

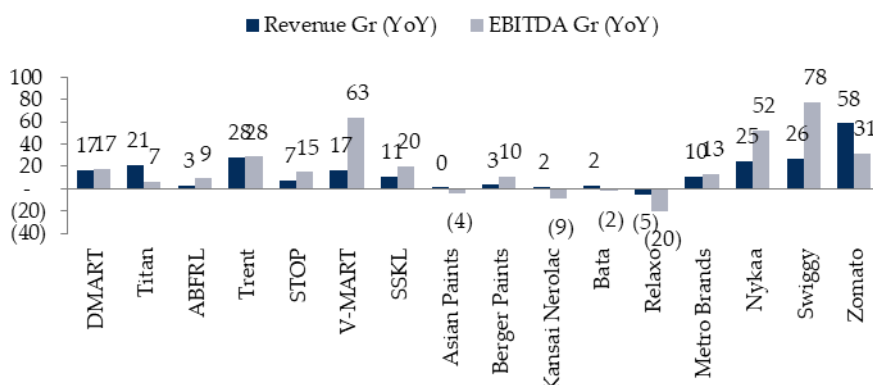
Consumer Discretionary

Q4FY25—a mixed bag

Our discretionary universe's performance continues to be a mixed bag. Our coverage is expected to grow by ~16% YoY in Q4FY25, driven by a few outliers. Ex-new age and Trent, the universe is likely to grow at 11% alongside margin pressures as SSSGs remain weak (ranging from negative to lower single-digits). Paint companies continue to face growth headwinds due to weak demand and market share erosion, courtesy a disruptive new entrant. We expect jewelry, F&G, paints, apparel, footwear, and new age to clock ~21%, 17%, 1%, 14%, 2% and 40% YoY revenue growth in Q4. Margins for our discretionary universe are expected to contract by ~110bps to 8.7%, primarily due to a rising quick commerce (QC) burn. Ex-new age businesses, we build in ~45bps contractions for the coverage.

- **Q4 to offer a mixed bag of performances:** Q4 performance is anticipated to exhibit significant divergence across categories. (1) The jewelry sector is likely to maintain healthy growth, primarily propelled by the sharp increase in gold prices. (2) Offline F&G growth is expected to be largely stable, aided by a balanced dose of SSSG and store expansion. (3) Value retailers such as Vmart and Trent – Zudio are expected to continue their strong momentum, while growth in mid-to-premium retailers and footwear companies is expected to remain subdued due to weak urban demand. (4) Paint companies continue to face growth pangs reflecting persistent weak demand and rising competition, although Berger Paints is anticipated to outperform its peers and gain market share. (5) New age businesses like Nykaa, Swiggy, and Zomato are expected to sustain strong YoY growth as they continue to prioritize customer acquisition (24-60% revenue growth).
- **Margins under pressure:** Margins for our discretionary space are expected to contract by ~110bps YoY to 8.7% in Q4FY25. In paints, higher operating costs and A&P spends amid rising competitive intensity will keep margins in check (decline of 55bps YoY built in). Footwear companies are also likely to report margin contraction due to negative operating leverage (decline of ~75bps YoY built in). Within apparel, rural recovery-based positive SSSG stories such as V-MART are likely to see margin expansion (242 bps YoY). Ex-VMART, we pencil in ~68bps margin expansion for the apparel universe. F&G margins to likely remain stable while jewelry margins (ex-bullion) are expected to contract ~100bps, courtesy inferior revenue mix. QC burn is likely to rise as delivery subsidies, platform-funded discounts, and dark store expenses rise (expansion-led) in the wake of heightened competitive intensity. Overall, we build in 8.7% EBITDAM (vs 9.8% in Q4FY24) for our universe (EBITDA growth: 3% YoY).
- **Margin of safety missing:** Discretionary categories (ex-value fashion, jewellery) continue to witness moderating growth with negative-to-low single-digit SSSGs. The sector as suspected has gone through a round of earnings downgrades (not done yet). Against this backdrop, valuations continue to remain punchy (most trade between 40-150x FY27 P/E). **Change in recommendation (1) SSKL: downgrading to ADD (from BUY).**

Revenue growth trajectory (%)



Company	RECO	TP (Rs)	Prev. TP (Rs)
Avenue Supermarts	ADD	3,950	3,950
Titan	REDUCE	3,120	3,160
ABFRL	SELL	230	230
Trent	SELL	4,200	4,200
STOP	REDUCE	535	600
V-MART	BUY	3,450	3,500
Asian Paints	ADD	2,450	2,450
Berger Paints	ADD	525	500
Kansai Nerolac	REDUCE	255	255
Bata	REDUCE	1,150	1,250
Relaxo	ADD	450	600
FSN E-Comm (Nykaa)	ADD	180	180
SSKL	ADD	150	270
Metro Brands	SELL	950	960
Swiggy	REDUCE	410	455
Zomato	REDUCE	220	235

Change in recommendation

Company	New RECO	Earlier RECO
SSKL	ADD	BUY

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Retail

COMPANY	Q4FY25 OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
Avenue Supermarts	GOOD	<ul style="list-style-type: none"> As per DMART's revenue update, reported revenue grew 16.7% YoY to INR144.6bn. We expect sales per sq. ft to grow ~2.7% YoY to INR35.8k. The grocer added 28 stores (net) in Q4. Increased discounting visible in FMCG segment. Building in flat EBITDAM of 7.6% YoY. 	<ul style="list-style-type: none"> GM & Apparel recovery Commentary on store expansion Commentary on competitive landscape Expansion of DMart Ready business
Titan	AVG	<ul style="list-style-type: none"> As per Titan's quarterly update, it reported a 25% YoY growth in revenue (standalone). Domestic Jewelry sales (ex-Caratlane and bullion) grew by 24% YoY on standalone basis led by higher gold prices. Elevated gold prices led to single digit buyer growth for lower-priced items whereas demand at higher price bands was sustained. Watches/eyewear/others grew 22/19/7% YoY (5-year CAGR: 15/13/23%) Building in 7.2% EBIT margin at company level. Expect 9.2/8.7/5.4% EBIT margins for jewelry/watches/eyewear respectively. 	<ul style="list-style-type: none"> Commentary on gains in South market and on sustainable volume growth Inventory levels and capital base movement Commentary on gold lease interest rate
Trent	GOOD	<ul style="list-style-type: none"> As per Trent's revenue update, reported revenue grew 28% YoY to INR43.34bn (incl. GST). We estimate 8.2/38.3% YoY growth for Westside and Zudio respectively. Building in 44.7% Gross Margin for Q4FY25 (vs 45.3% in Q4FY24). Building in flat EBITDA margin of 15% YoY. 	<ul style="list-style-type: none"> Commentary on demand trends Expansion strategy
ABFRL	WEAK	<ul style="list-style-type: none"> We expect revenue to grow by 2.9% YoY to INR 35bn. Expect Madura/Pantaloons to grow +3/-0.6% YoY in Q4. Building in 8.8% EBITDAM in Q4FY25 (vs. 8.3% in Q4FY24). 	<ul style="list-style-type: none"> Commentary on demand trends Cost normalization pace Expansion strategy
V-MART Retail	GOOD	<ul style="list-style-type: none"> As per V-Mart's revenue update, reported revenue grew 16.6% YoY to INR7.8bn. SSSG stood at 8% for Q4. Building in EBITDAM of 8.4% (vs. 6% in Q4FY24) considering improvement in performance of 'Unlimited' and paring down of Limeroad losses. V-Mart added 13 new stores and closed 4 stores in Q4 (store count - 497). 	<ul style="list-style-type: none"> Commentary on rural recovery Cost normalization pace Expansion strategy Unlimited's profitability

COMPANY	Q4FY25E OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
Shoppers Stop	WEAK	<ul style="list-style-type: none"> We expect revenue to grow 9% YoY to INR 10.9bn. Gross margin built: 41% (up 49bps YoY). Building in Pre IND-AS EBITDAM of 4.9% (up 130bps YoY). 	<ul style="list-style-type: none"> Commentary on demand trends Expansion strategy
Bata	WEAK	<ul style="list-style-type: none"> Building in 2.4% YoY revenue growth in Q4 to INR 8.2bn. Building in 58% GM for Q4 (down 210bps YoY). Building in 21.8% EBITDAM (down 100 bps YoY) Store additions to remain steady. 	<ul style="list-style-type: none"> Commentary on demand trends Expansion strategy Wholesale strategy
Relaxo Footwears	AVG	<ul style="list-style-type: none"> Building in 5.5% YoY revenue decline in Q4 to INR 7.1bn. Expected volume/realisation growth of -6.2/0.8% YoY in Q4. Building in 13.6% EBITDAM for Q4FY25 (vs 16.1% in Q4FY24). 	<ul style="list-style-type: none"> Commentary on demand trends Commentary on margins Expansion strategy Commentary on distribution channel
Metro Brands	AVG	<ul style="list-style-type: none"> Building in 11.7% YoY revenue growth to INR 6.5bn. Building in 56.2% gross margins for Q4FY25 (vs 56.4% in Q4FY24). Building in 27.8% EBITDAM for Q4FY25 (vs 27.2% in Q4FY24). Store addition to remain healthy. 	<ul style="list-style-type: none"> Commentary on demand trends Commentary on margins Expansion strategy
Sai Silk (Kalamandir)	AVG	<ul style="list-style-type: none"> As per the revenue update, revenue grew by 10.9% YoY to INR 3.99bn in Q4. Building in 41.5% gross margin in Q4FY25 (vs 41% in Q4FY24). Building in 16.3% EBITDA margin in Q4FY25 (vs 15.1% in Q4FY24). SSKL added 2 new stores in Q4 (store count - 68). 	<ul style="list-style-type: none"> Commentary on demand trends Commentary on margins Expansion strategy
Fsn E-Commerce Ventures (Nykaa)	GOOD	<ul style="list-style-type: none"> As per Nykaa's revenue update, revenue grew 23-25% YoY (factored 24.6% YoY growth to INR 20.8bn). BPC/Fashion revenue to clock 31/17.8% YoY growth resp. in GMV. BPC AoV likely to be healthy. Building in 24.8/10.5% YoY growth in BPC/Fashion AUTC and 18.7/19.1% YoY growth in BPC/Fashion orders. Building in a 6.8% EBITDA margin in Q4FY25 (vs 5.6% Q1FY24). 	<ul style="list-style-type: none"> Commentary on fashion segment Commentary on unwinding on working capital Competitive landscape shift

COMPANY	Q4FY25E OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
Asian Paints	WEAK	<ul style="list-style-type: none"> We expect a revenue growth of 0.3% YoY for the consolidated business in Q4 (-0.6% decline in standalone business). +6/-6.5% volume/price growth built-in for Q4. We expect 70bps YoY contraction in gross margin to 43%. We expect 85bps YoY contraction in EBITDA margin to 18.5% due to elevated operating costs. 	<ul style="list-style-type: none"> Commentary on demand trends Commentary on input cost trends Rebating and discounting trends Dealer addition trajectory
Berger Paints	WEAK	<ul style="list-style-type: none"> We expect a revenue growth of 3.3% YoY for the consolidated business in Q4 (2.4% growth in standalone business). 8.9/-6% volume/price growth built-in. We expect 42.4% gross margin (up ~170 bps YoY) in Q4FY25. We expect EBITDA margins to improve 100bps YoY to 14.9% driven by GM expansion. 	<ul style="list-style-type: none"> Commentary on demand trends Commentary on input cost trends Dealer addition trajectory Rebating and discounting trends
Kansai Nerolac	WEAK	<ul style="list-style-type: none"> We expect revenue growth of 1.7% YoY for the consolidated business in Q4 (1.9% growth in standalone business). +2/-4.3% volume/price growth built-in for deco segment. We expect 34.7% gross margin (up 30bps YoY) in Q4FY25. We expect EBITDA margins to decline 100bps YoY to 9% due to elevated operating costs. 	<ul style="list-style-type: none"> Commentary on demand trends Commentary on input cost trends Dealer addition trajectory Rebating and discounting trends
Swiggy	AVG	<ul style="list-style-type: none"> We expect Adj. revenue growth of 28.1% YoY to INR 41.9bn. Food Delivery/QC to clock 18/96.2% YoY growth respectively in GoV. Food Delivery/QC AoV likely to be at ~INR436/546 resp. Building in 17.8/71.3% YoY growth in Food Delivery/QC Avg. MTUs and 13.4/66.8% YoY growth in Food Delivery/QC orders. Building in -17.2% Adjusted EBITDA margin in Q4FY25. 	<ul style="list-style-type: none"> MTU growth in Food Delivery Trajectory of platform funded discounts & discounts in quick commerce
Zomato	AVG	<ul style="list-style-type: none"> We expect Adj. revenue growth of 55.9% YoY to INR 60.4bn. Food Delivery/QC to clock 17.5/112.9% YoY growth respectively in GoV. Food Delivery/QC AoV likely to be at ~INR446/681 resp. Building in 11.4/92.1% YoY growth in Food Delivery/QC Avg. MTUs and 14.8/92.7% YoY growth in Food Delivery/QC orders. Building in 1.8% Adjusted EBITDA margin in Q4FY25. 	<ul style="list-style-type: none"> MTU growth in Food Delivery Trajectory of platform funded discounts & discounts in quick commerce

Estimate changes

Retail

Avenue Supermarts

(Rs mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	5,78,254	5,78,768	(0.1)	6,78,870	6,80,980	(0.3)	7,95,278	8,00,061	(0.6)
Gross Profit	82,882	82,955	(0.1)	99,020	99,324	(0.3)	1,17,220	1,17,278	(0.0)
Gross Profit Margin (%)	14.3	14.3	0 bps	14.6	14.6	0 bps	14.74	14.66	8 bps
EBITDA	45,030	45,215	(0.4)	54,832	55,797	(1.7)	65,538	66,407	(1.3)
EBITDA margin (%)	7.79	7.81	-3 bps	8.08	8.19	-12 bps	8.24	8.30	-6 bps
APAT	30,339	30,655	(1.0)	36,988	37,962	(2.6)	43,576	44,745	(2.6)
APAT margin (%)	5.2	5.3	-5 bps	5.4	5.6	-13 bps	5.5	5.6	-11 bps
EPS (Rs)	46.6	47.1	(1.0)	56.8	58.3	(2.6)	67.0	68.8	(2.6)

Source: HSIE Research

Titan Company

(Rs mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	6,06,858	5,95,888	1.8	6,87,759	6,74,414	2.0	7,59,468	7,44,408	2.0
Gross Profit	1,26,977	1,27,661	(0.5)	1,61,786	1,58,647	2.0	1,78,275	1,74,740	2.0
Gross Profit Margin (%)	20.9	21.4	(50 bps)	23.5	23.5	0 bps	23.5	23.5	-
EBITDA	48,147	50,256	(4.2)	70,954	69,578	2.0	78,732	77,171	2.0
EBITDA margin (%)	7.9	8.4	(50 bps)	10.3	10.3	0 bps	10.3	10.3	-
APAT	31,863	33,359	(4.5)	48,103	49,900	(3.6)	55,459	56,862	(2.5)
APAT margin (%)	5.3	5.6	(35 bps)	7.0	7.4	(40 bps)	7.4	7.4	-
EPS	35.8	37.5	(4.5)	54.0	56.1	(3.6)	62.3	63.9	(2.5)

Source: HSIE Research

Trent

(Rs mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	1,66,455	1,68,325	(1.1)	2,13,595	2,09,274	2.1	2,47,581	2,40,765	2.8
Gross Profit	74,827	75,581	(1.0)	96,121	94,442	1.8	1,11,058	1,08,335	2.5
Gross Profit Margin (%)	45.0	44.9	5 bps	45.0	45.1	(13 bps)	44.9	45.0	(14 bps)
EBITDA (Pre-IND-AS 116)*	21,343	22,207	(3.9)	28,044	28,280	(0.8)	31,509	31,750	(0.8)
EBITDA margin (%)*	12.8	13.2	(37 bps)	13.1	13.5	(38 bps)	12.7	13.2	(46 bps)
APAT	15,384	16,116	(4.5)	18,739	19,133	(2.1)	22,508	22,904	(1.7)
APATM (%)	9.2	9.6	(33 bps)	8.8	9.1	(37 bps)	9.1	9.5	(42 bps)

Source: HSIE Research

Fsn E-Commerce Ventures (Nykaa)

(Rs mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	79,664	79,688	(0.0)	1,00,316	1,00,567	(0.3)	1,24,587	1,25,487	(0.7)
Gross Profit	34,741	33,950	2.3	43,314	42,904	1.0	53,314	53,057	0.5
Gross Profit Margin (%)	43.6	42.6	101 bps	43.2	42.7	52 bps	42.8	42.3	51 bps
Reported EBITDA	4,824	5,387	(10.4)	7,725	8,149	(5.2)	10,956	11,043	(0.8)
Reported EBITDA margin (%)	6.1	6.8	(70 bps)	7.7	8.1	(40 bps)	8.8	8.8	(1 bps)
Pre-IND AS EBITDA*	2,753	3,315	(17.0)	5,117	5,534	(7.5)	7,716	7,781	(0.8)
EBITDA margin (%)*	3.5	4.2	(70 bps)	5.1	5.5	(40 bps)	6.2	6.2	(1 bps)

Source: HSIE Research

Aditya Birla fashion Retail Limited

(Rs mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	1,48,780	1,51,950	(2.1)	1,61,812	1,66,556	(2.8)	1,78,375	1,83,447	(2.8)
Gross Profit	84,389	85,124	(0.9)	91,943	93,139	(1.3)	1,01,176	1,02,401	(1.2)
Gross Profit Margin (%)	56.7	56.0	70 bps	56.8	55.9	90 bps	56.7	55.8	90 bps
EBITDA	5,064	5,547	(8.7)	8,487	8,337	1.8	11,406	11,113	2.6
EBITDA margin (%)	3.4	3.7	-25 bps	5.2	5.0	24 bps	6.4	6.1	34 bps

Source: HSIE Research

Shoppers STOP

(Rs mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	44,825	44,690	0.3	51,812	52,609	(1.5)	57,755	60,129	(3.9)
Gross Profit	18,172	18,140	0.2	21,109	21,433	(1.5)	23,617	24,587	(3.9)
Gross Profit Margin (%)	40.5	40.6	-5 bps	40.7	40.7	0 bps	40.9	40.9	0 bps
EBITDA	1,887	1,962	(3.8)	2,703	2,854	(5.3)	3,174	3,561	(10.9)
EBITDA margin (%)	4.2	4.4	-18 bps	5.2	5.4	-21 bps	5.5	5.9	-43 bps

Source: HSIE Research

V-MART Retail

(Rs mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	32,538	32,710	(0.5)	37,508	37,015	1.3	43,038	42,446	1.4
Gross Profit	11,138	11,197	(0.5)	12,652	12,560	0.7	14,517	14,466	0.4
Gross Profit Margin (%)	34.2	34.2	0 bps	33.7	33.9	-20 bps	33.7	34.1	-35 bps
EBITDA	1,474	1,513	(2.6)	2,197	2,235	(1.7)	2,740	2,825	(3.0)
EBITDA margin (%)	4.5	4.6	-11 bps	5.9	6.0	-18 bps	6.4	6.7	-29 bps

Source: HSIE Research

Sai Silk Kalamandir

(Rs mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	14,621	14,770	(1.0)	16,796	18,015	(6.8)	18,533	20,966	(11.6)
Gross Profit	6,101	6,163	(1.0)	7,026	7,623	(7.8)	7,793	8,922	(12.6)
Gross Profit Margin (%)	41.7	41.7	0 bps	41.8	42.3	(48 bps)	42.0	42.6	(50 bps)
EBITDA	1,774	1,799	(1.4)	2,330	2,668	(12.7)	2,660	3,247	(18.1)
EBITDA margin (%)	12.1	12.2	(4 bps)	13.9	14.8	(94 bps)	14.4	15.5	(114 bps)
APAT	1,067	1,081	(1.2)	1,568	1,815	(13.6)	1,856	2,279	(18.6)
APAT margin (%)	7.3	7.3	(2 bps)	9.3	10.1	(74 bps)	10.0	10.9	(85 bps)
EPS (Rs)	7.0	7.0	(1.2)	10.2	11.8	(13.6)	12.1	14.9	(18.6)
Cost of Retailing (%)	29.6	29.5	5 bps	28.0	27.5	46 bps	27.7	27.1	64 bps

Source: HSIE Research

Metro Brands

(Rs mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	25,076	25,279	(0.8)	29,609	30,215	(2.0)	34,775	35,334	(1.6)
Gross Profit	14,385	14,552	(1.1)	16,911	17,318	(2.3)	19,775	20,164	(1.9)
Gross Profit Margin (%)	57.4	57.6	(20 bps)	57.1	57.3	(20 bps)	56.9	57.1	(20 bps)
EBITDA	5,185	5,278	(1.8)	6,019	6,202	(3.0)	7,020	7,204	(2.5)
EBITDA margin (%)	20.7	20.9	(20 bps)	20.3	20.5	(20 bps)	20.2	20.4	(20 bps)
APAT	3,518	3,583	(1.8)	4,587	4,763	(3.7)	5,655	5,827	(3.0)
APAT margin (%)	14.0	14.2	(15 bps)	15.5	15.8	(27 bps)	16.3	16.5	(23 bps)
EPS	12.9	13.2	(1.8)	16.9	17.5	(3.7)	20.8	21.4	(3.0)

Source: HSIE Research

Bata India

(Rs mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	35,179	35,179	-	38,537	39,080	(1.4)	42,291	43,476	(2.7)
Gross Profit	19,825	19,768	0.3	21,621	21,905	(1.3)	23,556	24,245	(2.8)
Gross Profit Margin (%)	56.4	56.2	16 bps	56.1	56.1	5 bps	55.7	55.8	(7 bps)
EBITDA	4,259	4,202	1.4	5,171	5,358	(3.5)	5,920	6,402	(7.5)
EBITDA margin (%)	12.1	11.9	16 bps	13.4	13.7	(29 bps)	14.0	14.7	(73 bps)
APAT	2,383	2,521	(5.5)	3,186	3,311	(3.8)	3,976	4,303	(7.6)
APAT margin (%)	6.8	7.2	(39 bps)	8.3	8.5	(20 bps)	9.4	9.9	(50 bps)
Post IND-AS 116 EPS	18.5	19.6	(5.5)	24.8	25.8	(3.8)	30.9	33.5	(7.6)

Source: HSIE Research

Relaxo Footwear

(Rs mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	28,007	28,231	(0.8)	30,848	31,096	(0.8)	35,565	36,167	(1.7)
Gross Profit	13,940	14,066	(0.9)	15,293	15,493	(1.3)	17,595	18,016	(2.3)
Gross Profit Margin (%)	49.8	49.8	(5 bps)	49.6	49.8	(25 bps)	49.5	49.8	(34 bps)
EBITDA	3,147	3,434	(8.4)	3,806	4,536	(16.1)	4,761	5,508	(13.6)
EBITDA margin (%)	11.2	12.2	(93 bps)	12.3	14.6	(225 bps)	13.4	15.2	(184 bps)
APAT	1,582	1,801	(12.2)	2,044	2,648	(22.8)	2,672	3,329	(19.7)
APAT margin (%)	5.6	6.4	(73 bps)	6.6	8.5	(189 bps)	7.5	9.2	(169 bps)
EPS (Rs)	6.4	7.2	(12.2)	8.2	10.6	(22.8)	10.7	13.4	(19.7)

Source: HSIE Research

Asian Paints

(Rs mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	3,43,038	3,41,710	0.4	3,62,683	3,61,100	0.4	4,09,912	4,07,727	0.5
Gross Profit	1,44,813	1,43,212	1.1	1,53,469	1,51,539	1.3	1,72,915	1,71,019	1.1
Gross Profit Margin (%)	42.2	41.9	30 bps	42.3	42.0	35 bps	42.2	41.9	24 bps
EBITDA	61,930	62,802	(1.4)	66,201	67,650	(2.1)	74,899	77,724	(3.6)
EBITDA margin (%)	18.1	18.4	-33 bps	18.3	18.7	-48 bps	18.3	19.1	-79 bps
APAT	42,155	42,811	(1.5)	44,282	45,382	(2.4)	51,184	53,315	(4.0)
APAT margin (%)	12.3	12.5	-24 bps	12.2	12.6	-36 bps	12.5	13.1	-59 bps
EPS (Rs)	43.9	44.6	(1.5)	46.2	47.3	(2.4)	53.4	55.6	(4.0)

Source: HSIE Research

Berger Paints

(Rs mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	1,14,448	1,14,833	(0.3)	1,24,317	1,23,837	0.4	1,43,474	1,39,924	2.5
Gross Profit	47,330	47,260	0.1	51,474	51,027	0.9	59,692	57,935	3.0
Gross Profit Margin (%)	41.4	41.2	20 bps	41.4	41.2	20 bps	41.6	41.4	20 bps
EBITDA	18,159	17,596	3.2	19,787	19,286	2.6	23,338	22,351	4.4
EBITDA margin (%)	15.9	15.3	54 bps	15.9	15.6	34 bps	16.3	16.0	29 bps
APAT	11,488	11,073	3.7	12,557	12,261	2.4	15,290	14,676	4.2
APAT margin (%)	10.0	9.6	40 bps	10.1	9.9	20 bps	10.7	10.5	17 bps
EPS (Rs)	9.9	9.5	3.7	10.8	10.5	2.4	13.1	12.6	4.2

Source: HSIE Research

Kansai Nerolac

(Rs mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	78,064	78,144	(0.1)	83,727	83,868	(0.2)	92,454	92,665	(0.2)
Gross Profit	27,508	27,718	(0.8)	29,668	30,346	(2.2)	32,795	33,566	(2.3)
Gross Profit Margin (%)	35.2	35.5	-23 bps	35.4	36.2	-75 bps	35.5	36.2	-75 bps
EBITDA	9,390	9,503	(1.2)	10,570	10,754	(1.7)	11,772	11,985	(1.8)
EBITDA margin (%)	12.0	12.2	-13 bps	12.6	12.8	-20 bps	12.7	12.9	-20 bps
APAT	6,093	5,983	1.8	6,978	6,762	3.2	7,802	7,575	3.0
APAT margin (%)	7.8	7.7	15 bps	8.3	8.1	27 bps	8.4	8.2	26 bps
EPS (Rs)	7.5	7.4	1.8	8.6	8.4	3.2	9.7	9.4	3.0

Source: HSIE Research

Swiggy

(INR mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	1,46,691	1,46,691	-	1,90,511	1,90,511	-	2,43,823	2,43,823	-
Adj. EBITDA	(18,925)	(16,755)	NM	(16,270)	(16,573)	NM	(12,987)	(13,317)	NM
Adj. EBITDAM (%)	(12.9)	(11.4)	-148 bps	(8.5)	(8.7)	16 bps	(5.3)	(5.5)	14 bps
Pre-IND AS EBITDA	(30,395)	(28,225)	NM	(24,230)	(24,533)	NM	(18,387)	(18,717)	NM
Pre-IND AS EBITDA margin (%)	(20.7)	(19.2)	-148 bps	(12.7)	(12.9)	16 bps	(7.5)	(7.7)	14 bps
APAT	(28,243)	(26,073)	NM	(20,389)	(20,692)	NM	(14,529)	(14,859)	NM
APAT margin (%)	(19.3)	(17.8)	-148 bps	(10.7)	(10.9)	16 bps	(6.0)	(6.1)	14 bps
EPS (Rs)	(12.6)	(11.6)	NM	(9.1)	(9.2)	NM	(6.5)	(6.6)	NM

Source: HSIE Research

Zomato

(INR mn)	FY25E			FY26E			FY27E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	2,00,533	2,01,557	(0.5)	2,83,291	2,84,075	(0.3)	3,72,673	3,74,052	(0.4)
Adj. EBITDA	10,100	11,455	(11.8)	11,519	11,839	(2.7)	17,049	17,336	(1.7)
Adj. EBITDAM (%)	5.0	5.7	-65 bps	4.1	4.2	-10 bps	4.6	4.6	-6 bps
Pre-IND AS EBITDA	2,900	4,255	(31.8)	4,319	4,639	(6.9)	9,849	10,136	(2.8)
Pre-IND AS EBITDA margin (%)	1.4	2.1	-66 bps	1.5	1.6	-11 bps	2.6	2.7	-7 bps
APAT	6,768	7,878	(14.1)	7,640	7,877	(3.0)	11,577	11,785	(1.8)
APAT margin (%)	3.4	3.9	-53 bps	2.7	2.8	-8 bps	3.1	3.2	-4 bps
EPS (Rs)	0.7	0.8	(14.1)	0.8	0.8	(3.0)	1.2	1.2	(1.8)

Source: HSIE Research

Financial Summary

Company	NET SALES (Rs bn)					EBITDA (Rs bn)					EBITDA Margin (%)					APAT (Rs. bn)				
	4Q FY24	3Q FY25	4Q FY25E	QoQ (%)	YoY (%)	4Q FY24	3Q FY25	4Q FY25E	QoQ (%)	YoY (%)	4Q FY24	3Q FY25	4Q FY25E	QoQ (bps)	YoY (bps)	4Q FY24	3Q FY25	4Q FY25E	QoQ (%)	YoY (%)
Food & Grocery																				
Avenue Supermarts	123.9	155.7	144.6	(7.1)	16.7	9.4	12.4	11.0	(10.7)	17.3	7.6	7.9	7.6	(31)	4	6.0	7.8	6.9	(11.9)	14.3
Jewellery																				
Titan	124.9	177.4	151.5	(14.6)	21.2	11.9	16.7	12.7	(24.1)	6.6	9.5	9.4	8.4	(105)	(115)	7.7	10.5	7.2	(31.3)	(6.7)
-Jewellery	110.1	161.3	132.9	(17.6)	20.8	10.9	14.9	12.2	(17.9)	12.1	9.9	9.2	9.2	(3)	(71)					
Apparel																				
ABFRL	34.1	43.0	35.0	(18.6)	2.9	2.8	6.3	3.1	(51.2)	9.1	8.3	14.7	8.8	(591)	51	(2.7)	(0.4)	(3.3)	683.0	24.5
Trent	31.9	45.3	40.8	(9.9)	28.1	4.8	8.4	6.1	(26.8)	28.5	15.0	18.5	15.0	(345)	4	6.5	4.7	3.0	(35.3)	(53.6)
STOP	10.0	13.1	10.7	(18.5)	7.0	1.6	2.4	1.9	(21.5)	14.8	16.4	18.3	17.6	(67)	121	0.2	0.5	0.1	(85.6)	(67.6)
V-MART	6.7	10.3	7.8	(24.0)	16.7	0.4	1.7	0.7	(61.6)	63.5	6.0	16.7	8.4	(826)	242	(0.4)	0.7	(0.2)	(122.4)	(58.9)
SSKL	3.6	4.5	4.0	(11.1)	10.9	0.5	0.8	0.6	(17.8)	19.8	15.1	17.6	16.3	(133)	121	0.3	0.5	0.3	(24.2)	21.5
Paints																				
Asian Paints	87.3	85.5	87.6	2.4	0.3	16.9	16.4	16.2	(0.8)	(4.0)	19.4	19.1	18.5	(61)	(84)	12.6	11.1	10.6	(4.5)	(15.6)
Berger Paints	25.2	29.8	26.0	(12.5)	3.3	3.5	4.7	3.9	(17.8)	10.5	13.9	15.9	14.9	(97)	96	2.2	3.0	2.3	(22.7)	2.8
Kansai Nerolac	17.7	19.2	18.0	(6.3)	1.7	1.8	2.4	1.6	(30.9)	(9.3)	10.1	12.2	9.0	(321)	(109)	1.2	6.8	2.3	(65.9)	99.8
Footwear																				
Bata	8.0	9.2	8.2	(11.0)	2.4	1.8	2.0	1.8	(10.7)	(2.2)	22.8	21.7	21.8	9	(104)	0.6	0.6	0.5	(11.2)	(18.1)
Relaxo	7.5	6.7	7.1	5.9	(5.5)	1.2	0.8	1.0	15.3	(20.1)	16.1	12.5	13.6	112	(249)	0.6	0.3	0.4	33.4	(28.3)
Metro Brands	5.8	7.0	6.4	(8.5)	10.3	1.6	2.3	1.8	(20.5)	12.8	27.2	32.0	27.8	(418)	62	0.8	1.0	0.9	(2.6)	20.6
New Age																				
FSN E-Comm Ventures (Nykaa)	16.7	22.7	20.8	(8.3)	24.6	0.9	1.4	1.4	0.8	52.1	5.6	6.2	6.8	62	124	0.1	0.3	0.4	36.6	297.8
Swiggy	30.5	39.9	38.5	(3.5)	26.5	(4.9)	(7.3)	(8.6)	18.9	77.7	(15.9)	(18.2)	(22.4)	(422)	(645)	(5.5)	(8.0)	(7.8)	(2.6)	40.3
Zomato	35.6	54.1	56.4	4.4	58.4	0.9	1.6	1.1	(30.2)	31.5	2.4	3.0	2.0	(99)	(41)	1.8	0.6	1.9	220.0	7.9

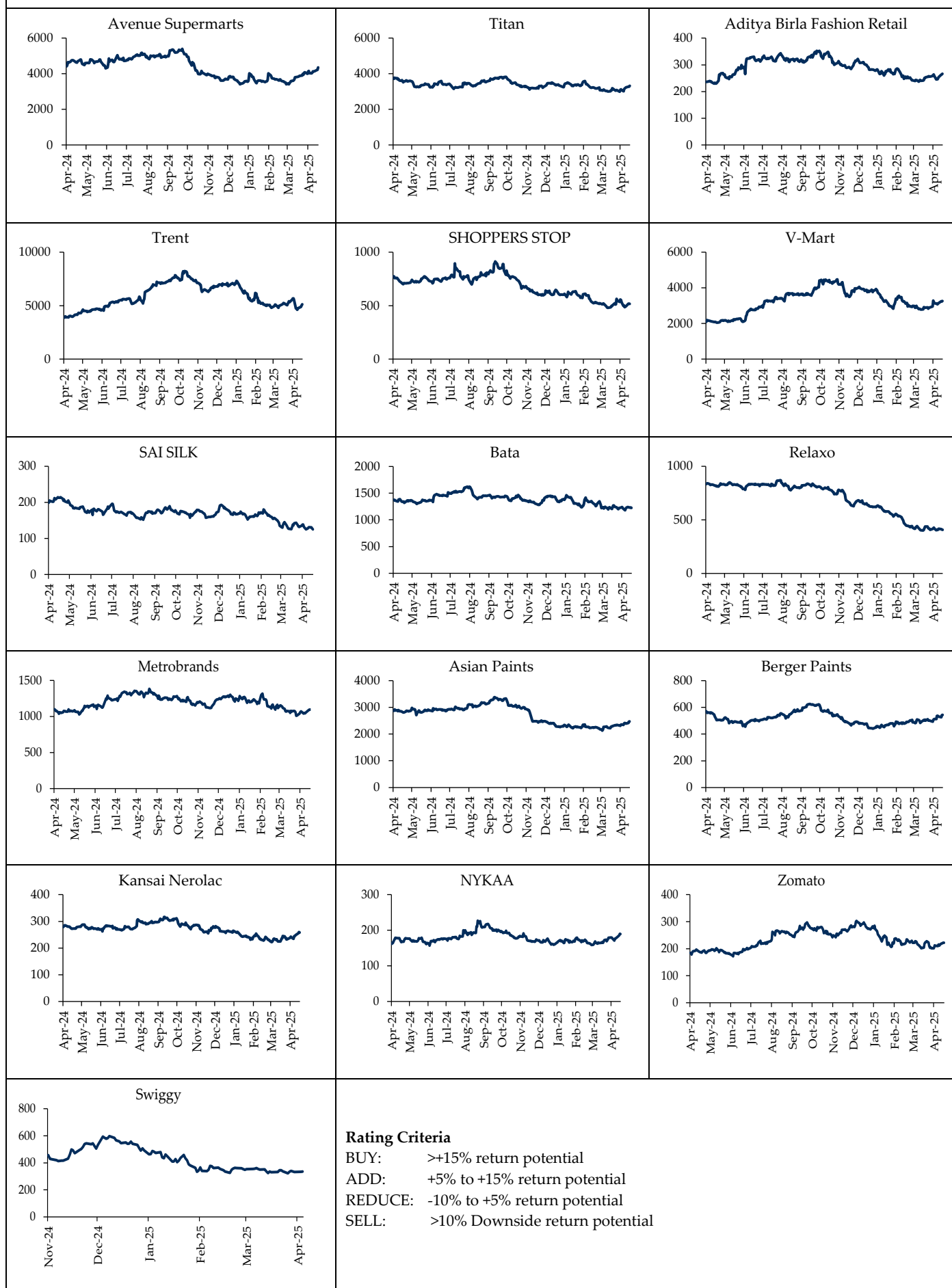
Source: HSIE Research

Valuation Summary

Company	Mcap (Rs bn)	CMP (Rs)	Reco.	TP (Rs)	EPS (Rs)			P/E (x)			EV/EBITDA (x)			ROCE (%)		
					FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Avenue Supermarts	2,751	4,227	Add	3,950	46.6	56.8	67.0	91	74	63	61	50	42	15.2	15.8	15.8
Titan Company	2,908	3,267	Reduce	3,120	35.8	54.0	62.3	91	60	52	64	43	39	14.3	18.6	18.2
ABFRL	282	263	Sell	230	-7.6	-6.6	-3.1	-43	-50	-108	75	43	31	-3.0	-1.2	0.6
Trent	1,790	5,035	Sell	4,200	43.3	52.7	63.3	116	96	80	83	63	55	27.2	24.6	23.7
Shoppers Stop	57	519	Reduce	535	1.2	4.4	6.4	428	117	81	31	22	15	2.2	5.0	19.5
V-MART	65	3,283	Buy	3,450	5.7	14.9	34.3	577	221	96	44	30	24	-1.6	4.6	8.4
SSKL	19	127	Add	150	7.0	10.2	12.1	18	12	10	10	7	6	8.9	11.8	12.4
Bata India	159	1,235	Reduce	1,150	18.5	24.8	30.9	67	50	40	36	29	24	10.6	13.4	14.3
Relaxo Footwears	102	408	Add	450	6.4	8.2	10.7	64	50	38	31	26	20	8.2	10.4	13.3
Metro Brands	298	1,097	Sell	950	12.9	16.9	20.8	85	65	53	55	47	39	15.7	16.9	17.2
Asian Paints	2,359	2,459	Add	2,450	43.9	46.2	53.4	56	53	46	38	36	31	18.8	18.5	19.7
Berger Paints	631	541	Add	525	9.9	10.8	13.1	55	50	41	34	31	26	17.9	17.5	18.8
Kansai Nerolac	209	258	Reduce	255	7.5	8.6	9.7	34	30	27	22	19	17	10.8	11.8	12.7
FSN E-Commerce (Nykaa)	540	189	Add	180	0.3	1.0	1.6	607	193	115	197	106	70	6.0	13.8	18.7
Swiggy	754	337	Reduce	410	-12.6	-9.1	-6.5	-27	-37	-52	-25	-36	-61	-26.3	-16.2	-11.5
Zomato	2,142	222	Reduce	220	0.7	0.8	1.2	317	280	185	668	450	197	3.0	2.7	3.9

Source: HSIE Research

1 Yr Price history



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