4 November 2026
2QFY27 Results Update | Sector: Internet

FSN E-commerce Ventures

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	NYKAA IN
Equity Shares (m)	2864
M.Cap.(INRb)/(USDb)	1018.4 / 10.8
52-Week Range (INR)	357 / 219
1, 6, 12 Rel. Per (%)	3/35/101
12M Avg Val (INR M)	1879

Financials & Valuations (INR b)

INR b	FY26	FY27E	FY28E
BPC GMV	149.5	192.4	252.1
Net Sales	100.2	131.0	173.7
Change (%)	26.1	30.7	32.6
EBITDA	7.5	11.7	17.2
EBITDA margin (%)	7.5	8.9	9.9
Adj. PAT	2.2	4.8	8.1
PAT margin (%)	2.1	3.7	4.7
RoE (%)	14.4	27.6	34.1
RoCE (%)	19.9	31.8	38.7
EPS	0.7	1.7	2.8
EV/ Sales	10.1	7.8	5.9
Price/ Earnings	498.8	211.9	124.8
Price/ Book	67.7	51.3	36.3

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	52.1	52.1	52.1
DII	22.3	24.1	25.0
FII	15.7	13.7	12.5
Others	9.9	10.1	10.4

FII includes depository receipts

CMP: INR356 **TP: INR370 (+4%)** **Neutral**

Beauty steady; Fashion continues to improve

Healthy pre-festive demand sets up 3Q for both segments; valuations remain full

- FSN E-commerce Ventures (NYKAA) reported a 2QFY27 net revenue of INR30b, up 28% YoY vs. our estimate of 28.3% YoY growth.
- BPC vertical's NSV grew 28% YoY to INR25.3b, supported by acceleration in both growth and profitability vs. our estimate of 27% YoY growth in 2QFY27. BPC vertical's EBITDA margin was 10.5% in 2QFY27 vs. our estimate of 10.3%.
- The Fashion vertical's NSV grew 47% YoY to INR5.09b vs. our estimate of 49.6% YoY growth in 2QFY27. The vertical reported a contribution margin of 11.3% vs. our estimate of 12.1% in 2QFY27. The EBITDA margin for the Fashion business stood at 0.2% vs. our estimate of 2.4%.
- Consolidated adj. PAT came in at INR1,012m (up 207% YoY) vs. our estimate of INR987m. For 1HFY27, NYKAA's revenue/EBITDA/adj. PAT grew 29%/67%/3.15x YoY. For 2HFY27, we expect its revenue/EBITDA/adj. PAT to grow 32%/48%/104% YoY.
- We value NYKAA on an SoTP basis to arrive at our TP of INR370. **Valuations remain a key deterrent, and we await a better risk-reward profile to turn constructive on the stock. Reiterate Neutral.**

Our view: Improving Fashion margins remain key to earnings growth

- **Beauty remains the core growth driver, with premiumization supporting growth and margins:** Beauty NSV grew 28% YoY, while **AOV increased ~5%, which management attributed to premiumization**. We believe NYKAA's focus on both customer penetration and premiumization, **supported by brand launches and a wider assortment, should continue to drive growth**. Beauty EBITDA margin expanded to 10.5% despite continued investments in customer acquisition and stores. We expect Beauty NSV to expand at a CAGR of 28% over FY26-30.
- **3QFY27 should benefit from the festive season across both segments: While the festive season shifted largely to 3Q this year**, management indicated that pre-festive demand in October was strong. We believe Beauty should benefit from higher festive spending, premium brand demand, and stronger customer activity, while Fashion should see better traction from festive purchases and seasonal demand. **We expect Beauty/Fashion NSV to grow 28%/49% YoY in 3QFY27, respectively.**
- **Fashion growth is improving, with profitability now turning more consistent:** Fashion NSV grew 47% YoY, while the business reported its third consecutive positive EBITDA quarter at 0.2% margin, supported by lower customer acquisition costs and better marketing efficiency. We believe additions such as H&M, Nike, and other premium brands are helping NYKAA attract more customers and improve assortment.

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Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

- **On a relatively benign base, we expect Fashion to expand at ~40% CAGR over FY26-30, led by NYKAA's flywheel as it continues to add premium brands** and keeps acquiring discerning, profitable consumers.
- **House of Nykaa and advertising income remain important margin levers:** House of Nykaa's quarterly NSV grew 39% to INR5.3b, with Dot & Key, Kay Beauty, and Nykaa Cosmetics continuing to scale. **Advertising and marketing services income also improved, supported by better funnel placements** and advertiser tools. In our view, further scale in owned brands and ad monetization should support profitability, although the pace will depend on demand and continued investment.
- **We continue to view NYKAA's moat in BPC as difficult to displace**, supported by 10,000+ brands**,** 338 stores across 111 cities, strong owned brands, and deep brand partnerships. At the same time, we view **the company as building an assortment-intelligence-led Fashion vertical, with marquee partnerships** such as Nike, H&M Move, and Birkenstock strengthening its long-term positioning**.**

Valuations and changes to our estimates

- We believe NYKAA should continue to deliver healthy growth in Beauty, supported by premiumization, customer additions, and festive demand, while Fashion is showing improving growth and sustained break-even. **Given the largely in-line performance this quarter, we keep our estimates unchanged**. We now expect NYKAA to report a PAT margin of 3.7%/4.7% in FY27/28.
- For the BPC business, we assign a 50x EV/EBITDA multiple, reflecting its category leadership, deep competitive moat, and relatively superior margins versus horizontal platforms, implying a per-share value of INR293. We value the Fashion business using a DCF approach, implying a per-share value of INR75. Adjusting for net debt, we arrive at our **TP of INR370.**
- **However, valuations remain a key deterrent, and we await a better risk-reward profile to turn constructive**. **We reiterate our Neutral rating on the stock.**

BPC & Fashion NSV growth in line with our estimate; miss on Fashion margins

- NYKAA's consolidated GMV and NSV both grew 30%/31% YoY vs. our estimates of 28.7%/30.5%.
- NYKAA reported 2QFY27 net revenue of INR30b (up 28.1% YoY vs our estimate of 28.3%).
- BPC vertical's NSV/revenue grew 28%/26.6% YoY to INR27b vs our estimate of 27%/27% YoY growth in 2QFY27.
- Fashion vertical's NSV/revenue grew 47%/42.9% YoY to INR2.9b vs our estimate of 49.6%/42.7% YoY growth in 2QFY27.
- Average unique transacting customers (AUTC) for BPC vertical grew 26% YoY to 22.1m.
- BPC vertical's EBITDA margin came in at 10.5% in 2QFY27 vs our estimate of 10.3%. Fashion vertical reported contribution margin of 11.3% vs our estimate of 12.1% in 2QFY27. EBITDA margin for Fashion business stood at 0.2% vs. our estimate of 2.4% in 2QFY27.
- Consol adj. PAT came in at INR1,012m (up 207% YoY) vs our estimate of INR987m.

Key highlights from the management commentary

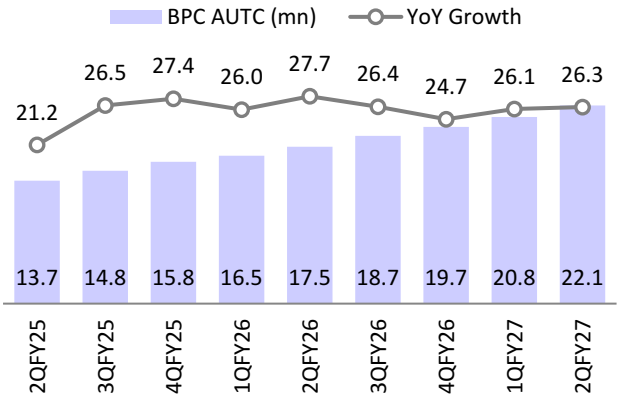
- **Beauty:** Beauty EBITDA grew ~51% YoY to ~INR 2.7b, with margin crossing 10% for the first time at ~10.5% (+158 bps YoY).
- Retail delivered early-twenties like-for-like growth, the highest in six quarters. The network stands at 338 stores (+14 QoQ, +73 YoY) across 111 cities, with guidance of ~600 stores over the next few years.
- Management expects Nykaa Now to **scale ahead of its expectations** and sees it as incremental demand. It does not see quick commerce competition as a near-term concern, given low online beauty penetration.
- **Fashion:** NSV grew ~47% YoY to ~INR 5.1b (GMV +42% to ~INR 16.7b), with 1H NSV up ~50% to ~INR 9.6b.
- EBITDA turned marginally positive at ~INR 10m (margin ~0.2% vs -3.5% a year ago), the third consecutive profitable quarter. Marketing and S&D fell ~419bp to ~22.7%, overheads ~197bp to ~11.1%, and fulfillment ~96bp to ~10.3%.
- AOV remained high at ~INR 4,378, with acquisition skewed to premium customers. Growth was led by H&M (including Move and the exclusive COS launch), Nike, footwear and men's, and 250+ brands were added in the quarter.
- **Management reiterated long-term EBITDA margin guidance of high single digits by FY30 and 10%+ in steady state**, and does not expect it to be achieved next year. Marketing efficiency remains the key lever, and management is increasingly confident of being on track.

Consolidated - Quarterly Earning Model (INR Million)

Y/E march	FY26				FY27E				FY26	FY27E	Estimate	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QFY27	(% / bp)
Revenue	**21,549**	**23,460**	**28,733**	**26,482**	**27,820**	**30,060**	**37,256**	**35,872**	**1,00,224**	**1,31,009**	**30,097**	**-0.1**
YoY Change (%)	23.4	25.1	26.7	28.4	29.1	28.1	29.7	35.5	26.1	30.7	28.3	-20bp
Inventory of traded goods	11,934	12,924	15,759	14,449	15,064	16,243	20,118	19,729	55,065	71,155	16,704	-2.8
Gross Profit	**9,615**	**10,535**	**12,974**	**12,033**	**12,756**	**13,817**	**17,138**	**16,142**	**45,157**	**59,853**	**13,393**	**3.2**
Margins (%)	44.6	44.9	45.2	45.4	45.9	46.0	46.0	45.0	45.1	45.7	45	150bp
Employee Benefit expenses	1,820	1,828	2,030	2,038	2,249	2,201	3,130	3,013	7,715	10,592	2,528	-13.0
Others	6,388	7,120	8,650	7,765	8,147	8,987	10,673	9,754	29,923	37,561	8,246	9.0
EBITDA	**1,407**	**1,588**	**2,294**	**2,230**	**2,360**	**2,630**	**3,335**	**3,375**	**7,519**	**11,700**	**2,619**	**0.4**
Margins (%)	6.5	6.8	8.0	8.4	8.5	8.7	9.0	9.4	7.5	8.9	8.7	0bp
Depreciation	761	790	809	842	895	931	800	1,261	3,203	3,886	900	3.4
Interest	302	315	292	263	267	305	300	308	1,171	1,180	300	1.7
Other Income	93	80	63	92	93	95	150	200	328	538	100	-4.8
PBT before EO expense	**437**	**563**	**1,256**	**1,216**	**1,291**	**1,489**	**2,385**	**2,006**	**3,472**	**7,171**	**1,519**	**-2.0**
Tax	192	220	480	428	494	473	763	642	1,320	2,372	532	-11.0
Rate (%)	44.0	39.1	38.2	35.2	38.3	31.8	32.0	32.0	38.0	33.1	35.0	-320bp
Adj PAT	**245**	**343**	**776**	**788**	**797**	**1,016**	**1,622**	**1,364**	**2,152**	**4,799**	**987**	**2.9**
Extra-Ord expense	0	0	101	0	0	0	0	0	101	0	0	
Minority Interest & Profit/Loss of Asso. Cos.	0	15	0	0	0	4	0	0	15	4	0	
Reported PAT	**245**	**329**	**675**	**788**	**797**	**1,012**	**1,622**	**1,364**	**2,037**	**4,795**	**987**	**2.5**
YoY Change (%)	73%	154%	188%	315%	226%	196%	109%	73%	192%	123%	2.0	
Margins (%)	1.1	1.4	2.4	3.0	2.9	3.4	4.4	3.8	2.0	3.7	3.3	10bp

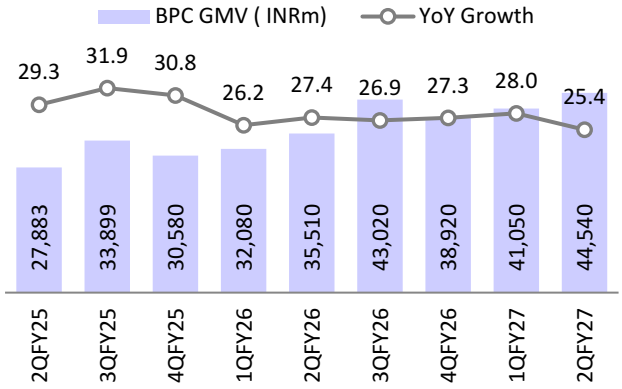
Story in charts

Exhibit 1: BPC's AUTC grew 26% YoY



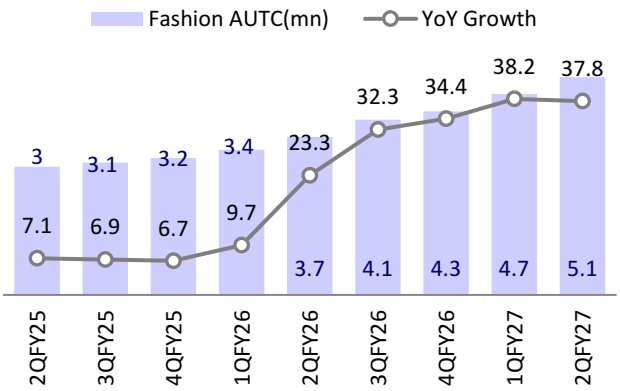
Source: MOFSL, Company

Exhibit 2: BPC's GMV grew 25% QoQ, supported by continued execution and premiumization



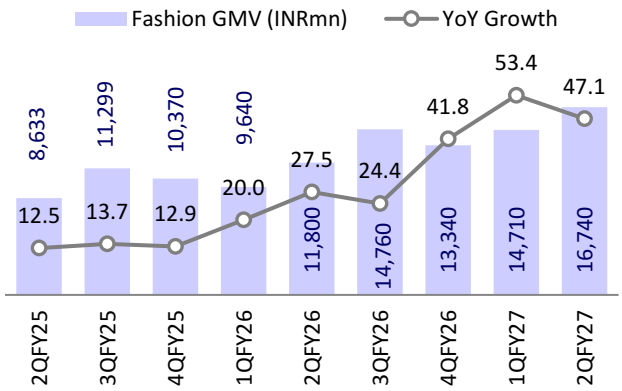
Source: MOFSL, Company

Exhibit 3: Fashion's AUTC grew 38% YoY



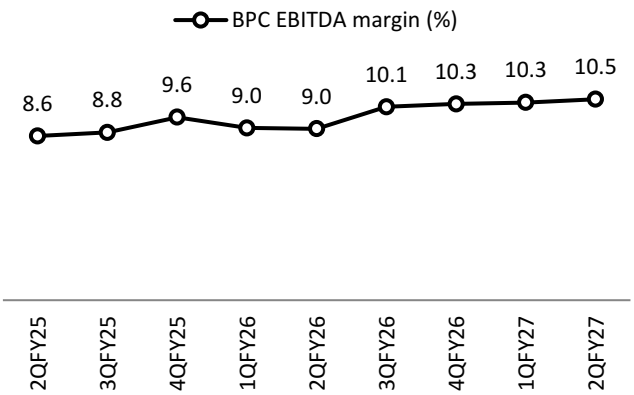
Source: MOFSL, Company

Exhibit 4: Fashion's GMV grew 47.1% YoY



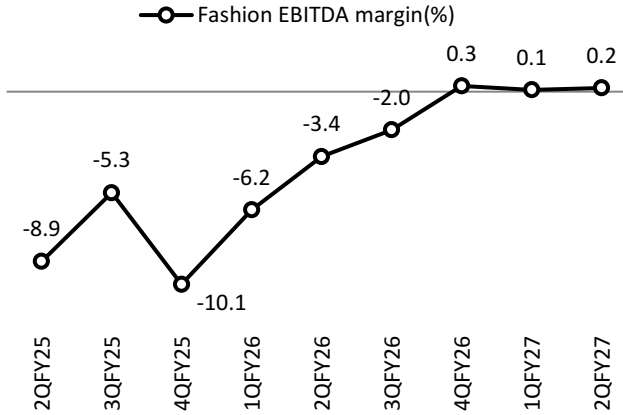
Source: MOFSL, Company

Exhibit 5: BPC's margin rose to 10.5%



Source: MOFSL, Company

Exhibit 6: Fashion's EBITDA margin remained flat



Source: MOFSL, Company



Key highlights from the management commentary

Demand and growth outlook

- Consolidated revenue grew **~28% YoY to ~INR 30.1b**, accelerating from ~25% a year ago despite the festive shift into 3Q. 1H revenue rose ~29% to ~INR 57.9b.
- GMV grew **~30% YoY to ~INR 61.5b**, ahead of revenue growth. Annualized GMV across platforms is ~USD 2.6b, with a cumulative customer base of ~65m (+32% YoY).
- Beauty NSV rose **~28% YoY to ~INR25.4b**, while Fashion NSV grew **~47% to ~INR5.1b**. Both verticals saw faster growth than the 27% each delivered a year ago.
- Beauty growth was led by new customer acquisition and premiumization. Management attributed the AOV uplift (+5% YoY) to **premium mix rather than price inflation**.
- Superstore was the lone laggard, with growth deliberately constrained to improve efficiency. House of Nykaa and retail grew slightly ahead of the core business.
- Pre-festive demand was strong, and management remains optimistic on the festive season.
- **Beauty's** EBITDA grew ~51% YoY to ~INR2.7b, with margin crossing 10% for the first time at ~10.5% (+158bp YoY).
- Retail delivered early-twenties like-for-like growth, the highest in six quarters. The network stands at 338 stores (+14 QoQ, +73 YoY) across 111 cities, with guidance of ~600 stores over the next few years.
- Engagement improved, with MAUV up ~30% YoY to ~54m and AUTC up ~26% to ~22.1m. Management advised against reading too much into the frequency of purchase, as it is a blended average of new and repeat cohorts.
- Nykaa Global Store works with 45+ brands growing ~60% YoY, over 2x platform growth. It now accounts for ~34% of Korean beauty sales (vs ~23% last year) and runs D2C and EBO operations for Kiehl's and Charlotte Tilbury.
- Nykaa Now is live in 15 cities, with 25+ cities planned by FY27-end. Its cost to serve and AOV are not materially different from mainline orders, though AOV could be slightly lower, offset by higher purchase frequency (~15% above platform).
- Management expects Nykaa Now to scale ahead of its expectations and sees it as incremental demand. It does not see quick commerce competition as a near-term concern, given low online beauty penetration.
- **Fashion:** NSV grew ~47% YoY to ~INR5.1b (GMV +42% to ~INR 16.7b), with 1H NSV up ~50% to ~INR9.6b.
- EBITDA turned marginally positive at ~INR10m (margin ~0.2% vs -3.5% a year ago), the third consecutive profitable quarter. Marketing and S&D fell ~419bp to ~22.7%, overheads ~197bp to ~11.1%, and fulfillment ~96bp to ~10.3%.
- The funnel strengthened, with visits up ~25% but AUTC up ~37% and orders up ~38%. New customers grew ~31% and conversion improved ~82bp to ~4.2%, while CAC has been ~30% lower over two years.
- AOV remained high at ~INR 4,378, with acquisition skewed to premium customers. Growth was led by H&M (including Move and the exclusive COS launch), Nike, footwear and men's, and 250+ brands were added in the quarter.

- Management reiterated long-term EBITDA margin guidance of high single digits by FY30 and 10%+ in steady state, and does not expect it to be achieved next year. Marketing efficiency remains the key lever, and management is increasingly confident of being on track.
- Nykaa Fashion Luxe adds a shop-in-shop with international luxury labels and Indian designers, which management expects to lift AOV and business quality.
- **House of Nykaa:** Annualized NSV crossed ~INR23b (+36% YoY) and annualized GMV ~INR40b (+40%). Quarterly NSV grew ~39% YoY to ~INR5.4b, ~3.5x the 2QFY24 level.
- Channels are diversified, with Nykaa online ~37%, stores ~10%, B2B ~21%, exports ~4% and other third-party channels ~28%.
- Dot & Key has an annualized NSV of ~INR13b, Kay Beauty ~INR3.5b+, and Nykaa Cosmetics ~INR3b+. Kay entered skincare this quarter and has completed a year in the UK.
- Nykaa will acquire an 82% stake in Simply Nam for up to ~INR330m, with closure expected in 3QFY27, subject to approvals. The brand had ~INR170m FY26 revenue (5x in four years), and its ASP of INR1,250-2,000 sits above Kay (INR 750-1,200) and Nykaa Cosmetics (INR 250-750).
- Management is building a portfolio of 'enduring brands' with 360-degree distribution, focused on mass-premium and expert-led specialized plays. It also sees fragrance as a lean-in opportunity, following the Aminu acquisition in 1QFY27.
- Superstore GMV grew ~15% YoY to ~INR3.3b, while **NSV rose ~28%**. The gap reflects GST-led MRP cuts, which **management expects to lap from 3Q**, and leakage reduction.
- Superstore productivity improved, with onboarded retailers up ~27% to ~554k across 1,200+ cities on a flat BDE base of ~2.3k. GMV per BDE rose ~14%, and **EBITDA margin expanded ~370bp YoY** as S&D fell ~363bp.
- A revamped, personalized Superstore app launched a few weeks ago, and management expects its impact to show over the coming quarters.
- Nykaa and L'Oreal BOLD announced a strategic partnership to invest in the next generation of Indian beauty and personal care brands, extending a 10+ year relationship.
- Management sees AI shopping agents as manageable, citing **moats in assortment, delivery speed, advice, and discovery**. It views brand proliferation as positive for retailers.
- Advertising monetization is recovering on the Beauty platform, supported by more ad products and real-time performance data.

On Margins

- EBITDA rose **~65% YoY to ~INR2.6b**, with margin expanding ~196 bps to **~8.7%**. PAT grew ~207% to ~INR 1.0b, with margin at ~3.4% vs ~1.4% a year ago.
- Gross margin improved **~106bp to ~46.0%**, supported by a rising House of Nykaa mix and higher marketing income. Management flagged competing vectors in ad income, as House of Nykaa carries none while Superstore and Fashion are still low.
- Fulfilment cost rose ~47bp to ~10.1% of revenue on infrastructure investment aimed at faster order-to-delivery. This was more than offset by **marketing and**

S&D (down ~50bp to ~15.2%) and employee and other costs (down ~87bp to ~11.9%).

- Capital efficiency improved, with **RoCE at ~27.3%** vs ~12.7% a year ago. Fixed asset turnover rose to ~10.8x, working capital days stayed at ~28, and capex remained ~1% of revenue.
- 1H working capital outflow was ~INR4.8b, driven by ~INR5.6b inventory build ahead of the festive season. **Management expects this to normalize by the end of 3Q**, and borrowings rose to ~INR 9.9b from ~INR7.5b in March.

Valuation and view

- **We believe BPC should continue to deliver mid-to-high 20% NSV growth, supported by premiumization**, improving AOVs, owned brands, and healthy customer additions, while margins should gradually improve despite continued reinvestment. Fashion is also showing structural improvement, with stronger growth and sustained EBITDA breakeven. We now expect NYKAA to report a PAT margin of 3.7%/4.8% in FY27/28. We raise our estimates by ~14.8%/17.8% for FY27/FY28, driven by stronger Fashion growth and better margin expectations across both Beauty and Fashion.
- For the BPC business, we assign a 50x EV/EBITDA multiple, reflecting its category leadership, deep competitive moat, and relatively superior margins versus horizontal platforms, implying a per-share value of INR286. We value the Fashion business using a DCF approach, implying a per-share value of INR87. Adjusting for net debt, we arrive at our **TP of INR370.**
- **However, valuations remain a key deterrent, and we await a better risk-reward profile to turn constructive. We reiterate our Neutral rating on the stock.**

Exhibit 7: Summary of our revised estimates

	Revised estimates		Earlier estimates		Change (%/bp)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Revenue (INR m)	1,31,009	1,73,668	1,32,248	1,73,257	-0.9%	0.2%
EBITDA (INR m)	11,700	17,195	12,146	17,368	-3.7%	-1.0%
EBITDA Margin (%)	8.9	9.9	9.2	10.0	-25bp	-12bp
PAT (INR m)	4,799	8,142	4,826	8,277	-0.6%	-1.6%
PAT Margin (%)	3.7	4.7	3.6	4.8	1bp	-9bp
Adj. EPS (INR)	1.7	2.8	1.7	2.9	-0.6%	-1.6%

Source: MOFSL

Exhibit 8: SoTP-based TP at INR370

Segment	Methodology	Methodology description	Valuation toward NYKAA (INR b)	Contribution (INR per share)
BPC	Multiples	❖ 50x FY28E EV/EBITDA	837	293
Fashion	DCF	❖ Estimate 28% GOV CAGR and expect margin to reach 10%+ over FY27-37E. Our WACC/terminal growth estimate stands at ~11.0%/5.5%, respectively.	215	75
Less : Net debt			4	1
Total (Rounded)				370

Source: MOFSL

Financials and valuations

Revenue Model							(INR M)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
AUTC (Mn)	8.4	10.5	12.4	15.8	19.7	23.0	28.8
Order Frequency	3.2	3.4	3.5	3.4	3.3	3.5	3.7
Orders/ Year	27	36	44	55	66	81	106
AOV	1,857	1,857	1,985	2,021	2,068	2,157	2,197
BPC GOV	**51,816**	**71,736**	**90,550**	**1,17,750**	**1,49,530**	**1,92,368**	**2,52,077**
BPC Revenue (NSV)	**34,485**	**47,091**	**58,100**	**72,510**	**91,392**	**1,18,293**	**1,55,996**
Fashion Revenue	3,254	4,347	5,680	6,750	8,322	11,912	15,960
Others	0	0	74	240	507	804	1,712
Revenue	**37,739**	**51,438**	**63,856**	**79,498**	**1,00,224**	**1,31,009**	**1,73,668**

Income statement							(INR M)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Sales	**37,739**	**51,438**	**63,856**	**79,498**	**1,00,224**	**1,31,009**	**1,73,668**
Change (%)	NA	36.3	24.1	24.5	26.1	30.7	32.6
Inventory of traded goods	21,300	28,657	36,464	44,727	55,065	71,155	97,647
Gross Profit	**16,439**	**22,781**	**27,392**	**34,771**	**45,158**	**59,853**	**76,021**
% of Net Sales	43.6	44.3	42.9	43.7	45.1	45.7	43.8
Employee Expenses	3,265	4,917	5,649	6,661	7,715	10,592	14,588
Other Expenses	11,542	15,304	18,281	23,371	29,923	37,561	44,238
EBITDA	**1,632**	**2,560**	**3,462**	**4,740**	**7,520**	**11,700**	**17,195**
% of Net Sales	4.3	5.0	5.4	6.0	7.5	8.9	9.9
Depreciation	964	1,733	2,242	2,664	3,203	3,886	4,456
EBIT	**668**	**827**	**1,220**	**2,076**	**4,317**	**7,813**	**12,739**
% of Net Sales	1.8	1.6	1.9	2.6	4.3	6.0	7.3
Other Income (net)	-195	-444	-529	-800	-844	-642	-900
PBT	**473**	**384**	**691**	**1,275**	**3,473**	**7,171**	**11,839**
Tax	60	136	253	538	1,320	2,372	3,696
Rate (%)	12.7	35.4	36.6	42.1	38.0	33.1	31.2
Adjusted PAT	**412**	**248**	**438**	**738**	**2,153**	**4,799**	**8,142**
Extraordinary gains/loss	0	0	0	0	101	0	0
Minority Interest	0	39	40	16	15	4	0
Reported PAT	**412**	**209**	**398**	**721**	**2,038**	**4,795**	**8,142**
Change (%)	NA	-49%	91%	81%	182%	135%	70%

Balance Sheet							(INR M)
Y/E March	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27E**	**FY28E**
Share capital	474	2,852	2,856	2,859	2,863	2,863	2,863
Reserves	12,925	10,928	9,766	10,154	11,517	16,312	24,454
Net Worth	**13,455**	**13,922**	**12,810**	**13,427**	**15,021**	**19,816**	**27,959**
Loans	2,052	2,137	1,593	3,218	3,152	5,557	5,602
Capital Employed	**15,508**	**16,059**	**14,403**	**16,644**	**18,173**	**25,374**	**33,560**
Net Block	**3,718**	**5,433**	**4,966**	**6,016**	**7,614**	**8,499**	**8,893**
Intangibles	1,262	1,844	1,952	2,668	2,465	2,122	1,780
Other LT assets	2,210	3,167	4,158	4,341	4,145	4,145	4,145
Curr. Assets	**19,271**	**19,056**	**22,929**	**26,771**	**31,889**	**38,864**	**50,117**
Inventories	8,756	10,051	11,920	14,175	16,422	21,466	29,500
Debtors	945	1,635	2,416	2,466	2,894	3,589	4,758
Cash & Bank Balance	2,670	1,487	2,399	2,172	3,200	4,639	4,571
Investments	4,879	2,645	1,833	2,693	3,123	3,055	3,760
Other Current Assets	2,020	3,237	4,361	5,265	6,251	6,116	7,528
Current Liab. & Prov	**10,953**	**13,441**	**19,603**	**23,151**	**27,941**	**28,254**	**31,371**
Net Current Assets	**8,318**	**5,615**	**3,327**	**3,620**	**3,948**	**10,611**	**18,746**
Application of Funds	**15,507**	**16,059**	**14,403**	**16,644**	**18,173**	**25,377**	**33,564**

Financials and valuations

Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
Basic (INR)							
EPS	**0.1**	**0.1**	**0.1**	**0.3**	**0.7**	**1.7**	**2.8**
Cash EPS	0.5	0.7	0.9	1.2	1.8	3.0	4.4
Book Value	4.8	4.9	4.5	4.7	5.2	6.9	9.8
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	2,433.0	4,866.1	2,546.2	1,408.8	498.8	211.9	124.8
Cash P/E	729.0	523.4	384.1	300.2	193.9	117.1	80.7
EV/EBITDA	614.5	397.1	292.7	214.7	135.1	86.9	59.2
EV/Sales	26.6	19.8	15.9	12.8	10.1	7.8	5.9
Price/Book Value	74.6	73.0	79.2	75.7	67.7	51.3	36.3
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profitability Ratios (%)							
RoE	3.1	1.8	3.3	5.6	14.4	27.6	34.1
RoCE	3.6	3.7	6.4	10.0	19.9	31.8	38.7
Turnover Ratios							
Debtors (Days)	9	12	14	11	11	10	10
Fixed Asset Turnover (x)	7.6	7.1	9.2	9.2	9.9	12.3	16.3

Cash Flow Statement

(INR M)

Y/E March	FY22	FY23	FY24	FY25	FY26	FY27E	FY28E
CF from Operations	1,109	1,888	2,516	4,455	6,594	9,328	13,499
Cash for Working Capital	-4,649	-3,290	-2,513	211	-151	-3,287	-8,203
Net Operating CF	**-3,540**	**-1,402**	**3**	**4,666**	**6,443**	**6,041**	**5,296**
Net Purchase of FA	-940	-2,082	-1,107	-1,272	-1,539	-1,233	-1,254
Free Cash Flow	**-4,480**	**-3,484**	**-1,105**	**3,394**	**4,904**	**4,808**	**4,042**
Net Purchase of Invest.	-5,088	3,477	1,006	-782	-51	538	310
Net Cash from Invest.	**-6,028**	**1,396**	**-101**	**-2,054**	**-1,589**	**-694**	**-944**
Proc. from equity issues	8,727	288	172	-2,499	352	0	0
Proceeds from LTB/STB	1,456	1,263	2,200	2,768	-2,079	0	0
Others	-913	-1,503	-1,930	-2,390	-2,604	-3,908	-4,419
Dividend Payments	0	0	0	0	0	0	0
Cash Flow from Fin.	**9,270**	**49**	**443**	**-2,120**	**-4,331**	**-3,908**	**-4,419**
Net Cash Flow	**-298**	**42**	**344**	**492**	**523**	**1,438**	**-67**
Opening Cash Bal.	**669**	**372**	**414**	**758**	**1,249**	**1,772**	**3,210**
Forex differences	0	0	0	0	0	0	0
Add: Net Cash	-298	42	344	492	523	1,438	-67
Closing Cash Bal.	**371**	**414**	**758**	**1,249**	**1,772**	**3,210**	**3,143**

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SELL	< - 10%
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