

Healthy performance, sustenance key!

- Nykaa's Q3FY25 operating performance was marginally ahead and healthy. GMV/Revenues/GP/EBITDA grew by 33/27/30/43% YoY. PAT grew by 48% YoY on a low base, but was below estimate due to higher depreciation and finance costs on store roll-out.
- The company is facing challenges of balancing rapid growth and margin expansion as multiple segments viz fashion, superstore, GCCs etc. are under-investment mode thereby restricting margin expansion. Core BPC margins, too, remain rangebound limiting the platform effect. Growth in Fashion continues to remain weak. Mgmt. has given upbeat guidance on its investor day projecting robust GMV (and thus revenue) growth coupled with healthy margin improvement. Achieving its guidance would be key. We find Nykaa treading on the right path.
- We change our FY25/26/27E revenue estimates by 4/5/5%, EBITDA by 2/2/1% and EPS by -16/-8/-4%. Reiterate 'Accumulate' rating with TP of Rs 190 @ 4.5x FY27E EV/S (earlier Rs 200 @ 5x FY27E EV/S). We have lowered multiples to factor in weak margin and higher below EBITDA costs. At CMP, Nykaa trades at ~63/45x FY26/27E EV/E and 174/96x PE. Valuations remain extremely rich leaving limited room to err.

Respectable revenue growth in tough macros.....

Nykaa's Q3FY25 was healthy with GMV growth of 33% YoY (BPC/Fashion at 43/8%). Revenue also grew by 24% (BPC/Fashion 36/21%). The Fashion segment's Revenue/GP was aided by content marketing.

.....driving superior profitability

GP grew by 30%(BPC/Fashion 29/32%) with a +69bps GP margin YoY. Contribution growth was healthy at 29% YoY (BPC/Fashion 28/44%). EBITDA grew by 43% YoY led by Oplev. On a lower base, PAT grew by a healthy 48% YoY.

BPC steady, Fashion modest

The BPC business segment has been witnessing 25%+ growth despite weak macros with stable margins. The company has strategically invested in marketing to drive consumer recruitment & brand building. Although the revenue growth from the fashion business was muted, it witnessed healthy growth (especially EBITDA) for the 6th quarter in a row with unit economics starting to fall in place and is a positive.

Key Data

Nifty	23,382
Equity / FV	Rs 2,856mn / Rs 1
Market Cap	Rs 484bn
	USD 5.5bn
52-Week High/Low	Rs 230/ 140
Avg. Volume (no)	83,32,080
Bloom Code	NYKAA IN

	Current	Previous
Rating	Accumulate	Accumulate
Target Price	190	200

Change in Estimates

(Rs.bn)	Current		Chg (%)/bps	
	FY25E	FY26E	FY25E	FY26E
Revenue	80	100	3.7	5.0
EBITDA	5	8	12.5	10.1
EBITDA (%)	5.9	7.8	46	36
APAT	1	3	22.9	5.8
EPS (Rs)	0.3	1.0	22.9	5.8

Valuation (x)

	FY25E	FY26E	FY27E
P/E	606.5	174.4	96.1
EV/EBITDA	104.2	63.1	44.8
ROE (%)	6.1	18.7	26.9
RoACE (%)	5.5	12.9	19.1

Q3FY25 Result (Rs Mn)

Particulars	Q3FY25	YoY (%)	QoQ(%)
Revenue	22,672	26.7	20.9
Total Expense	21,264	25.8	20.1
EBITDA	1,408	42.5	35.8
Depreciation	698	20.3	9.7
EBIT	710	74.2	77.2
Other Income	55	(27.1)	1.5
Interest	319	46.2	31.8
EBT	446	68.2	109.6
Tax	176	113.1	124.9
RPAT	270	47.9	100.7
APAT	270	47.9	100.7
		(bps)	(bps)
Gross Margin	43.7	119	(8)
EBITDA (%)	6.2	69	68
NPM (%)	1.2	17	47
Tax Rate (%)	39.5	831	269
EBIT (%)	3.1	85	99

Director Research: Himanshu Shah

+91 22 4096 9737

himanshu.shah@dolatcapital.com

Associate: Urvi Shah

+9122 40969750

urvis@dolatcapital.com

Associate: Mohit Rajani

+9122 40969714

mohitr@dolatcapital.com

Exhibit 1: Actual vs. Estimates table

Particulars (Rs Mn)	Actual	Estimates	Variance (%)	Remarks
Revenue	22,672	22,320	1.6	Operating performance is marginally better. APAT is lower due to higher D&A and finance costs.
GP	9,911	9,514	4.2	
GP %	43.7	42.6	110 bps	
EBITDA	1,408	1,316	6.9	Increase in finance costs is on account of additional stake acquisition in subsidiaries and rupee depreciation (forex loss)
Margin %	6.2	5.9	32 bps	
PAT	270	343	(21.4)	

Source: Company, Dolat Capital

Exhibit 2: Change in estimates

Particulars (Rs mn)	FY25E			FY26E			FY27E			Remarks
	Old	New	Chg %/bps	Old	New	Chg %/bps	Old	New	Chg %/bps	
Revenue	77,325	80,191	3.7	95,279	100,013	5.0	115,614	121,339	5.0	Trim estimate to factor Q3FY25
GP	33,328	34,821	4.5	41,226	43,468	5.4	50,282	53,015	5.4	
EBITDA	4,650	4,725	1.6	7,642	7,807	2.2	10,883	10,951	0.6	
APAT	953	798	(16.2)	3,022	2,775	(8.2)	5,260	5,037	(4.2)	
AEPS	0.3	0.3	(16.2)	1.1	1.0	(8.2)	1.8	1.8	(4.2)	
Margin %										
GP %	43.1	43.4	32	43.3	43.5	16	43.5	43.7	19	
EBITDA %	6.0	5.9	(12)	8.0	7.8	(19)	9.4	9.0	(37)	
APAT %	1.2	1.0	(24)	3.2	2.8	(42)	4.6	4.2	(45)	

Source: Company, Dolat Capital

Earning call KTAs

Q3 Performance Update

- Strong Demand for Beauty & Fashion: Wedding category is driving beauty product demand, with 36% YoY GMV growth during the festive season. Additionally, 12 new stores were opened in Agartala, Mohali, Belgaum etc.
- Gross margins rose 250 bps due to higher ad income and premium brand sales, while eB2B contribution margin improved by 500 bps, with continued growth expected.
- Working capital days are expected to remain stable, and EBITDA margins in the BPC segment are set to stay consistent.
- E-commerce channels contribute 50% to top-line revenue. The GCC rollout depends on tech stack adoption. Order-to-delivery timelines have been reduced from four days to under two, with 70% of orders in 110+ cities delivered the same/next day.

Macro Environment:

Resilient Beauty & Personal Care Market:

- Beauty and personal care remain the second-largest consumption category, after food and grocery.
- Upper mid and high-income households account for 50% of the beauty market, supporting continued demand.
- The wedding season continues to drive strong demand for beauty products, benefiting the business.

Fashion Industry & Marketing Strategy:

- Challenges in the fashion industry are short-term, with no long-term impact on consumer demand.
- The company's marketing strategy is effectively driving growth, countering potential decline in consumer spending, if any.
- The fashion market holds vast potential, driven by broad demand and an increasing number of brands entering space.

Strategic Focus & Future Outlook:**Cross-Leveraging & Expansion:**

- 50% of new Fashion customers come from the Beauty segment, indicating successful cross-leveraging between the two categories.
- Nykaa Fashion is focusing on enhancing its premium positioning and expanding its product assortment.
- The eB2B business is focusing on improving unit economics rather than expanding into more cities.

Breakeven & Growth Strategy:

- The company remains on track to reach breakeven by next year, with continued investment in Nykaa's own brand launches.
- However, industry-wide discount trends are affecting NSV growth relative to GMV.

Others:**Increasing Brand Competition:**

- Growing competition from domestic, international, and D2C brands on the platform is leading to increased discounting by brands to remain competitive.

Order Delivery Efficiency:

- There is no significant difference in KPIs between same-day/next-day delivery and longer delivery times regarding AOV, suggesting delivery speed has minimal impact on purchasing behavior.
- The company doesn't see any significant impact from the entry of Shein. Nykaa playbook is in Women's western wear where Style-first approach is predominant unlike the Sports category which has a brands first approach.

Exhibit 3: Consolidated Quarterly P&L

Particular (Rs Mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Chg YoY (%)	Chg QoQ (%)
Revenue	17,888	16,680	17,461	18,747	22,672	26.7	20.9
COGS	10,281	9,577	9,901	10,537	12,761	24.1	21.1
Gross Profit	7,607	7,102	7,560	8,210	9,911	30.3	20.7
Employee costs	1,479	1,421	1,559	1,748	1,746	18	8.1
Marketing	2,175	1,856	2,018	2,365	3,016	38.7	27.5
Fulfilment	1,718	1,550	1,667	1,615	2,092	21.8	19.7
S&D	427	447	465	493	597	39.8	21.1
Other exps	820	896	890	953	1,053	28.3	10.5
Total Op. Exps	6,620	6,170	6,599	7,174	8,504	28.5	18.5
EBITDA	988	933	961	1,037	1,408	42.5	35.8
D&A	580	596	601	636	698	20.3	9.7
EBIT	407	336	361	400	710	74.2	77.2
Finance Costs	218	211	213	242	319	46.2	31.8
Other Income	76	71	73	55	55	(27.1)	1.5
PBT	265	196	221	213	446	68.2	109.6
Tax	83	98	78	78	176	113.1	124.9
PAT	182	97	142	134	270	47.9	100.7
AEPS (Rs)	0.4	0.2	0.3	0.3	0.6	47.9	100.7

Source: Company, Dolat Capital

Exhibit 4: Common size statement

Particulars (Rs Mn)	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Chg YoY(bps)	Chg QoQ(bps)
Revenue	100	100	100	100	100	-	-
COGS	57.5	57.4	56.7	56.2	56.3	(119)	8
Gross Profit	42.5	42.6	43.3	43.8	43.7	119	(8)
Employee costs	8.3	8.5	8.9	8.6	7.7	(57)	(91)
Marketing	12.2	11.1	11.6	12.6	13.3	114	69
Fulfilment	9.6	9.3	9.5	9.3	9.2	(38)	(10)
S&D	2.4	2.7	2.7	2.6	2.6	25	0
Other exps	4.6	5.4	5.1	5.1	4.6	6	(44)
Total Op. Exps	37	37	37.8	38.3	37.5	50	(76)
EBITDA	5.5	5.6	5.5	5.5	6.2	69	68
D&A	3.2	3.6	3.4	3.4	3.1	(16)	(31)
EBIT	2.3	2	2.1	2.1	3.1	85	99
Finance Costs	1.2	1.3	1.2	1.3	1.4	19	12
Other Income	0.4	0.4	0.4	0.3	0.2	(18)	(5)
PBT	1.5	1.2	1.3	1.1	2	48	83
Tax	0.5	0.6	0.4	0.4	0.8	31	36
PAT	1	0.6	0.8	0.7	1.2	17	47
Tax as % of PBT	31.2	50.2	35.5	36.8	39.5	831	269

Source: Company, Dolat Capital

Exhibit 5: Segment-wise performance - BPC

Particulars	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Chg YoY%	Chg QoQ%
GMV (Rs Mn)	25,696	23,377	25,429	27,833	33,899	43.1	21.8
NSV (Rs Mn)	14,954	13,979	14,695	15,661	18,817	36.3	20.2
NSV / GMV (%)	58.2	59.8	60.3	58.6	59.1	87	286
Revenue / NSV (%)	108.5	108.7	108.4	109	109.5	(806)	75
Revenue (Rs Mn)	16,227	15,193	15,935	17,029	20,601	27	21
COGS (Rs Mn)	9,910	9,244	9,607	10,201	12,426	25.4	21.8
Gross Profit (Rs Mn)	6,317	5,949	6,328	6,828	8,175	29.4	19.7
Fulfilment (Rs Mn)	1,396	1,283	1,417	1,488	1,749	25.3	17.5
Marketing (Rs Mn)	1,414	1,206	1,268	1,462	1,897	34.2	29.8
S&D (Rs Mn)	385	403	413	439	532	38.2	21.2
Contribution (Rs Mn)	3,121	3,056	3,230	3,439	3,997	28.1	16.2
Ratio as % of Revenue							
COGS	61.1	60.8	60.3	59.9	60.8	(25)	92
GP	38.9	39.2	39.7	40.1	39.7	75	(41)
Fulfilment	8.6	8.4	8.9	8.7	8.5	(11)	(25)
Marketing	8.7	7.9	8	8.6	10.1	137	150
S&D	2.4	2.7	2.6	2.6	2.4	5	(16)
Contribution	19.2	20.1	20.3	20.2	19.4	17	(79)

Source: Company, Dolat Capital

Exhibit 6: Segment-wise performance - Fashion

Particulars	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Chg YoY%	Chg QoQ%
GMV (Rs Mn)	10,465	8,760	7,741	8,633	11,299	8.0	30.9
NSV (Rs Mn)	2,899	2,479	2,449	2,713	3,295	13.7	21.5
NSV / GMV (%)	27.7	28.3	30.7	31.4	27.5	(25)	(397)
Revenue / NSV (%)	56.6	58.7	58.9	61.2	60.4	382	(83)
Revenue (Rs Mn)	1,640	1,454	1,486	1,661	1,990	21.3	19.8
COGS (Rs Mn)	366	317	276	370	299	(18.3)	(4.5)
Gross Profit (Rs Mn)	1,274	1,137	1,210	1,348	1,691	32.7	25.4
Fulfilment (Rs Mn)	318	259	237	248	330	3.8	33.1
Marketing (Rs Mn)	714	625	672	790	1,007	41.0	27.5
S&D (Rs Mn)	42	44	52	54	65	54.8	20.4
Contribution (Rs Mn)	200	209	249	256	289	44.5	12.9
Ratio as % of Revenue							
COGS	22.3	21.8	22.1	22.3	15.0	(729)	(382)
GP	77.7	78.2	81.4	81.2	85.0	729	382
Fulfilment	19.4	17.8	15.9	14.9	16.6	(281)	165
Marketing	43.5	43	46	47.6	50.6	707	304
S&D	2.6	3	3.3	3.3	3.3	71	2
Contribution	12.2	14.4	16.8	15.4	14.5	233	(89)

Source: Company, Dolat Capital

Exhibit 7: Consolidated performance

Particulars	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Chg YoY%	Chg QoQ%
GMV (Rs Mn)	36,179	32,173	33,209	36,525	45,279	32.5	24.0
NSV (Rs Mn)	17,868	16,488	17,183	18,432	22,190	32.7	20.4
NSV / GMV (%)	49.4	51.2	51.7	50.5	49.0	9	(146)
Revenue / NSV (%)	100.1	101.2	101.6	101.7	102.2	(482)	46
Revenue (Rs Mn)	17,888	16,680	17,461	18,747	22,672	26.7	20.9
COGS (Rs Mn)	10,281	9,577	9,901	10,686	12,761	24.1	21.1
Gross Profit (Rs Mn)	7,607	7,103	7,560	8,210	9,911	30.3	20.7
Fulfilment (Rs Mn)	1,718	1,550	1,666	1,748	2,092	21.8	19.7
Marketing (Rs Mn)	2,131	1,856	1,949	2,274	2,926	37.3	28.7
S&D (Rs Mn)	427	447	465	493	597	39.8	21.1
Contribution (Rs Mn)	3,331	3,249	3,480	3,695	4,296	29.0	16.3
Ratio as % of Revenue							
COGS	57.5	57.4	56.7	57	56.3	(119)	8
GP	42.5	42.6	43.3	43.8	43.7	119	(8)
Fulfilment	9.6	9.3	9.5	9.3	9.2	(38)	(10)
Marketing	11.9	11.1	11.2	12.1	12.9	99	78
S&D	2.4	2.7	2.7	2.6	2.6	25	0
Contribution	18.6	19.5	19.9	19.7	18.9	33	(76)

Source: Company, Dolat Capital

Exhibit 8: Assumptions – Operating and Financials

Particulars	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY23	FY24	FY25E	FY26E	FY27E
BPC											
Orders (Mn)	27	35.8	42.4	55.3	65.9	77.4	32.7	18.4	30.4	19.2	17.5
AOV (Rs)	1,857	1,857	2,000	2,119	2,164	2,207	-	7.7	5.9	2.2	2.0
GMV (Rs Mn)	50,089	66,492	86,361	1,17,122	1,42,663	1,70,938	32.7	29.9	35.6	21.8	19.8
NSV (Rs Mn)	30,822	40,765	51,204	67,051	83,579	1,00,645	32.3	25.6	30.9	24.7	20.4
Revenue (Rs Mn)	33,997	44,820	58,099	73,142	91,520	1,10,710	31.8	29.6	25.9	25.1	21.0
Contribution (Rs Mn)	6,675	10,796	11,950	14,447	18,378	22,295	61.7	10.7	20.9	27.2	21.3
Contribution (%)	19.6	24.1	20.6	19.8	20.1	20.1	445	(352)	(82)	33	6
Fashion											
Orders (Mn)	5	6	7	7.6	9.1	10.9	20	16.7	7.9	20.0	20.0
AOV (Rs)	3,400	3,973	4,705	5,016	5,187	5,343	16.9	18.4	6.6	3.4	3.0
GMV (Rs Mn)	17,516	25,696	33,855	37,893	47,027	58,126	46.7	31.8	11.9	24.1	23.6
NSV (Rs Mn)	5,728	7,445	9,878	11,400	14,034	17,491	30	32.7	15.4	23.1	24.6
Revenue (Rs Mn)	3,254	4,348	5,684	6,871	8,493	10,629	33.6	30.7	20.9	23.6	25.1
Contribution (Rs Mn)	165	162	619	1,077	1,592	2,334	(1.8)	282.1	74.0	47.8	46.6
Contribution (%)	5.1	3.7	10.9	15.7	18.7	22.0	(134)	716	479	306	322
Overall											
Orders (Mn)	32.6	43.2	51	61.3	72.6	63.4	75.0	88.3	24.3	18.3	17.8
AOV (Rs)	2,126	2,255	2,359	2,459	2,543	2,449	2,530	2,593	3.8	3.3	2.5
GMV (Rs Mn)	69,332	97,434	1,20,284	1,50,838	1,84,515	1,55,195	1,89,690	2,29,064	29.0	22.2	20.8
NSV (Rs Mn)	37,116	50,627	61,138	76,275	93,554	78,627	97,613	1,18,137	28.6	24.1	21.0
Revenue (Rs Mn)	37,738	51,438	63,857	77,325	95,279	80,190	1,00,013	1,21,339	25.6	24.7	21.3
Contribution (Rs Mn)	6,660	10,476	12,563	14,547	18,440	15,536	19,970	24,629	23.7	28.5	23.3
Contribution (%)	17.6	20.4	19.7	18.8	19.4	19.4	20.0	20.3	(30)	59	33
Emp. Costs (Rs Mn)	3,264	4,918	5,649	6,408	7,113	6,624	7,618	8,570	17.3	15.0	12.5
Other Exps (Rs Mn)	1,558	2,861	3,338	3,782	4,236	3,899	4,367	4,890	16.8	12.0	12.0
EBITDA (Rs Mn)	1,636	2,559	3,462	4,235	6,963	4,725	7,807	10,951	36.5	65.2	40.3
EBITDA (%)	4.3	5	5.4	5.5	7.3	5.9	7.8	9.0	47	191	122

Source: Company, Dolat Capital

Exhibit 9: Valuation Snapshot – EV/Sales

Description	FY25E	FY26E	FY27E
Revenue (Rs Mn)	80,191	100,013	121,339
EV/Revenue (x)	4.5	4.5	4.5
EV (Rs Mn)	360,859	450,058	546,027
Net debt/(cash)	8,355	8,614	6,238
Equity Value (Rs Mn)	352,504	441,444	539,789
No of O/s shares (Mn)	2,857	2,857	2,857
Target Price (Rs) (A+B+C)	124	155	190
CMP (Rs)	169	169	169
Upside/(Downside) %	(26.8)	(8.6)	12.4

Source: Company, Dolat Capital

Exhibit 10: Sensitivity of Nykaa's EV/Sales multiple

Revenue (Rs Bn)	FY25E	FY26E	FY27E
EV/Sales (x)			
4	109	137	168
5	137	172	210
7	169	211	257
9	222	277	338
11	278	347	423

Source: Company, Dolat Capital

Exhibit 11: Valuation Snapshot – EV/EBITDA

Description	FY25E	FY26E	FY27E
EBITDA (Rs Mn)	4,725	7,807	10,951
EV/EBITDA (x)	50.0	50.0	50.0
EV (Rs Mn)	236,244	390,346	547,562
Net debt/(cash)	8,355	8,614	6,238
Equity Value (Rs Mn)	227,889	381,732	541,324
No of O/s shares (Mn)	2,857	2,857	2,857
Target Price (Rs) (A+B+C)	80	133	190
CMP (Rs)	169	169	169
Upside/(Downside) %	(52.6)	(21.2)	11.9

Source: Company, Dolat Capital

Financial Performance

Profit and Loss Account

(Rs Mn)	FY24A	FY25E	FY26E	FY27E
Revenue	63,856	80,191	1,00,013	1,21,339
Total Expense	60,395	75,466	92,206	1,10,388
COGS	36,464	45,370	56,544	68,325
Employees Cost	5,649	6,624	7,618	8,570
Other expenses	18,282	23,472	28,043	33,493
EBIDTA	3,462	4,725	7,807	10,951
Depreciation	2,242	2,651	3,046	3,321
EBIT	1,219	2,074	4,761	7,630
Interest	828	1,065	1,120	1,054
Other Income	299	257	324	371
Exc. / E.O. items	0	0	0	0
EBT	690	1,266	3,965	6,948
Tax	253	468	1,189	1,911
Minority Interest	0	0	0	0
Profit/Loss share of associates	0	0	0	0
RPAT	437	798	2,775	5,037
Adjustments	0	0	0	0
APAT	437	798	2,775	5,037

Balance Sheet

(Rs Mn)	FY24A	FY25E	FY26E	FY27E
Sources of Funds				
Equity Capital	2,856	2,856	2,856	2,856
Minority Interest	188	282	423	635
Reserves & Surplus	9,766	10,564	13,340	18,377
Net Worth	12,622	13,420	16,196	21,233
Total Debt	9,695	9,494	10,251	7,242
Net Deferred Tax Liability	814	876	922	975
Total Capital Employed	23,319	24,073	27,792	30,085

Applications of Funds

Net Block	6,071	5,883	5,807	5,439
CWIP	0	0	0	0
Investments	5,006	5,847	6,744	7,518
Current Assets, Loans & Advances	22,929	25,787	31,862	37,334
Current Investments	0	0	0	0
Inventories	11,920	14,218	15,909	17,831
Receivables	2,416	2,531	3,373	4,171
Cash and Bank Balances	758	1,139	1,637	1,004
Loans and Advances	0	0	0	0
Other Current Assets	7,835	7,900	10,943	14,328
Less: Current Liabilities & Provisions	10,687	13,445	16,622	20,205
Payables	3,867	5,562	6,873	8,034
Other Current Liabilities	6,820	7,882	9,748	12,170
<i>sub total</i>				
Net Current Assets	12,243	12,343	15,240	17,129
Total Assets	23,319	24,073	27,792	30,085

E – Estimates

Important Ratios

Particulars	FY24A	FY25E	FY26E	FY27E
(A) Margins (%)				
Gross Profit Margin	42.9	43.4	43.5	43.7
EBIDTA Margin	5.4	5.9	7.8	9.0
EBIT Margin	1.9	2.6	4.8	6.3
Tax rate	36.7	37.0	30.0	27.5
Net Profit Margin	0.7	1.0	2.8	4.2
(B) As Percentage of Net Sales (%)				
COGS	57.1	56.6	56.5	56.3
Employee	8.8	8.3	7.6	7.1
Other	28.6	29.3	28.0	27.6
(C) Measure of Financial Status				
Gross Debt / Equity	0.8	0.7	0.6	0.3
Interest Coverage	1.5	1.9	4.3	7.2
Inventory days	68	65	58	54
Debtors days	14	12	12	13
Average Cost of Debt	9.4	11.1	11.3	12.0
Payable days	22	25	25	24
Working Capital days	70	56	56	52
FA T/O	10.5	13.6	17.2	22.3
(D) Measures of Investment				
AEPS (Rs)	0.2	0.3	1.0	1.8
CEPS (Rs)	0.9	1.2	2.0	2.9
DPS (Rs)	0.0	0.0	0.0	0.0
Dividend Payout (%)	0.0	0.0	0.0	0.0
BVPS (Rs)	4.4	4.7	5.7	7.4
RoANW (%)	3.3	6.1	18.7	26.9
RoACE (%)	3.3	5.5	12.9	19.1
RoAIC (%)	3.4	5.7	13.6	20.0
(E) Valuation Ratios				
CMP (Rs)	169	169	169	169
Mcap (Rs Mn)	4,84,062	4,84,062	4,84,062	4,84,062
EV	4,92,999	4,92,417	4,92,675	4,90,300
MCap/ Sales	7.6	6.0	4.8	4.0
EV/Sales	7.7	6.1	4.9	4.0
P/E	1107.3	606.5	174.4	96.1
EV/EBITDA	142.4	104.2	63.1	44.8
P/BV	38.3	36.1	29.9	22.8
Dividend Yield (%)	0.0	0.0	0.0	0.0
(F) Growth Rate (%)				
Revenue	24.1	25.6	24.7	21.3
EBITDA	35.2	36.5	65.2	40.3
EBIT	47.3	70.1	129.5	60.3
PBT	80.0	83.4	213.1	75.2
APAT	76.4	82.6	247.7	81.5
EPS	76.4	82.6	247.7	81.5

E – Estimates

Cash Flow

Particulars	FY24A	FY25E	FY26E	FY27E
Profit before tax	690	1,266	3,965	6,948
Depreciation & w.o.	2,242	2,651	3,046	3,321
Net Interest Exp	828	1,065	1,120	1,054
Direct taxes paid	(1,312)	(468)	(1,189)	(1,911)
Change in Working Capital	(2,513)	(2,063)	(3,128)	(3,049)
Non Cash	67	0	0	0
(A) CF from Operating Activities	2	2,451	3,813	6,363
Capex {(Inc.)/ Dec. in Fixed Assets n WIP}	(1,107)	(761)	(1,014)	(702)
Free Cash Flow	(1,105)	1,690	2,799	5,661
(Inc.)/ Dec. in Investments	788	1,659	18	19
Other	218	0	0	0
(B) CF from Investing Activities	(101)	897	(996)	(684)
Issue of Equity/ Preference	279	0	0	0
Inc./(Dec.) in Debt	2,200	(201)	756	(3,009)
Interest exp net	(558)	(1,065)	(1,120)	(1,054)
Dividend Paid (Incl. Tax)	0	0	0	0
Other	(1,479)	(1,701)	(1,956)	(2,250)
(C) CF from Financing	443	(2,967)	(2,320)	(6,312)
Net Change in Cash	344	381	498	(633)
Opening Cash balances	413	757	1,139	1,636
Closing Cash balances	757	1,139	1,636	1,003

E – Estimates

Notes

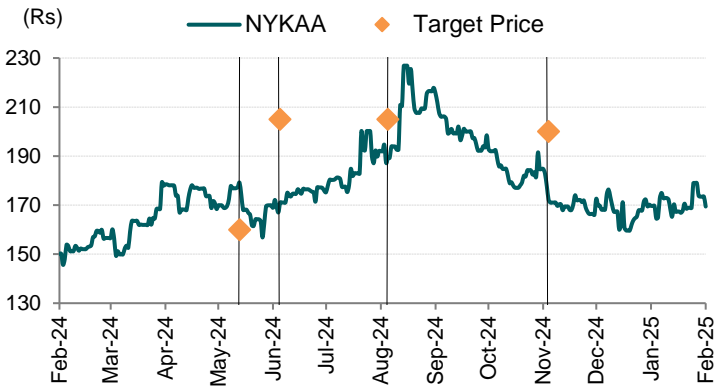
Stock Info and Rating History

Price Performance

Particulars	1M	3M	12M
Absolute (%)	0	(8)	13
Rel to NIFTY (%)	0	(5)	6

Shareholding Pattern

Particulars	Jun'24	Sep'24	Dec'24
Promoters	52.2	52.2	52.2
MF/Banks/FIs	18.3	21.8	23.6
FIIIs	10.5	10.1	9.0
Public / Others	19.0	15.9	15.2



Month	Rating	TP (Rs.)	Price (Rs.)
May-24	Reduce	160	179
Jun-24	Buy	205	171
Aug-24	Accumulate	205	189
Nov-24	Accumulate	200	172

*Price as on recommendation date

Notes

Dolat Rating Matrix

Total Return Expectation (12 Months)

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

Dolat Team

Purvag Shah	Managing Director	purvag@dolatcapital.com	+9122 4096 9747
Amit Khurana, CFA	Head of Equities	amit@dolatcapital.com	+9122 4096 9745

CONTACT DETAILS

Equity Sales	Designation	E-mail	Direct Lines
Dinesh Bajaj	Director - Equity Sales	dineshb@dolatcapital.com	+9122 4096 9709
Kapil Yadav	Director - Equity Sales & Corporate Access	kapil@dolatcapital.com	+9122 4096 9735
Jubbin Shah	Director - Equity Sales	jubbins@dolatcapital.com	+9122 4096 9779
Girish Raj Sankunny	Director - Equity Sales	girishr@dolatcapital.com	+9122 4096 9625
Pratik Shroff	AVP - Equity Sales	pratiks@dolatcapital.com	+9122 4096 9621
Rajeev Lala	AVP - Equity Sales	rajeevl@dolatcapital.com	+9122 4096 9767
Equity Trading	Designation	E-mail	
P. Sridhar	Director and Head of Sales Trading	sridhar@dolatcapital.com	+9122 4096 9728
Chandrakant Ware	Director - Sales Trading	chandrakant@dolatcapital.com	+9122 4096 9707
Shirish Thakkar	Director - Sales Trading	shirisht@dolatcapital.com	+9122 4096 9702
Kartik Mehta	Director - Sales Trading	kartikm@dolatcapital.com	+9122 4096 9715
Bhavin Mehta	Director Research - Derivatives Strategist	bhavinm@dolatcapital.com	+9122 4096 9705

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Member: BSE Limited and National Stock Exchange of India Limited.

SEBI Registration No: BSE - INZ000274132, NSE - INZ000274132, Research: INH000014012

Regd. office: 1401-1409, Dalal Street Commercial, Block 53 (Bldg. No.53E) Zone-5, Road-5E, Gift City, Sector 9, Gandhinagar-382355 Gujarat, India.

Board: +9122 40969700 | Fax: +9122 22651278 | Email: research@dolatcapital.com | www.dolatresearch.com
