additions during the quarter.

Consolidated performance

- Kalyan's consolidated revenue grew 46% YoY to INR105.9b (est. INR105.7).
- There is a one-time gain of INR410m due to an increase in customs duty from 6% to 15%. Adjusted for the one-time gain, gross margin contracted 230bp YoY to 11.5% (est. 12.4%).
- Gross margin was impacted by a higher proportion of exchanged gold, promotional offers as part of the exchange campaign, and a one-off gain in platinum and silver sales during the base quarter (1QFY26).
- Adjusted for the customs duty gain, EBITDA margin contracted 140bp YoY to 5.6%. (est. 6.7%). EBITDA grew 16% YoY to INR5.9b (est. INR7.1b).
- PBT increased 20% YoY to INR4.2b, and APAT grew 21% YoY to INR3.2b.

Key takeaways from the management commentary

- The company highlighted that demand on the ground continues to remain healthy, with July witnessing strong traction similar to the trend seen in 1QFY27.
- The company recycled gold, contributing over 46% of revenue during 1QFY27 and exceeding 55% in June. Management intends to maintain the recycled gold contribution in the 55-60% range going forward.
- Kalyan unveiled its first regional jewelry brand, Akshaya Thangam, designed exclusively for the Tamil Nadu market.
- Kalyan remains on track to become debt-free (excluding gold metal loans) by the end of Sep'26.
- In the Middle East, discussions are underway with potential investors in the region for a larger FOCO partnership.

Valuation and view

- We cut our EPS estimates by 3-4% for FY27 and FY28.
- Kalyan repaid INR5.6b of non-GML debt in FY26, taking the total debt to INR3.2b.
- Management reiterated its target of becoming non-GML debt-free during FY27.
- With the successful scale-up of its new franchise businesses (>50% 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.
- We model a 24%/18%/23% revenue/EBITDA/PAT CAGR during FY26-28E. **We reiterate our BUY rating with a TP of INR700 (based on 35x Mar'28 P/E).**

Consolidated Quarterly Performance

(INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Stores	406	436	469	507	524	597	623	640	507	640	534	
Net Sales	72,685	78,560	1,03,434	1,02,749	1,05,889	1,10,906	1,28,790	1,21,244	3,57,429	4,66,829	1,05,663	0.2%
Change (%)	31.3	29.5	41.9	66.2	45.7	41.2	24.5	18.0	42.7	30.6	45.4	
Raw Material/PM	62,603	68,395	89,857	89,531	93,661	98,465	1,12,728	1,05,209	3,10,385	4,10,062	92,553	
Gross Profit	10,081	10,166	13,577	13,219	12,228	12,440	16,062	16,035	47,043	56,766	13,110	-6.7%
Gross Margin (%)	13.9	12.9	13.1	12.9	11.5	11.2	12.5	13.2	13.2	12.2	12.4	
Operating Expenses	5,001	5,196	6,073	5,862	6,313	6,242	7,320	7,108	22,131	26,982	6,031	
% of Sales	6.9	6.6	5.9	5.7	6.0	5.6	5.7	5.9	6.2	5.8	5.7	
EBITDA	5,080	4,970	7,505	7,357	5,915	6,199	8,743	8,927	24,912	29,784	7,079	-16.4%
Margin (%)	7.0	6.3	7.3	7.2	5.6	5.6	6.8	7.4	7.0	6.4	6.7	
Change (%)	35.1	25.4	52.0	84.2	16.4	24.7	16.5	21.3	51.8	19.6	39.3	
Interest	1,036	949	1,043	1,300	1,084	1,050	950	952	4,329	4,036	1,250	
Depreciation	977	1,032	1,089	1,131	1,150	1,242	1,305	1,328	4,229	5,025	1,142	
Other Income	463	514	642	462	557	668	642	867	2,080	2,735	671	
PBT	3,530	3,503	6,014	5,388	4,238	4,575	7,130	7,515	18,435	23,457	5,358	-20.9%
Tax	889	898	1,436	1,293	1,162	1,166	1,818	1,742	4,516	5,888	1,366	
Effective Tax Rate (%)	25.2	25.6	23.9	24.0	27.4	25.5	25.5	23.2	24.5	25.1	25.5	
Adjusted PAT	2,641	2,605	4,479	4,095	3,189	3,408	5,312	5,773	13,919	17,570	3,992	-20.1%
Change (%)	48.7	43.1	72.4	118.2	20.8	30.8	18.6	41.0	72.5	26.2	51.2	
Reported PAT	2,641	2,605	4,163	4,095	3,487	3,408	5,312	5,773	13,504	17,570	3,992	-12.7%

E: MOFSL Estimates

India Quarterly Performance (Standalone)

(INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	(%)	4QE			1Q	
Stores	368	396	428	466	483	555	580	596	466	596	492	
SSSG (%)	18	16	27	47	28	32	17	7	28	21	35	
Net Sales	61,422	68,428	90,477	89,943	90,255	99,649	1,14,440	1,08,616	3,10,271	4,12,960	92,862	-2.8%
Change (%)	31.0	30.9	41.7	68.1	46.9	45.6	26.5	20.8	43.3	33.1	51.2	
Raw Material/PM	53,058	59,881	79,010	78,869	80,530	88,588	1,00,135	94,986	2,70,818	3,64,239	81,440	
Gross Profit	8,364	8,548	11,467	11,074	9,725	11,061	14,305	13,630	39,453	48,721	11,422	-14.9%
Gross Margin (%)	13.6	12.5	12.7	12.3	10.8	11.1	12.5	12.5	12.7	11.8	12.3	
Operating Expenses	4,023	4,227	4,929	5,032	5,135	5,596	6,447	6,357	18,210	23,535	5,216	
% of Sales	6.5	6.2	5.4	5.6	5.7	5.6	5.6	5.9	5.9	5.7	5.6	
EBITDA	4,342	4,321	6,538	6,042	4,590	5,465	7,858	7,273	21,242	25,186	6,206	-26.0%
Margin (%)	7.1	6.3	7.2	6.7	5.1	5.5	6.9	6.7	6.8	6.1	6.7	
Change (%)	37.9	30.1	53.8	75.9	5.7	26.5	20.2	20.4	50.0	18.6	42.9	
Interest	724	650	686	834	628	700	725	733	2,894	2,786	825	
Depreciation	697	723	769	775	774	825	875	906	2,963	3,380	800	
Other Income	521	569	744	521	722	650	650	568	2,354	2,590	600	
PBT	3,443	3,517	5,826	4,953	3,911	4,590	6,908	6,202	17,739	21,610	5,181	-24.5%
Tax	878	895	1,403	1,297	1,108	1,147	1,727	1,467	4,473	5,449	1,295	
Effective Tax Rate (%)	25.5	25.5	24.1	26.2	28.3	25.0	25.0	23.7	25.2	25.2	25.0	
Adjusted PAT	2,565	2,622	4,323	3,656	2,919	3,442	5,181	4,735	13,163	16,161	3,886	-24.9%
Change (%)	55.4	52.4	66.9	97.3	13.8	31.3	19.8	29.5	72.5	22.8	51.5	
Reported PAT	2,565	2,622	4,008	3,656	3,213	3,442	5,181	4,735	12,851	16,161	3,886	

E: MOFSL Estimates

Middle East – Quarterly Performance					(INR m)
Y/E March	FY26				FY27
	1Q	2Q	3Q	4Q	1Q
Stores	36	38	38	38	38
Net Sales	10,265	8,657	10,726	10,736	13,201
Change (%)	26.9	8.4	27.6	36.9	28.6
Raw Material/PM	8,828	7,469	9,188	9,326	11,621
Gross Profit	1,437	1,188	1,538	1,410	1,580
Gross Margin (%)	14.0	13.7	14.3	13.1	12.0
Operating Expenses	709	575	782	623	680
% of Sales	6.9	6.6	7.3	5.8	5.2
EBITDA	728	613	756	787	900
Margin (%)	7.1	7.1	7.0	7.3	6.8
Change (%)	16.9	3.7	17.4	34.1	23.6
Interest	287	261	307	412	392
Depreciation	204	212	206	220	237
Other Income	29	45	15	43	28
PBT	266	185	258	198	299
Tax	45	34	22	-15	48
Effective Tax Rate (%)	16.9	18.4	8.5	-7.6	16.1
Adjusted PAT	221	151	236	213	251
Change (%)	18.2	9.4	54.2	76.0	13.6

Exhibit 1: Store network

Store data	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Kalyan India	217	231	253	278	287	300	318	342	354
-COCO	128	126	121	126	126	126	123	120	120
-FOCO	89	105	132	152	161	174	195	222	234
Candere	24	36	59	73	81	96	110	124	129
-COCO	8	12	35	36	40	42	42	54	56
-FOCO	16	24	24	37	41	54	68	70	73
Total stores in India	241	267	312	351	368	396	428	466	483
Middle East	36	36	36	36	36	38	38	38	38
-COCO	35	32	32	32	32	34	34	34	34
-FOCO	1	4	4	4	4	4	4	4	4
US	0	0	1	1	2	2	2	2	2
UK	0	0	0	0	0	0	1	1	1
Total stores	277	303	349	388	406	436	469	507	524

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

Particulars	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
South revenue share(%)	51	51	44	47	51	46	42	41	49
Non South revenue share (%)	49	49	56	53	49	54	58	59	51
SSSG (%)	12	23	24	21	18	16	27	47	28
South SSSG (%)	13	25	23	20	20	14	25	29	30
Non south SSSG (%)	11	21	25	22	16	17	29	62	27



Key takeaways from the management commentary

Demand environment and outlook

- Company highlighted that demand on the ground continues to remain healthy, with July witnessing strong traction similar to the trend seen during 1QFY27.
- While volatility in gold prices can temporarily delay discretionary purchases, management believes such pauses generally last only two to three weeks as wedding-related demand cannot be postponed for long.
- Consumers typically purchase jewellery based on their budget rather than the quantity of gold. Therefore, lower gold prices automatically translate into higher gold volumes purchased without materially impacting customer demand.
- In March, the company saw a temporary slowdown in wedding demand in certain markets.
- There is a one-time gain due to an increase in customs duty of INR410m in 1QFY27 and INR600m expected to be incurred in 2QFY27.

Cost and margin

- Reported PBT margins were impacted during the quarter due to the company's strategic focus on promoting old gold exchange under its gold recirculation initiative.
- The margin dilution was primarily driven by three factors: (1) incentives offered to customers using the one-time customs duty benefit, (2) old gold exchange transactions being around 20-30bps margin dilutive as exchanged gold is purchased at board rates, and (3) the absence of one-time gains from platinum and silver seen last year.
- Employee costs also increased during the quarter following higher-than-normal salary revisions undertaken to retain and motivate employees, which impacted margins by around 20-30bps.
- Management expects the margin impact to remain temporary and reiterated that FY27 PBT margins should remain broadly in line with FY26 levels, even on a conservative basis.

Gold recirculation & Cash for gold initiative

- Following the sharp rise in international gold prices and forex volatility, Kalyan launched its 'Shine with India' Gold Recirculation campaign to increase the share of recycled gold and reduce dependence on imported gold.
- The initiative received a strong customer response, with recycled gold contributing over 46% of revenue during 1QFY27 and exceeding 55% in June. Management intends to maintain recycled gold contribution in the 55-60% range going forward.
- Alongside jewellery exchange, the company has started actively promoting its Cash-for-Gold offering, allowing customers to sell old gold for cash.
- Management highlighted that Cash-for-Gold transactions are margin accretive as gold is purchased below prevailing spot prices, unlike exchange transactions where gold is bought at board rates. As Cash-for-Gold gains scale, it is expected to offset the margin dilution arising from exchange transactions.
- The Cash-for-Gold business has already increased from a single-digit share in June to double digits and is witnessing encouraging customer acceptance.

- Management also noted that most organised jewellery retailers have started offering similar services and does not believe the initiative dilutes the brand.

New regional brand

- Kalyan unveiled its first regional jewelry brand, Akshaya Thangam, designed exclusively for the Tamil Nadu market.
- The brand will offer region-specific jewellery designs, weight profiles and price points tailored to local consumer preferences, enabling it to compete directly with established regional jewelers and unorganized players.
- The first ATM showroom will open in Chennai on 21 August 2026, followed by four additional stores over the next few months.
- Management indicated that the long-term expansion strategy for ATM will also follow an asset-light franchise-led model but will decide the pace of expansion after evaluating the initial stores.

Store expansion

- The company reiterated its guidance to open 84 Kalyan showrooms and 50 Candere stores during FY27, with store additions expected to be weighted towards the second half of the year.
- Management indicated that the franchise-led expansion model continues to deliver attractive economics, with franchise partners expected to generate returns of around 14%.

Balance sheet & debt

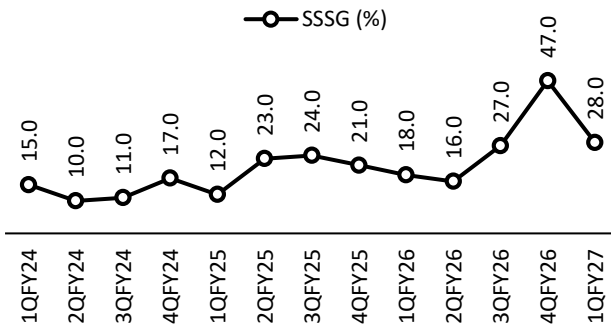
- Kalyan remains on track to become debt-free (excluding gold metal loans) by the end of Sep'26.
- The company has signed agreements to sell two non-core real estate assets for an aggregate consideration of around INR1020m and expects to complete the transactions during the current quarter.
- Following debt repayment, management plans to initiate the release of the second tranche of real estate collateral.

Candere

- Candere reported revenue of INR1410m compared to INR660m in 1QFY26.
- The business reported a profit of INR21m versus a loss of INR100m in 1QFY26, with profitability expected to continue through FY27.
- Management's immediate focus is to improve throughput by increasing inventory across existing stores while continuing with the planned addition of around 50 stores during FY27.

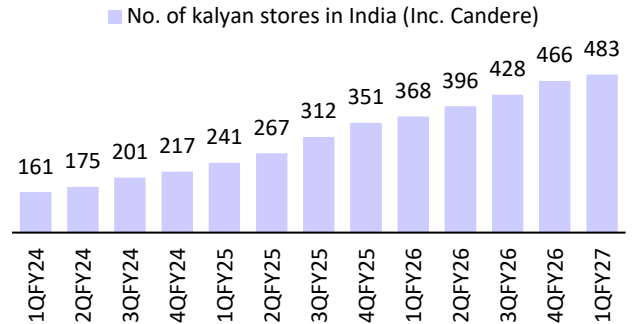
Key exhibits

Exhibit 3: India SSSG at 28% YoY in 1QFY27



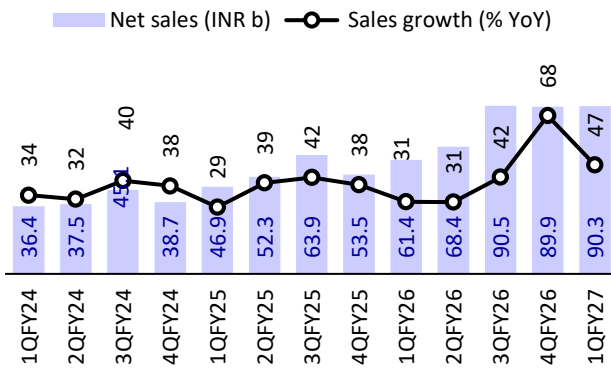
Source: Company, MOFSL

Exhibit 4: Added 17 net (12 Kalyan India, 5 Candere) stores in India



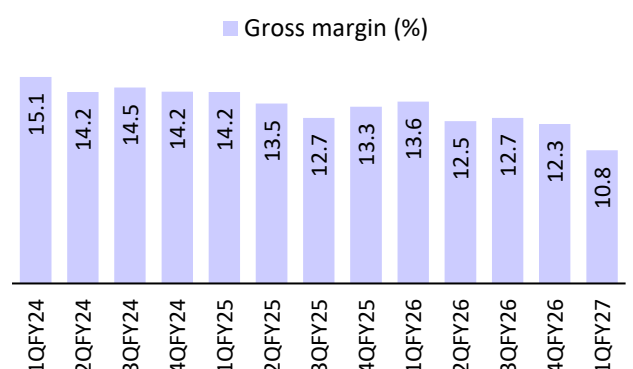
Source: Company, MOFSL

Exhibit 5: India sales grew 47% YoY, led by SSSG and store additions



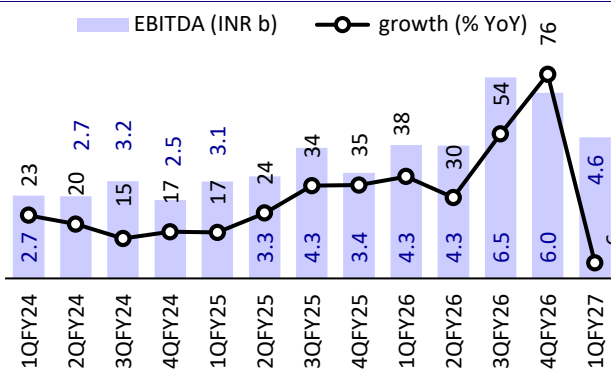
Source: Company, MOFSL

Exhibit 6: India business GP dipped 280bp YoY to 10.8%



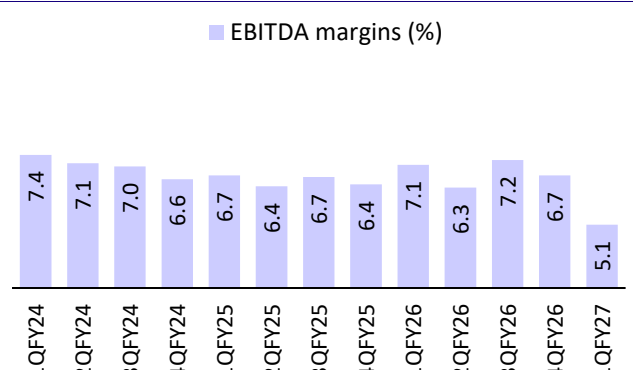
Source: Company, MOFSL

Exhibit 7: India business EBITDA grew 6% YoY to INR4.6b



Source: Company, MOFSL

Exhibit 8: India business EBITDA margin contracted 200bp YoY to 5.1%



Source: Company, MOFSL

Valuation and view

- We cut our EPS estimates by 3-4% for FY27 and FY28.
- Kalyan repaid INR5.6b of non-GML debt in FY26, taking the total debt to INR3.2b.
- Management reiterated its target of becoming non-GML debt-free during FY27.
- With the successful scale-up of its new franchise businesses (>50% 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.
- We model a 24%/18%/23% revenue/EBITDA/PAT CAGR during FY26-28E. **We reiterate our BUY rating with a TP of INR700 (based on 35x Mar'28 P/E).**

Exhibit 9: We cut our EPS estimates by 3-4% for FY27 and FY28

INR m	New		Old		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Sales	4,66,829	5,50,651	4,55,501	5,38,192	2%	2%
EBITDA	29,784	34,610	30,699	35,974	-3%	-4%
PAT	17,570	20,847	18,155	21,785	-3%	-4%

Financials and valuations

Income Statement consol.

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Net Sales	1,01,009	85,733	1,08,179	1,40,714	1,85,483	2,50,451	3,57,429	4,66,829	5,50,651
Change (%)	3.4	-15.1	26.2	30.1	31.8	35.0	42.7	30.6	18.0
Raw Materials	83,918	71,141	91,263	1,18,722	1,58,346	2,16,370	3,10,385	4,10,062	4,85,488
Gross Profit	17,092	14,592	16,916	21,992	27,137	34,081	47,043	56,766	65,164
Margin (%)	16.9	17.0	15.6	15.6	14.6	13.6	13.2	12.2	11.8
Operating Expenses	9,489	8,649	8,771	10,852	14,010	17,671	22,131	26,982	30,553
EBITDA	7,603	5,943	8,145	11,141	13,127	16,410	24,912	29,784	34,610
Change (%)	31.0	-21.8	37.1	36.8	17.8	25.0	51.8	19.6	16.2
Margin (%)	7.5	6.9	7.5	7.9	7.1	6.6	7.0	6.4	6.3
Depreciation	2,391	2,249	2,316	2,446	2,743	3,427	4,229	5,025	5,655
Int. and Fin. Charges	3,803	3,754	3,224	3,026	3,232	3,595	4,329	4,036	4,027
Other Income	801	454	383	379	737	1,446	2,080	2,735	2,905
Profit before Taxes	2,209	394	2,989	6,048	7,888	10,834	18,435	23,457	27,834
Change (%)	955.7	-82.2	659.3	102.4	30.4	37.3	70.2	27.2	18.7
Margin (%)	2.2	0.5	2.8	4.3	4.3	4.3	5.2	5.0	5.1
Tax	786	455	748	1,396	1,925	2,764	4,516	5,888	6,986
Tax Rate (%)	35.6	115.6	25.0	23.1	24.4	25.5	24.5	25.1	25.1
PAT Before Minority	1,423	-61	2,240	4,652	5,963	8,070	13,919	17,570	20,847
Minority Interest	-7	2	-3	-12	-11	0	0	0	0
Exceptional	0	0	0	333	0	929	415	0	0
Reported PAT	1,430	-64	2,244	4,331	5,973	7,142	13,504	17,570	20,847
Adjusted PAT	1,430	-64	2,244	4,599	5,973	8,070	13,820	17,570	20,847
Change (%)	-4,113	-104	-3,616	105	30	35	71	27	19
Margin (%)	1.4	-0.1	2.1	3.3	3.2	3.2	3.9	3.8	3.8

Balance Sheet

(INR m)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Share Capital	9,583	10,301	10,301	10,301	10,301	10,314	10,327	10,327	10,327
Reserves	12,028	17,960	21,070	26,047	31,590	37,721	52,760	65,694	79,846
Net Worth	21,611	28,260	31,370	36,347	41,891	48,036	63,087	76,022	90,174
Minority Interest	-30	5	9	-2	-13	0	0	0	0
GML	11,671	14,180	14,968	18,536	22,530	23,436	35,878	37,287	38,758
Loans	24,230	19,600	18,664	16,550	10,643	9,497	5,237	3,237	237
Lease liability	7,578	6,983	6,661	7,869	11,691	16,660	20,059	25,080	29,415
Deferred tax	-81	-461	-450	-562	-662	-1,125	319	319	319
Capital Employed	64,979	68,567	71,223	78,738	86,079	96,504	1,24,580	1,41,944	1,58,903
Gross Block	15,462	15,031	16,056	15,373	18,644	22,286	26,104	27,704	29,304
Less: Accum. Depn.	4,669	5,413	6,240	6,635	7,739	9,230	11,125	13,277	15,558
Net Fixed Assets	10,793	9,618	9,816	8,738	10,904	13,056	14,979	14,427	13,746
Goodwill	51	51	51	51	51	51	51	51	51
Intangible assets	97	94	70	49	35	21	13	21	-9
Capital WIP	242	527	17	200	485	77	177	177	177
Right to Use Assets	10,110	8,613	8,667	9,580	11,390	14,723	17,461	20,393	22,568
Investments	0	0	6	44	44	53	55	55	55
Other non-current assets	1,830	2,186	1,962	2,748	5,117	8,161	9,186	13,242	16,388
Curr. Assets, L&A	58,984	67,103	68,414	85,158	99,490	1,13,993	1,63,307	1,99,844	2,31,992
Inventory	47,203	53,031	57,943	70,139	82,976	96,811	1,41,746	1,77,128	1,96,098
Account Receivables	2,137	1,127	1,195	2,442	3,283	3,999	8,665	11,295	13,291
Cash and Bank Balance	7,501	10,966	7,772	9,819	9,751	10,311	8,609	5,822	15,999
Others	2,142	1,979	1,504	2,759	3,480	2,872	4,287	5,599	6,604
Curr. Liab. and Prov.	17,127	19,627	17,778	27,830	41,436	53,630	80,649	1,06,264	1,26,066
Account Payables	5,576	6,901	6,566	11,927	19,441	23,503	33,597	44,159	52,261
Provisions	385	445	493	714	668	857	1,642	1,685	1,995
Other current liabilities	11,166	12,280	10,720	15,188	21,326	29,270	45,410	60,420	71,809
Net Current Assets	41,857	47,476	50,635	57,329	58,054	60,363	82,658	93,579	1,05,927
Application of Funds	64,979	68,564	71,224	78,738	86,079	96,504	1,24,580	1,41,944	1,58,903

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)									
EPS	1.5	-0.1	2.2	4.5	5.8	7.8	13.4	17.0	20.2
Cash EPS	4.0	2.1	4.4	6.8	8.5	11.1	17.5	21.9	25.7
BV/Share	22.6	27.4	30.5	35.3	40.7	46.6	61.1	73.6	87.3
DPS	0.0	0.0	0.0	0.5	1.2	1.5	2.5	4.5	6.5
Payout %	0.0	0.0	0.0	11.2	20.7	19.2	18.7	26.5	32.2
Valuation (x)									
P/E	395.3	-9,524.1	270.9	132.1	101.7	75.4	44.1	34.7	29.2
Cash P/E	148.0	278.1	133.3	86.3	69.7	52.9	33.8	27.0	23.0
EV/Sales	5.8	7.2	5.7	4.4	3.3	2.4	1.7	1.3	1.1
EV/EBITDA	76.6	103.7	76.0	55.2	46.4	37.0	24.3	20.4	17.1
P/BV	26.2	21.5	19.4	16.7	14.5	12.7	9.7	8.0	6.8
Dividend Yield (%)	0.0	0.0	0.0	0.1	0.2	0.3	0.4	0.8	1.1
Return Ratios (%)									
RoE	6.9	-0.3	7.5	13.6	15.3	17.9	24.9	25.3	25.1
RoCE	6.0	-1.0	6.7	9.3	10.2	11.8	15.5	15.5	15.9
RoIC	6.8	-1.1	7.7	10.6	11.6	13.3	17.0	16.4	17.1
Working Capital Ratios									
Inventory (Days)	167	213	187	166	151	131	122	125	124
Debtor (Days)	7	7	4	5	6	5	6	8	8
Payable (Days)	18	27	23	24	31	31	29	30	32
Cash conversion (Days)	155	194	168	147	125	105	99	102	100
Inventory turns (x)	2.2	1.7	1.9	2.2	2.4	2.8	3.0	2.9	3.0
Asset Turnover (x)	1.6	1.3	1.5	1.8	2.2	2.6	2.9	3.3	3.5
Leverage Ratio									
Net Debt/Equity (x)	1.3	0.8	0.8	0.7	0.6	0.5	0.5	0.5	0.3

Cash Flow Statement

(InR m)

Y/E March	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Profit before Tax	2,209	394	2,989	5,715	7,888	9,596	18,020	23,457	27,834
Depreciation	2,391	2,249	2,316	2,446	2,743	3,427	4,229	5,025	5,655
Net interest	3,333	3,461	2,805	2,753	2,649	2,830	3,371	1,301	1,122
Others	-460	1,396	-59	85	170	328	790	0	0
Direct Taxes Paid	-65	-569	-1,529	-1,290	-2,262	-2,379	-4,269	-5,888	-6,986
(Incr)/Decr in WC	-4,213	-642	-4,071	424	2,040	-1,708	-8,965	-12,644	-962
CF from Operations	3,196	6,288	2,450	10,134	13,227	12,095	13,175	11,252	26,662
Incr in FA	-1,075	-479	-908	-1,863	-3,712	-4,275	-4,061	-1,633	-1,594
Free Cash Flow	2,121	5,810	1,542	8,272	9,516	7,820	9,114	9,619	25,067
Pur of Investments	28	0	-6	-37	0	0	0	0	0
Others	529	-268	705	188	1,896	866	1,822	-6,756	-5,502
CF from Invest.	-517	-747	-209	-1,712	-1,816	-3,409	-2,239	-8,389	-7,097
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	-4,234	-2,000	-3,000
Dividend Paid	0	0	0	0	-515	-1,236	-1,525	-4,635	-6,695
Net interest Paid	-2,706	-2,864	-2,407	-2,291	-2,389	-2,234	-2,634	-4,036	-4,027
Others	-2,542	-1,646	-2,167	-1,939	-2,667	-3,394	-4,244	5,021	4,335
CF from Fin. Activity	-3,432	-2,076	-5,435	-6,376	-11,479	-8,126	-12,637	-5,650	-9,388
Incr/Decr of Cash	-753	3,465	-3,194	2,047	-68	560	-1,701	-2,787	10,177
Add: Opening Balance	8,255	7,501	10,966	7,772	9,819	9,751	10,311	8,609	5,822
Closing Balance	7,501	10,966	7,772	9,819	9,751	10,311	8,609	5,822	15,999

E: MOFSL Estimates

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