

Retail | Q4FY23 Result Update

Weak performance, green-shots of recovery in sight!

- Vmart's Q4FY23 was below our estimates but in-line with street. Internals were healthy 17 (net 9) store additions, 10% SSSG, improvement in footfalls, better profitability from new and acquired Unlimited stores.
- Vmart's recovery post covid has been lackluster, due to steep inflation and weak consumer sentiment, increase in competition from national players, impact of steep price increases by during covid which stands corrected etc. Acquisition of Lime Road (Q2FY23), investments in new warehouse (~Rs 1.5bn over FY22-23), technology spends and continued store expansion, though positive from a longer-term future proofing of business, these initiatives have accentuated the P&L and BS pain. That said, the concerns seem to have been factored in the price. As core business recovers and above initiatives deliver over medium-term, healthy performance is likely.
- We decrease our revenue estimates by 5/2% and EBITDA by 16/2% over FY24/25E to factor the weak Q4FY23 performance and delay in recovery. Reiterate BUY with revised TP of Rs 3,200 @ 18x FY25E EV/E (earlier Rs 3,350 @ 18x FY25E).

Operating and Financial highlights

Vmart's Q4 revenue/GP/EBITDA/APAT were at +29.5/+18.3/-54.4/-1314.6% YoY. GP/EBITDA margin stood at 31.9/3.9% (-301/-711 bps YoY). GP was impacted by product mix due to delayed winter and price-correction in certain categories. EBITDA was impacted by lower GP, loss in digital and new stores. Rev/Sqft was +10% YoY (Vmart 11%, UL 4%). Outlook remains moderately positive with green-shots of recovery. Mgmt guides for high-single digit SSSG.

FY23 roundup

Vmart ended FY23 with revenue/GP/EBITDA of 48/51/32% YoY. Growth is drive by full-year consolidation of high GP margin Unlimited business (vs. 7mn in FY22) and 5m of Limeroad in FY23. Vmart revenue/GP/EBITDA grew by 38/43/46%. Unlimited by 106/88/85%. Part of the growth in Vmart and UL was off-set by losses in digital of Rs 443mn.

Q4FY23 Result (Rs Mn)

Particulars	Q4FY23	Q4FY22	YoY (%)	Q3FY23	QoQ (%)
Revenue	5,939	4,588	29.5	7,769	(23.6)
Total Expense	5,710	4,085	39.8	6,614	(13.7)
EBITDA	229	503	(54.4)	1,155	(80.1)
Depreciation	484	376	28.8	473	2.4
EBIT	(255)	127	(300.2)	682	(137.4)
Other Income	75	28	169.9	7	981.8
Interest	336	235	42.9	307	9.5
EBT	(516)	(80)	NA	264	NA
Tax	(146)	(54)	NA	64	NA
RPAT	(370)	(26)	NA	200	NA
APAT	(370)	(26)	NA	318	NA
			(bps)		(bps)
Gross Margin (%)	31.9	34.9	(300)	35.4	(349)
EBITDA Margin (%)	3.9	11.0	(711)	14.9	(1100)
NPM (%)	(6.2)	(0.6)	(565)	2.6	(879)
Tax Rate (%)	28.3	67.4	NA	24.4	NA
EBIT Margin (%)	(4.3)	2.8	(706)	8.8	(1307)

CMP	Rs 2,042
Target / Upside	Rs 3,200 / 57%
NIFTY	18,203

Scrip Details

Equity / FV	Rs 198mn / Rs 10		
Market Cap	Rs 40bn		
	USD 491.3mn		
52-week High/Low	Rs 3,433/ 1,995		
Avg. Volume (no)	35,061		
Bloom Code	VMART IN		
Price Performance	1M	3M	12M
Absolute (%)	(6)	(16)	(33)
Rel to NIFTY (%)	(11)	(20)	(45)

Shareholding Pattern

	Sep'22	Dec'22	Mar'23
Promoters	46.1	45.8	44.3
MF/Banks/FIs	31.5	32.7	31.8
FIs	11.5	11.2	14.2
Public / Others	10.9	10.4	9.7

Valuation (x)

	FY23A	FY24E	FY25E
P/E	(511.3)	5509.6	67.2
EV/EBITDA	19.9	16.6	12.8
ROE (%)	(2.1)	0.1	6.8
RoACE (%)	5.5	6.4	9.3

Estimates (Rs bn)

	FY23A	FY24E	FY25E
Revenue	24.6	30.2	35.8
EBITDA	2.7	3.3	4.3
PAT	(0.1)	0.0	0.6
EPS (Rs.)	(4.0)	0.4	30.4

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Earnings Call KTAs

Demand trend and business outlook

- Vmart mgmt. highlighted cautiously optimistic outlook on demand. Apr'23 was slow but May is seeing signs of recovery. While the demand was good in west, south and north east, the demand recovery in its key markets of UP and Bihar continued to remain weak in Q4.
- Vmart and most retailers continue to remain positive on the demand outlook in coming times and are working on expanding their physical presence across geographies. Along with physical store expansion, Vmart has been actively working to improve its online presence and performance through its website and mobile app. Limeroad acquisition has been a part of expanding its online presence. Thus, growth and expansion strategy is to establish Vmart as a strong omni-channel retailer in the coming times.
- To achieve its growth objective, the company has laid out a strategy to focus on the following areas – designing, sourcing, quality and pricing, supply chain. All of this is with the intent to improve the offering quality and fashion quotient which shall ultimately result into higher conversion rate and profitability.
- Due to weak demand in key markets and turnaround time required for integration of Limeroad and turning it profitable, mgmt. expects the margin pressure to continue for a couple of quarters more. However, in the long run, mgmt. targets to maintain ~33-34% GM at consolidated level with core business GM at ~30% and 36-37% for Unlimited.

Capex

- Vmart incurred a capex of ~Rs 277 crores in FY23 towards (a) Acquisitions of online retailer Limeroad – ~Rs. 55-60 cr (b) building of warehouse - ~Rs 110 cr (c) new store addition capex – Rs 80-85 cr (c) Refurbishment of existing stores – Rs. 12-15 cr (d) investments in technology enhancement.
- Company has guided that it would continue adding 15-16% retail area. However, the technology costs would not be significant going forward.

Other highlights

- Limeroad's integration with the Company is still WIP and focus is towards improving efficiencies and re-aligning supply chain to make optimum utilization of resources and to leverage the synergies of merged entity.
- Special focus is on improving the design and quality of the offerings, enhance the customer experience of shopping at Vmart – both online and offline.
- Company has increased its focus on tracking the international fashion trends, improving the quality of offerings, right sourcing at optimum costs, improving the supply chain and reducing the inventory. New warehouse is nearing completion and shall be operational soon. This will help in supply chain optimization.
- Company's focus is to expand physical stores is on Tier III cities/towns. Also, acceleration in store addition would be in Southern market.
- Newer stores being opened have better unit economics, viz. higher sales per sq. ft., smaller areas and lower rentals. Newer stores are expected to be ~8K sq.ft. and lower rental costs.
- Mgmt. has guided for high single digit SSSG in FY24 and improvement thereafter.

Exhibit 1: Actual vs. Estimates

Particulars (Rs mn)	Actual	Estimate	Variance (%/bps)	Remarks
Revenue	5,939	6,169	(3.7)	Revenue below estimates due to shift in festivities and delayed winter.
Gross Profit	1,896	2,124	(10.7)	
GP Margin (%)	31.9	34.4	(251 bps)	GP lower due to product mix and price cut.
EBITDA	229	435	(47.3)	
EBITDA Margin (%)	3.9	7.1	(320 bps)	
APAT	(370)	(266)	39.2	
APAT Margin (%)	(6.2)	(4.3)	(192 bps)	
AEPS (Rs)	(18.7)	(13.4)	39.2	

Source: DART, Company

Exhibit 2: Change in estimates

Particulars (Rs mn)	FY24E			FY25E			Remarks
	New	Old	%/bps	New	Old	%/bps	
Revenue	30,163	31,922	(5.5)	35,809	36,933	(3.0)	Reduction in estimates to factor the delay in recovery.
Gross Profit	10,313	11,368	(9.3)	12,153	13,061	(6.9)	
EBITDA	3,292	3,907	(15.7)	4,320	4,411	(2.1)	
APAT	7	452	(98.4)	601	671	(10.5)	
AEPS (Rs)	0.4	22.9	(98.4)	30.4	34.0	(10.6)	
Margin (%)							
GP Margin (%)	34.2	35.6	(141)	33.9	35.4	(146)	
EBITDA Margin (%)	10.9	12.2	(129)	12.1	11.9	16	
APAT Margin (%)	0.0	1.4	(138)	1.7	1.8	(12)	
Operating KPIs							
Stores (No.)	473	495	(4.4)	523	545	(4.0)	
Area (Mn Sq. ft.)	4.1	4.2	(2.4)	4.5	4.6	(2.2)	
Avg Per Sq Ft (Rs)							
Revenue	7,513	7,679	(2.2)	8,077	8,064	0.2	
Gross Profit	2,478	2,631	(5.8)	2,651	2,750	(3.6)	
EBITDA	993	1,124	(11.7)	1,114	1,158	(3.8)	
Net Profit	113	226	(49.9)	222	272	(18.4)	

Source: DART, Company

Exhibit 3: Quarterly Operational Highlights

Particulars (Rs mn)	Q4FY22	Q3FY23	Q4FY23	Chg YoY (%/bps)	Chg QoQ (%)	FY22	FY23	Chg YoY (%/bps)
No. of stores	380	414	423	11.3	2.2	380	423	11.3
Sq ft (mn)	3.3	3.7	3.7	11.3	-	3.3	3.7	11.3
Size/Store (Sq ft)	8,747	8,937	8,747	-0.0	-2.1	8,747	8,747	0.0
Sales/Sq ft (Computed) (Rs)	462	709	535	15.9	-24.6	559	623	11.4
Footfalls (mn)	8.0	12.6	11.2	40.0	-11.1	28.9	42.6	47.4
Conversion rate (%)	63.0	55.0	58.0	-501 bps	300 bps	63	58	(500)
Transaction size (Rs)	981	1,044	1,017	3.7	-2.6	973	1,017	4.5
ASP (Rs)- Total	244	291	233	-4.5	-19.9	251	246	(2.0)
ASP (Rs)- Apparels	411	500	382	-7.1	-23.6	423	410	(3.0)

Source: DART, Company

Exhibit 4: Quarterly Standalone P&L

Particulars (Rs mn)	Q4FY22	Q3FY23	Q4FY23	Chg YoY (%)	Chg QoQ (%)	FY22	FY23	Chg YoY (%)
Net Sales	4,588	7,769	5,939	29	(24)	16,662	24,648	47.9
RM Costs	2,985	5,017	4,043	35	(19)	10,911	15,971	46.4
Gross Profit	1,602	2,751	1,896	18	(31)	5,751	8,677	50.9
Employees cost	511	763	680	33	(11)	1,796	2,555	42.3
Power	148	208	201	35	(3)	583	912	56.4
Advertisement	115	247	320	179	30	417	863	107.1
Other expenses	325	379	465	43	23	912	1,541	69.0
Total expenses	1,099	1,597	1,667	52	4	3,707	5,870	58.3
EBITDA	503	1,155	229	(54)	(80)	2,043	2,807	37.4
D&A	376	473	484	29	2	1,307	1,800	37.7
EBIT	127	682	(255)	(300)	(137)	736	1,007	36.7
Other income	28	7	75	170	982	140	150	7.2
Interest costs	235	307	336	43	10	772	1,169	51.5
PBT	-80	264	(516)	544	(295)	104	(131)	(225.6)
Tax	-54	64	(146)	171	(327)	(12)	(52)	314.9
APAT	-26	318	(370)	1,315	(216)	116	21	(81.8)

Source: DART, Company

Exhibit 5: Margin Analysis

Particulars	Q4FY22	Q3FY23	Q4FY23	Chg YoY (bps)	Chg QoQ (bps)	FY22	FY23	Chg YoY (bps)
RM Costs	65.1	64.6	68.1	300	349	65.5	64.8	(69)
Gross Profit	34.9	35.4	31.9	(300)	(349)	34.5	35.2	69
Employees cost	11.1	9.8	11.5	32	163	10.8	10.4	(41)
Power	3.2	2.7	3.4	15	71	3.5	3.7	20
Advertisement	2.5	3.2	5.4	289	221	2.5	3.5	100
Other expenses	7.1	4.9	7.8	75	296	5.5	6.3	78
Total Other expenses	24.0	20.6	28.1	411	751	22.3	23.8	157
EBITDA	11.0	14.9	3.9	(711)	(1,100)	12.3	11.4	(88)
D&A	8.2	6.1	8.2	(4)	207	7.8	7.3	(54)
EBIT	2.8	8.8	(4.3)	(706)	(1,307)	4.4	4.1	(33)
Other income	0.6	0.1	1.3	66	118	0.8	0.6	(23)
Interest costs	5.1	4.0	5.7	53	171	4.6	4.7	11
PBT	(1.7)	3.4	(8.7)	(694)	(1,208)	0.6	(0.5)	(115)
Tax	(1.2)	0.8	(2.5)	(129)	(329)	(0.1)	(0.2)	(13)
APAT	(0.6)	4.1	(6.2)	(565)	(1,031)	0.7	0.1	(61)
Tax as % of PBT	67.4	24.4	28.3	(3,903)	395	(12.0)	39.5	361

Source: DART, Company

Exhibit 6: Segment-wise financial performance

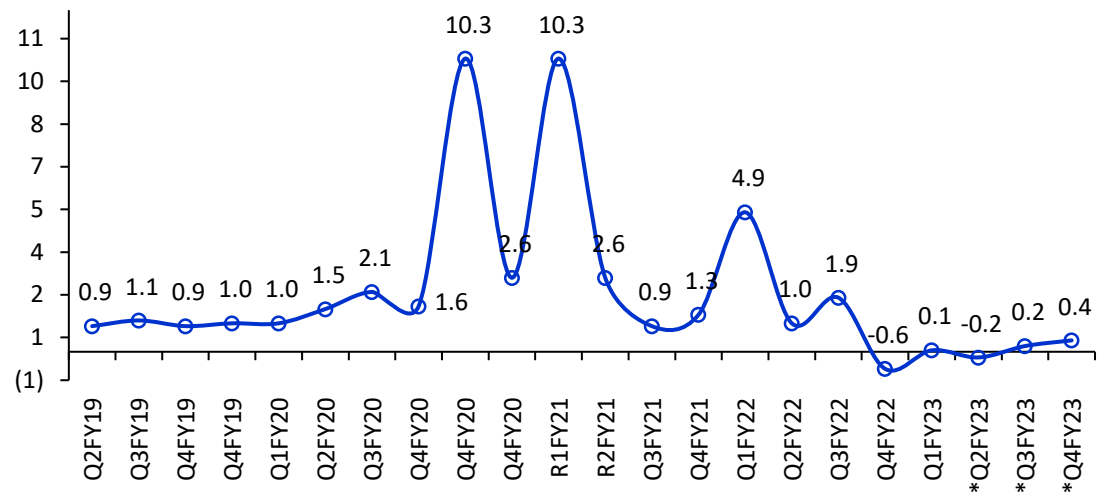
	Q4FY22	Q4FY23	Chg YoY%	FY22	FY23	Chg YoY%
Revenue						
Vmart	3,813	4,940	29.6	14,539	20,100	38.2
Unlimited	774	881	13.8	2,123	4,379	106.3
LimeRoad	-	104	NA	-	169	NA
Total	4,587	5,925	29.2	16,662	24,648	47.9
EBITDA						
Vmart	371	340	(8.4)	1,674	2,448	46.2
Unlimited	132	104	(21.2)	369	682	84.8
LimeRoad	-	(215)	-	-	(441)	-
Total	503	229	(54.5)	2,043	2,689	31.6
EBITDA Margin %						
Vmart	9.7	6.9	(285)	11.5	12.2	67
Unlimited	17.1	11.8	(525)	17.4	15.6	(181)
LimeRoad	-	(206.7)	-	-	(260.9)	-
Total	11.0	3.9	(710)	12.3	10.9	(135)

Source: DART, Company

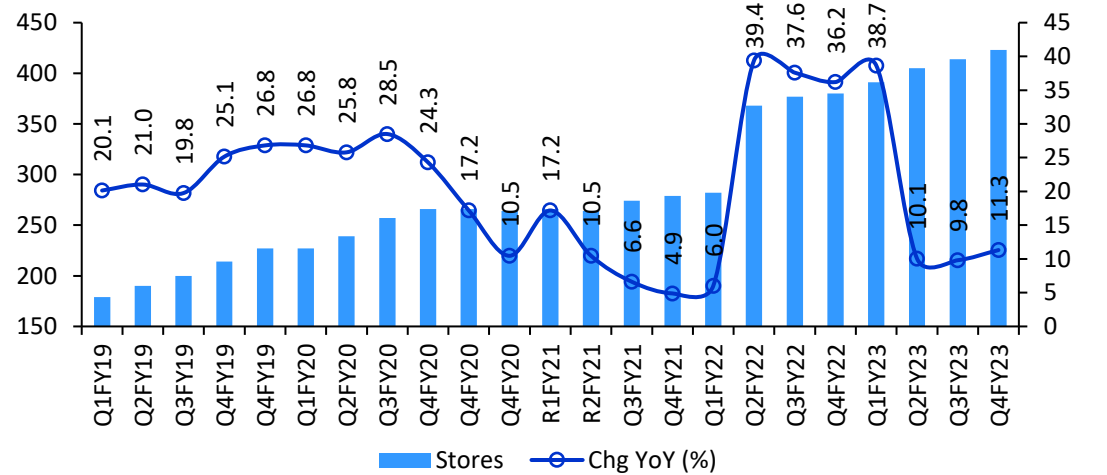
Exhibit 7: Segment-wise operating performance

	FY22	FY23	Chg YoY%
Sales per sq.ft./month (Rs)			
Vmart	582	655	12.5
Unlimited	459	520	13.3
Blended	559	623	11.4
Store category-wise sales/sqft/month (Rs)			
Tier 1	519	630	21.4
Tier 2	539	604	12.1
Tier 3	602	635	5.5
Tier 4	495	495	-
Blended	559	620	10.9
Stores Count (Nos)			
Tier 1	103	106	2.9
Tier 2	53	52	(1.9)
Tier 3	185	212	14.6
Tier 4	39	53	35.9
Blended	380	423	11.3

Source: DART, Company

Exhibit 8: Shrinkage trend


Source: DART, Company | * Shrinkage in Q2FY23, Q3FY23 and Q4FY23 is YTD, i.e. from Apr'22 to Dec'22

Exhibit 9: Store count (including 'Unlimited')


Source: DART, Company

Exhibit 10: State-wise Store Footprint (including 'Unlimited')

State	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
UP	53	59	72	85	103	110	122	132
Bihar	27	31	36	41	45	51	55	56
Jharkhand	7	8	14	17	19	20	24	24
Tamil Nadu	-	-	-	-	-	-	22	26
Karnataka	-	-	-	-	-	-	20	19
Rajasthan	4	4	4	5	13	16	17	23
West Bengal	2	4	6	12	16	14	17	18
MP	4	4	6	8	15	15	14	17
Telangana	-	-	-	-	-	-	14	18
Uttarakhand	5	5	6	8	8	8	10	13
Andhra Pradesh	-	-	-	-	-	-	9	11
Assam	-	-	-	6	9	9	8	14
J&K	1	2	3	5	8	8	8	8
Odisha	4	10	10	10	9	8	8	10
Gujarat	7	6	6	6	6	6	7	7
Maharashtra	-	-	-	-	-	-	5	5
Others	9	8	8	11	15	14	20	22
Total	123	141	171	214	266	279	380	423

Source: DART, Company

Exhibit 11: State-wise Store Footprint Mix (%)

State	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
UP	43	42	42	40	39	39	32	31
Bihar	22	22	21	19	17	18	14	15
Jharkhand	6	6	8	8	7	7	6	6
Tamil Nadu	-	-	-	-	-	-	6	6
Karnataka	-	-	-	-	-	-	5	5
Rajasthan	3	3	2	2	5	6	4	5
West Bengal	2	3	4	6	6	5	4	4
MP	3	3	4	4	6	5	4	4
Telangana	-	-	-	-	-	-	4	4
Uttarakhand	4	4	4	4	3	3	3	3
Andhra Pradesh	-	-	-	-	-	-	2	2
Assam	-	-	-	3	3	3	2	3
J&K	1	1	2	2	3	3	2	3
Odisha	3	7	6	5	3	3	2	2
Gujarat	6	4	4	3	2	2	2	2
Maharashtra	-	-	-	-	-	-	1	1
Others	7	6	5	5	6	5	5	5
Total	100	100	100	100	100	100	100	100

Source: DART, Company

Exhibit 12: Valuation Snapshot

Particulars (Rs Mn)	FY25E
EBITDA	4,320
Target Multiple (x)	18
Enterprise Value (Rs Mn)	77,851
Net debt incl Lease Liabilities	14,790
Equity Value (Rs Mn)	63,061
O/s shares (Mn)	19.7
Target Price (Rs/sh)	3,200
CMP (Rs)	2,042
+/(-) %	56.7

Source: DART, Company

Exhibit 13: Key Assumptions

Particulars	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E
Store count (Nos)	123	141	171	214	266	279	380	423	473	523
New Stores (Nos)	15	18	30	43	52	13	101	43	50	50
Store Area (Mn Sq ft)	1.01	1.20	1.44	1.79	2.21	2.30	3.30	3.70	4.10	4.50
Area/Store (Sq Ft)	8,244	8,475	8,421	8,364	8,308	8,244	8,684	8,747	8,668	8,604
Sales per sq. ft. per month (Rs)	711	756	773	740	693	397	496	587	626	673
Revenue	8,093	10,017	12,224	14,337	16,620	10,755	16,662	24,361	29,299	34,730
Gross Profit	2,380	2,990	3,921	4,635	5,358	3,519	5,751	8,447	9,665	11,398
EBITDA	620	848	1,328	1,329	2,137	1,312	2,043	3,132	3,871	4,792
Net Profit	264	439	777	714	493	(62)	116	253	442	955
YE No of shares (Mn)	18.1	18.1	18.1	18.1	18.2	19.7	19.7	19.8	19.8	19.8
EPS (Rs)	14.6	24.3	42.9	39.4	27.2	(3.1)	5.9	12.8	22.4	48.3
Margin %										
Gross Profit	29.4	29.8	32.1	32.3	32.2	32.7	34.5	34.7	33.0	32.8
EBITDA	7.7	8.5	10.9	9.3	12.9	12.2	12.3	12.9	13.2	13.8
Net Profit	3.3	4.4	6.4	5.0	3.0	(0.6)	0.7	1.0	1.5	2.7
Avg. per Sq. Ft. (Rs)										
Revenue	8,532	9,069	9,278	8,878	8,310	4,769	5,951	6,960	7,513	8,077
Gross Profit	2,510	2,707	2,976	2,870	2,679	1,560	2,054	2,413	2,478	2,651
EBITDA	654	767	1,008	823	1,069	582	730	895	993	1,114
Net Profit	278	398	590	442	247	(27)	42	72	113	222
Growth %										
Store count (Nos)	13.9	14.6	21.3	25.1	24.3	4.9	36.2	11.3	11.8	10.6
Store Area (Mn Sq ft)	14.8	17.9	20.5	24.3	23.5	4.1	43.5	12.1	10.8	9.8
Rev/Sqft/mth (Rs)	(5.5)	6.3	2.3	(4.3)	(6.4)	(42.6)	24.8	18.3	6.7	7.5
Revenue (Rs Mn)	12.4	23.8	22.0	17.3	15.9	(35.3)	54.9	46.2	20.3	18.5
EBITDA (Rs Mn)	(2.5)	36.6	56.7	0.1	60.8	(38.6)	55.7	53.3	23.6	23.8
APAT (Rs Mn)	(32.5)	66.4	77.0	(8.1)	(30.9)	(112.6)	(287.9)	117.7	74.4	116.0
EPS (Rs)	(32.7)	66.4	76.7	(8.2)	(31.0)	(111.6)	(287.5)	117.4	74.4	116.0
Revenue/sqft	(5.5)	6.3	2.3	(4.3)	(6.4)	(42.6)	24.8	17.0	7.9	7.5
Gross Profit/sqft	(2.8)	7.8	10.0	(3.6)	(6.7)	(41.7)	31.6	17.5	2.7	7.0
EBITDA/sqft	(18.0)	17.3	31.3	(18.3)	29.8	(45.6)	25.4	22.6	10.9	12.3
Net Profit/sqft	(43.3)	42.9	48.4	(25.0)	(44.2)	(111.1)	(251.3)	74.1	56.5	95.9

Source: DART, Company

Financial Performance

Profit and Loss Account

(Rs Mn)	FY22A	FY23A	FY24E	FY25E
Revenue	16,662	24,648	30,163	35,809
Total Expense	14,618	21,959	26,871	31,489
COGS	10,911	15,971	19,850	23,656
Employees Cost	1,796	2,555	3,014	3,523
Other expenses	1,911	3,433	4,007	4,310
EBIDTA	2,043	2,689	3,292	4,320
Depreciation	1,307	1,800	2,023	2,163
EBIT	736	889	1,269	2,158
Interest	772	1,169	1,434	1,580
Other Income	140	150	175	234
Exc. / E.O. items	0	(100)	0	0
EBT	104	(231)	10	812
Tax	(12)	(52)	3	211
RPAT	116	(179)	7	601
Minority Interest	0	0	0	0
Profit/Loss share of associates	0	0	0	0
APAT	116	(79)	7	601

Balance Sheet

(Rs Mn)	FY22A	FY23A	FY24E	FY25E
Sources of Funds				
Equity Capital	197	198	198	198
Minority Interest	0	0	0	0
Reserves & Surplus	8,300	8,292	8,299	8,870
Net Worth	8,497	8,490	8,497	9,068
Total Debt	9,022	13,317	14,583	14,910
Net Deferred Tax Liability	0	0	0	0
Total Capital Employed	17,519	21,807	23,080	23,977

Applications of Funds

Net Block	11,110	14,455	15,428	15,825
CWIP	64	1,092	1,342	1,342
Investments	800	1,301	1,265	1,389
Current Assets, Loans & Advances	9,021	10,577	11,596	12,351
Inventories	6,682	8,706	9,589	10,246
Receivables	0	0	0	0
Cash and Bank Balances	1,599	287	385	120
Loans and Advances	0	0	0	0
Other Current Assets	740	1,584	1,622	1,985
Less: Current Liabilities & Provisions	3,477	5,619	6,552	6,930
Payables	2,906	4,883	5,378	5,747
Other Current Liabilities	571	735	1,174	1,183
<i>sub total</i>				
Net Current Assets	5,545	4,959	5,044	5,421
Total Assets	17,518	21,807	23,080	23,977

E – Estimates

Important Ratios

Particulars	FY22A	FY23A	FY24E	FY25E
(A) Margins (%)				
Gross Profit Margin	34.5	35.2	34.2	33.9
EBIDTA Margin	12.3	10.9	10.9	12.1
EBIT Margin	4.4	3.6	4.2	6.0
Tax rate	(12.0)	22.4	26.0	26.0
Net Profit Margin	0.7	(0.7)	0.0	1.7
(B) As Percentage of Net Sales (%)				
COGS	65.5	64.8	65.8	66.1
Employee	10.8	10.4	10.0	9.8
Other	11.5	13.9	13.3	12.0
(C) Measure of Financial Status				
Gross Debt / Equity	1.1	1.6	1.7	1.6
Interest Coverage	1.0	0.8	0.9	1.4
Inventory days	146	129	116	104
Debtors days	0	0	0	0
Average Cost of Debt	10.5	10.5	10.3	10.7
Payable days	64	72	65	59
Working Capital days	121	73	61	55
FA T/O	1.5	1.7	2.0	2.3
(D) Measures of Investment				
AEPS (Rs)	5.9	(4.0)	0.4	30.4
CEPS (Rs)	72.0	87.0	102.7	139.8
DPS (Rs)	0.0	0.0	0.0	0.0
Dividend Payout (%)	0.0	0.0	0.0	0.0
BVPS (Rs)	429.7	429.4	429.7	458.6
RoANW (%)	1.4	(2.1)	0.1	6.8
RoACE (%)	5.6	5.5	6.4	9.3
RoAIC (%)	5.6	4.7	5.7	9.3
(E) Valuation Ratios				
CMP (Rs)	2042	2042	2042	2042
P/E	346.8	(511.3)	5509.6	67.2
Mcap (Rs Mn)	40,367	40,367	40,367	40,367
MCap/ Sales	2.4	1.6	1.3	1.1
EV	47,790	53,397	54,565	55,157
EV/Sales	2.9	2.2	1.8	1.5
EV/EBITDA	23.4	19.9	16.6	12.8
P/BV	4.8	4.8	4.8	4.5
Dividend Yield (%)	0.0	0.0	0.0	0.0
(F) Growth Rate (%)				
Revenue	54.9	47.9	22.4	18.7
EBITDA	55.7	31.6	22.4	31.2
EBIT	160.7	20.7	42.8	70.0
PBT	(207.6)	(321.9)	(104.3)	8099.3
APAT	(287.9)	(167.8)	(109.3)	8099.3
EPS	(287.9)	(167.8)	(109.3)	8099.3

E – Estimates

Cash Flow

Particulars	FY22A	FY23A	FY24E	FY25E
Profit before tax	104	(231)	10	812
Depreciation & w.o.	1,307	1,800	2,023	2,163
Net Interest Exp	772	1,169	1,434	1,580
Direct taxes paid	12	52	(3)	(211)
Change in Working Capital	(890)	(726)	12	(642)
Non Cash	0	0	0	0
(A) CF from Operating Activities	1,305	2,064	3,477	3,701
Capex {(Inc.)/ Dec. in Fixed Assets n WIP}	(2,390)	(3,798)	(2,634)	(2,494)
Free Cash Flow	(1,085)	(1,734)	842	1,208
(Inc.)/ Dec. in Investments	(377)	(501)	36	(124)
Other	0	0	0	0
(B) CF from Investing Activities	(2,768)	(4,314)	(2,598)	(2,617)
Issue of Equity/ Preference	143	163	0	0
Inc./(Dec.) in Debt	0	1,478	0	250
Interest exp net	(772)	(1,169)	(1,434)	(1,580)
Dividend Paid (Incl. Tax)	(15)	9	0	(30)
Other	241	456	654	11
(C) CF from Financing	(402)	938	(780)	(1,349)
Net Change in Cash	(1,865)	(1,313)	98	(265)
Opening Cash balances	3,465	1,600	287	385
Closing Cash balances	1,600	287	385	120

E – Estimates

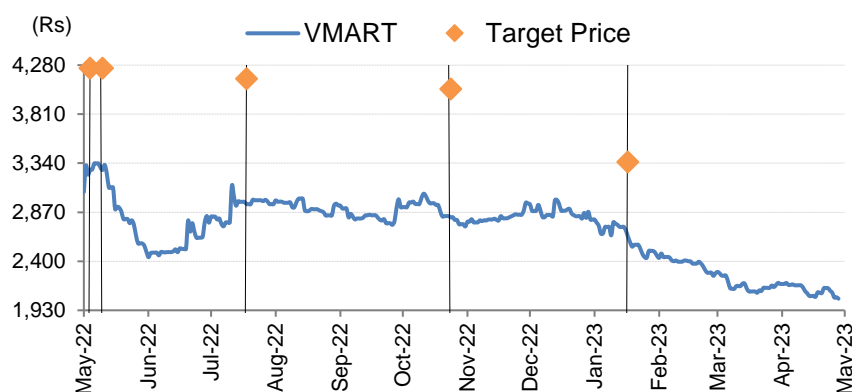
Notes

DART RATING MATRIX

Total Return Expectation (12 Months)

Buy	> 20%
Accumulate	10 to 20%
Reduce	0 to 10%
Sell	< 0%

Rating and Target Price History



Month	Rating	TP (Rs.)	Price (Rs.)
May-22	BUY	4,250	3,277
May-22	BUY	4,250	3,276
Aug-22	BUY	4,150	2,949
Nov-22	BUY	4,050	2,820
Feb-23	BUY	3,350	2,636

*Price as on recommendation date

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