INSTITUTIONAL RESEARCH

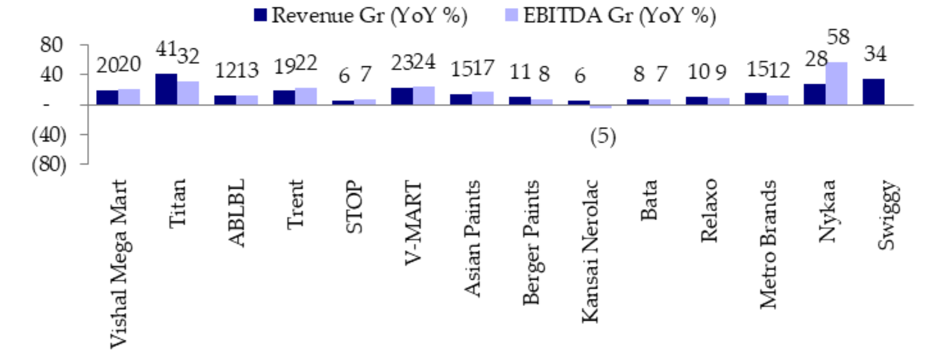
Consumer Discretionary

Wake hikes + partial RM inflation pressure margins

Our consumer discretionary coverage universe (ex-Eternal) is expected to deliver ~22% YoY revenue growth in Q1, led by sustained momentum in jewelry (driven by gold price-led higher ticket size and healthy buyer growth), ongoing customer acquisition in new-age businesses, recovery in paints (price hike-led), and strong value retail performance fueled by store expansion and mid-to-high single-digit SSSG. We expect jewelry, paints, apparel, and footwear to clock ~43%, 13%, 17%, and 11% YoY growth in Q1. Margins for our discretionary space (ex-new age) is expected to contract by ~10bps YoY to ~13%, with EBITDA growth of ~20% YoY.

- **Revenue growth sustained despite multiple headwinds:** (1) Despite demand headwinds from Adhik Maas and PM's advisory on gold purchases, jewelry segment continued its strong growth momentum, driven by elevated gold prices, early double-digit buyer growth, robust festive and Akshaya Tritiya demand. (2) In apparel, value retailers will continue to outperform premium retailers, driven by high-single-digit SSSG (V-Mart and VMM) and ongoing store expansion. (3) In footwear, demand was dampened by fewer wedding dates and a delayed monsoon that impacted rain merchandise. However, the premium footwear segment is still expected to outpace the mass market, where recovery remains gradual. (4) Paint sector is anticipated to witness double-digit value growth, driven by sector-wide price hikes, channel stocking ahead of those hikes, and demand pick-up due to a delayed monsoon. (5) Within new-age businesses, Nykaa is expected to sustain strong growth by prioritizing customer acquisition across beauty and fashion. In food delivery, order growth remained steady across both platforms. Meanwhile, in QC, the Blinkit vs. peers divergence is likely to widen further as peers focus on reducing EBITDA burn.
- **Crude-led inflation + select state wage hikes weigh heavy on margins:** Margins for our discretionary space (ex- new age) is expected to contract by ~10bps to ~13% YoY. Crude-linked raw material inflation is likely to weigh on GM for paints, apparel and footwear players in varying degrees (based on extent of pricing interventions and low-cost inventory pile they hold). Wage hikes across select major states is also likely to weigh on sector margins. In jewelry, we expect margins to moderate by ~20bps due to an unfavorable product mix. Jewellery capital employed may remain elevated due to higher salience of the gold-exchange program. In new age, elevated delivery costs in the quarter is likely to put pressure on margins in FD, while QC margin continue to improve YoY as focus shifts from aggressive expansion to milking efficiency gains. We expect Instamart to hit CM breakeven in Q1FY27. For Nykaa, margin expansion will be driven by scale-led operating leverage in BPC and fashion. Overall, we model an EBITDA growth of ~20% YoY for our universe (ex-new age).
- **Value continues to remain in pockets** despite, a healthy 10-55% rally across discretionary companies over the past 4 months, value continues to remain in pockets. **Our top picks remain Swiggy, Eternal, VMM and V-MART.**

Revenue/EBITDA growth trajectory (%)



Note – Eternal's revenue growth is not comparable YoY due to Blinkit's shift to the 1P model from end of Q1FY26 onwards.

Company	RECO	TP (Rs)	Prev. TP (Rs)
Titan	REDUCE	4,350	4,150
Trent	ADD	3,000	3,000
ABLBL	BUY	150	155
STOP	REDUCE	350	350
V-MART	BUY	875	850
Asian Paints	ADD	3,000	2,800
Berger Paints	ADD	550	540
Kansai Nerolac	REDUCE	220	220
Bata	REDUCE	720	720
Relaxo	ADD	400	400
FSN E-Comm (Nykaa)	SELL	230	220
Metro Brands	ADD	1,060	1,060
Swiggy	BUY	470	460
Eternal	BUY	370	340
VMM	BUY	135	130

Change in recommendation

Company	New RECO	Earlier RECO
-	-	-

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COMPANY	Q1FY27E OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
Titan	GOOD	▪ As per Titan's quarterly update, it reported ~41% YoY growth in revenue. ▪ Domestic jewelry sales (ex-bullion) grew by ~39% YoY, driven by high double-digit ticket size growth and early double-digit buyer growth. ▪ Watches/eyewear/others grew 23/23/19% YoY. ▪ Building in 9.3% EBIT margin at company level. Expect 9.4/17/9% EBIT margins for jewelry/watches/eyewear respectively.	▪ Commentary on gains in South market and on sustainable volume growth ▪ Inventory levels and capital base movement ▪ Commentary on gold lease interest rate ▪ Commentary on volatility of gold prices and salience of gold exchange program.
Trent	AVG	▪ As per Trent's revenue update, reported revenue grew ~19% YoY to INR56.7bn. ▪ We estimate ~19/18% YoY growth for Westside and Zudio respectively. ▪ Building in flat GM YoY for Q1FY27 at 45.1% as higher salience of westside in the mix is likely to be offset by crude-linked material inflation. ▪ Building in 18% EBITDAM (up ~50bps YoY).	▪ Commentary on demand trends ▪ Expansion strategy ▪ Commentary on recovery in SSSG ▪ Commentary on Star's performance
V-MART Retail	GOOD	▪ As per V-Mart's revenue update, reported revenue grew +23% YoY to INR10.9bn. ▪ SSSG for Q4FY26 was +9%, with core V-Mart at +8% and Unlimited at +13%. ▪ Building in 34.4% GM for Q1FY27 (vs 35.3% in Q1FY26) as they intend to pass on more value to consumers to gain market share and crude-linked raw material inflation is likely to weigh on margins. ▪ Building in ~10bps expansion in EBITDAM to 14.4% (vs. 14.3% in Q1FY26). ▪ V-Mart added 15 new stores and closed one store in Q1 (store count - 591).	▪ Commentary on rural recovery ▪ Cost normalization pace ▪ Expansion strategy ▪ Unlimited's profitability
ABLBL	AVG	▪ We expect lifestyle brands to grow ~10% YoY to INR 17.2bn. We expect youth brands and innerwear business to grow by ~15% YoY to INR 3.6bn. ▪ GM built: 62.4% ▪ Building in EBITDAM of 17.8/5% for lifestyle brands/ youth brands and inner wear, respectively.	▪ Commentary on demand trends ▪ Expansion strategy ▪ Commentary on recovery of innerwear business
Shoppers Stop	AVG	▪ We expect revenue to grow ~6% YoY to INR 11.6bn. ▪ GM built: 41% (up ~10bps YoY). ▪ Building in Pre-IND-AS EBITDAM of 2.2% (down ~10bps YoY).	▪ Commentary on demand trends ▪ Expansion strategy
Vishal Mega Mart	GOOD	▪ We expect revenue to grow by ~20% YoY to INR37.7bn. ▪ Building in 28.2% GM for Q1FY27 (vs 28.4% in Q1FY26). ▪ Building in 14.7% EBITDAM for Q1FY27 (vs 14.6% in Q1FY26). ▪ We expect VMM to add 23 stores in Q4.	▪ Commentary on demand trends ▪ Expansion strategy ▪ Commentary on competitive landscape

COMPANY	Q1FY27E OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
Bata	AVG	▪ Building in ~8% YoY revenue growth in Q1 to INR 10.2bn. ▪ Building in 53.3% GM for Q1 (down ~20bps YoY). ▪ Building in 21% EBITDAM (down ~10bps YoY) ▪ Store additions to remain steady.	▪ Commentary on demand trends ▪ Expansion strategy ▪ Wholesale strategy
Relaxo Footwears	AVG	▪ We expect revenue growth to grow by 10.4% YoY in 14 to INR 7.2bn. ▪ Expected volume/realization growth of -4/15% YoY in Q1. ▪ Building in 14.9% EBITDAM for Q1FY27 (vs 15.2% in Q1FY26).	▪ Commentary on demand trends ▪ Commentary on margins ▪ Expansion strategy ▪ Commentary on distribution channel
Metro Brands	GOOD	▪ Building in 15.1% YoY revenue growth to INR 7.2bn. ▪ Building in 59% GM for Q1FY27 (vs 59.3% in Q1FY26). ▪ Building in 30.2% EBITDAM for Q1FY27 (vs 30.9% in Q1FY26). ▪ We have built in 30 store adds in Q1.	▪ Commentary on demand trends ▪ Commentary on margins Expansion strategy
Fsn E-Commerce Ventures (Nykaa)	GOOD	▪ As per Nykaa's revenue update, revenue grew 28-30% YoY (factored 28.5% YoY growth to INR 27.7bn). ▪ BPC/Fashion to clock ~25/53% YoY growth resp. in GMV. ▪ AoVs are likely to be healthy for BPC. Building in ~28/52% YoY growth in BPC/Fashion AUTC and ~31/58% YoY growth in BPC/Fashion orders respectively. ▪ Building in a 8% EBITDA margin in Q1FY27 (vs 6.5% in Q1FY27).	▪ Commentary on fashion segment ▪ Commentary on unwinding on working capital ▪ Commentary on profitability of eB2B segment ▪ Competitive landscape shift
Asian Paints	GOOD	▪ We expect consolidated revenue to grow by ~15% YoY in Q1 (15.4% growth in standalone business). +10/+5% volume/price growth built-in for Q1. ▪ We expect ~10bps YoY contraction in gross margin to 42.6% due to crude-linked raw material inflation (consolidated). ▪ We expect ~30bps YoY expansion in EBITDA margin to 18.5% due to cost efficiency and operating leverage.	▪ Commentary on demand trends ▪ Commentary on input cost trends ▪ Rebating and discounting trends ▪ Dealer addition trajectory
Berger Paints	AVG	▪ We expect revenue growth of ~11% YoY for the consolidated business in Q1 (11.3% growth in standalone business). +7/+4% volume/price growth built-in. ▪ We expect 41.3% gross margin (down ~10 bps YoY) in Q1FY27 (consolidated) due to raw material inflation. ▪ We expect EBITDA margins to contract by ~50bps YoY to 16%, due to elevated operating costs.	▪ Commentary on demand trends ▪ Commentary on input cost trends ▪ Dealer addition trajectory ▪ Rebating and discounting trends
Kansai Nerolac	WEAK	▪ We expect revenue growth of ~6% YoY for the consolidated business in Q1 (5.7% growth in standalone business). -1/5% volume/price growth built-in for deco segment. ▪ We expect 34.1% gross margin (down ~200bps YoY) in Q1FY26 due to crude-linked raw material inflation (consolidated). ▪ We expect EBITDA margins to decline by ~130bps YoY to 12.7%, as cost efficiency partly offsets GM contraction.	▪ Commentary on demand trends ▪ Commentary on input cost trends ▪ Dealer addition trajectory ▪ Rebating and discounting trends
Swiggy	AVG	▪ We expect adj. revenue growth of ~33% YoY to INR 70.7bn. ▪ Food Delivery/QC to clock ~18/41% YoY growth respectively in GoV. QC to clock ~41% YoY growth in NoV. ▪ Food Delivery/QC AoV likely to be at ~INR489/686 resp. Building in ~16/25% YoY growth in Food Delivery/QC Avg. MTUs and ~16/26% YoY growth in Food Delivery/QC orders. ▪ Building in -7.9% adj. EBITDA margin in Q1FY27.	▪ MTU growth in Food Delivery ▪ Trajectory of platform funded discounts and discounts in quick commerce

COMPANY	Q1FY27E OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
Eternal	GOOD	▪ We expect Eternal to clock adj. revenue of ~INR 206bn. Note: revenue growth is not comparable YoY due to Blinkit's shift to the 1P model. ▪ Food Delivery/QC to clock ~20/88% YoY growth respectively in NoV. ▪ Food Delivery/QC AoV likely to be at INR463/673 resp. Building in ~16/85% YoY growth in Food Delivery/QC Avg. MTUs and ~18/84% YoY growth in Food Delivery/QC orders. ▪ Building in 3.2% adj. EBITDA margin in Q1FY27.	▪ MTU growth in Food Delivery ▪ Trajectory of platform funded discounts & discounts in quick commerce

Estimate changes

Titan Company

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	10,38,388	10,11,858	*2.6*	11,84,573	11,74,712	*0.8*	13,46,334	13,46,334	-
Gross Profit	2,04,159	2,03,673	*0.2*	2,41,192	2,42,327	*(0.5)*	2,76,822	2,76,822	-
Gross Profit Margin (%)	19.7	20.1	***(47 bps)***	20.4	20.6	***(27 bps)***	20.6	20.6	**-**
EBITDA	91,160	90,425	*0.8*	1,06,135	1,05,319	*0.8*	1,21,933	1,21,933	-
EBITDA margin (%)	8.8	8.9	***(16 bps)***	9.0	9.0	***(1 bps)***	9.1	9.1	**-**
APAT	63,232	63,155	*0.1*	73,684	73,767	*(0.1)*	86,593	86,593	-
APAT margin (%)	6.1	6.2	***(15 bps)***	6.2	6.3	***(6 bps)***	6.4	6.4	**-**
EPS	71.2	71.1	*0.1*	83.0	83.1	*(0.1)*	97.5	97.5	-

Source: HSIE Research

Trent

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	2,36,986	2,44,530	*(3.1)*	2,79,072	2,82,136	*(1.1)*	3,22,524	3,22,524	-
EBITDA (Pre-IND-AS 116)*	33,254	33,439	*(0.6)*	38,917	38,600	*0.8*	45,825	45,825	-
EBITDA margin (%)*	14.0	13.7	***36 bps***	13.9	13.7	***26 bps***	14.2	14.2	**-**
APAT	22,418	22,923	*(2.2)*	26,843	27,120	*(1.0)*	31,409	31,409	-
APATM (%)	9.5	9.4	***9 bps***	9.6	9.6	***1 bps***	9.7	9.7	**-**

Source: HSIE Research

Fsn E-Commerce Ventures (Nykaa)

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	1,27,172	1,24,201	*2.4*	1,56,057	1,51,931	*2.7*	1,88,720	1,88,720	-
Gross Profit	57,466	55,978	*2.7*	70,249	68,461	*2.6*	84,737	84,737	-
Gross Profit Margin (%)	45.2	45.1	***12 bps***	45.0	45.1	***(5 bps)***	44.9	44.9	**-**
Reported EBITDA	11,256	10,865	*3.6*	15,299	14,707	*4.0*	19,949	19,949	-
Reported EBITDA margin (%)	8.9	8.7	***10 bps***	9.8	9.7	***12 bps***	10.6	10.6	**-**
Pre-IND AS EBITDA	7,701	7,393	*4.2*	10,952	10,475	*4.6*	14,711	14,711	-
EBITDA margin (%)	6.1	6.0	***10 bps***	7.0	6.9	***12 bps***	7.8	7.8	**-**

Source: HSIE Research

ABLBL

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	95,722	95,722	-	1,07,069	1,07,069	-	1,18,417	1,18,417	-
Gross Profit	57,396	57,396	-	64,575	64,575	-	71,537	71,537	-
Gross Profit Margin (%)	60.0	60.0	**0 bps**	60.3	60.3	**0 bps**	60.4	60.4	**0 bps**
EBITDA	8,080	8,080	-	9,497	9,497	-	10,895	10,895	-
EBITDA margin (%)	8.4	8.4	**0 bps**	8.9	8.9	**0 bps**	9.2	9.2	**0 bps**

Source: HSIE Research

Shoppers STOP

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	50,800	50,800	-	55,928	55,928	-	62,363	62,363	-
Gross Profit	20,532	20,634	*(0.5)*	22,773	22,829	*(0.2)*	25,455	25,455	-
Gross Profit Margin (%)	40.4	40.6	***-20 bps***	40.7	40.8	***-10 bps***	40.8	40.8	***0 bps***
EBITDA	2,068	2,305	*(10.3)*	2,728	2,873	*(5.1)*	3,195	3,195	-
EBITDA margin (%)	4.1	4.5	***-47 bps***	4.9	5.1	***-26 bps***	5.1	5.1	***0 bps***

Source: HSIE Research

V-MART Retail

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	44,702	43,993	*1.6*	51,417	50,826	*1.2*	59,319	59,319	-
Gross Profit	15,194	15,085	*0.7*	17,476	17,377	*0.6*	20,162	20,162	-
Gross Profit Margin (%)	34.0	34.3	***-30 bps***	34.0	34.2	***-20 bps***	34.0	34.0	***0 bps***
EBITDA	2,687	2,733	*(1.7)*	3,276	3,282	*(0.2)*	4,032	4,032	-
EBITDA margin (%)	6.0	6.2	***-20 bps***	6.4	6.5	***-8 bps***	6.8	6.8	***0 bps***

Source: HSIE Research

Vishal Mega Mart

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	1,52,399	1,51,974	*0.3*	1,77,626	1,77,214	*0.2*	2,03,748	2,03,748	-
Gross Profit	43,239	43,224	*0.0*	50,480	50,486	*(0.0)*	58,000	58,000	-
Gross Profit Margin (%)	28.4	28.4	***-7 bps***	28.4	28.5	***-7 bps***	28.5	28.5	***0 bps***
EBITDA	15,175	15,050	*0.8*	18,307	18,190	*0.6*	21,638	21,638	-
EBITDA margin (%)	10.0	9.9	***5 bps***	10.3	10.3	***4 bps***	10.6	10.6	***0 bps***
APAT	10,592	10,738	*(1.4)*	13,386	13,432	*(0.3)*	16,472	16,472	-
APAT margin (%)	7.0	7.1	***-12 bps***	7.5	7.6	***-4 bps***	8.1	8.1	***0 bps***
EPS (Rs)	2.3	2.3	*(1.4)*	2.9	2.9	*(0.3)*	3.5	3.5	-

Source: HSIE Research

Metro Brands

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	34,169	34,606	*(1.3)*	40,438	41,244	*(2.0)*	47,665	47,665	-
Gross Profit	19,772	20,043	*(1.3)*	23,420	23,887	*(2.0)*	27,558	27,558	-
Gross Profit Margin (%)	57.9	57.9	***(5 bps)***	57.9	57.9	**-**	57.8	57.8	**-**
EBITDA	6,913	7,054	*(2.0)*	8,295	8,489	*(2.3)*	9,830	9,830	-
EBITDA margin (%)	20.2	20.4	***(15 bps)***	20.5	20.6	***(7 bps)***	20.6	20.6	**-**
APAT	4,816	4,928	*(2.3)*	6,239	6,409	*(2.7)*	7,831	7,831	-
APAT margin (%)	14.1	14.2	***(15 bps)***	15.4	15.5	***(11 bps)***	16.4	16.4	**-**
EPS	17.7	18.1	*(2.3)*	22.9	23.5	*(2.7)*	28.7	28.7	-

Source: HSIE Research

Bata India

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	38,131	38,178	*(0.1)*	41,612	41,662	*(0.1)*	45,343	45,343	-
Gross Profit	21,051	21,083	*(0.2)*	22,870	22,904	*(0.1)*	24,694	24,694	-
Gross Profit Margin (%)	55.2	55.2	***(2 bps)***	55.0	55.0	***(2 bps)***	54.5	54.5	-
EBITDA	4,229	4,295	*(1.5)*	5,024	5,074	*(1.0)*	5,796	5,796	-
EBITDA margin (%)	11.1	11.3	***(16 bps)***	12.1	12.2	***(10 bps)***	12.8	12.8	-
APAT	2,435	2,501	*(2.6)*	3,345	3,385	*(1.2)*	4,115	4,115	-
APAT margin (%)	6.4	6.6	***(16 bps)***	8.0	8.1	***(9 bps)***	9.1	9.1	-
Post IND-AS 116 EPS	18.9	19.5	*(2.6)*	26.0	26.3	*(1.2)*	32.0	32.0	-

Source: HSIE Research

Relaxo Footwear

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	29,760	29,821	*(0.2)*	32,782	32,820	*(0.1)*	36,106	36,106	-
Gross Profit	14,493	14,643	*(1.0)*	16,047	16,148	*(0.6)*	17,765	17,765	-
Gross Profit Margin (%)	48.7	49.1	***(40 bps)***	49.0	49.2	***(25 bps)***	49.2	49.2	-
EBITDA	3,684	3,811	*(3.3)*	4,386	4,457	*(1.6)*	5,048	5,048	-
EBITDA margin (%)	12.4	12.8	***(40 bps)***	13.4	13.6	***(20 bps)***	14.0	14.0	-
APAT	2,060	2,155	*(4.4)*	2,527	2,580	*(2.0)*	3,012	3,012	-
APAT margin (%)	6.9	7.2	***(30 bps)***	7.7	7.9	***(15 bps)***	8.3	8.3	-
EPS (Rs)	8.3	8.7	*(4.4)*	10.2	10.4	*(2.0)*	12.1	12.1	-

Source: HSIE Research

Asian Paints

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	4,07,771	3,80,620	*7.1*	4,41,099	4,20,551	*4.9*	4,76,941	4,76,941	-
Gross Profit	1,79,150	1,65,200	*8.4*	1,93,013	1,83,626	*5.1*	2,10,339	2,10,339	-
Gross Profit Margin (%)	43.9	43.4	***53 bps***	43.8	43.7	***9 bps***	44.1	44.1	***0 bps***
EBITDA	76,027	70,809	*7.4*	82,521	79,753	*3.5*	91,846	91,846	-
EBITDA margin (%)	18.6	18.6	***4 bps***	18.7	19.0	***-26 bps***	19.3	19.3	***0 bps***
APAT	51,165	48,713	*5.0*	60,125	58,788	*2.3*	69,099	69,099	-
APAT margin (%)	12.5	12.8	***-25 bps***	13.6	14.0	***-35 bps***	14.5	14.5	***0 bps***
EPS (Rs)	53.3	50.8	*5.0*	62.7	61.3	*2.3*	72.0	72.0	-

Source: HSIE Research

Berger Paints

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	1,37,547	1,32,271	*4.0*	1,50,972	1,46,065	*3.4*	1,66,163	1,66,163	-
Gross Profit	58,434	56,391	*3.6*	64,288	62,417	*3.0*	70,757	70,757	-
Gross Profit Margin (%)	42.5	42.6	***-15 bps***	42.6	42.7	***-15 bps***	42.6	42.6	***0 bps***
EBITDA	21,225	21,205	*0.1*	24,429	24,103	*1.4*	27,220	27,220	-
EBITDA margin (%)	15.4	16.0	***-60 bps***	16.2	16.5	***-32 bps***	16.4	16.4	***0 bps***
APAT	13,669	13,613	*0.4*	15,890	15,656	*1.5*	17,916	17,916	-
APAT margin (%)	9.9	10.3	***-35 bps***	10.5	10.7	***-19 bps***	10.8	10.8	***0 bps***
EPS (Rs)	11.7	11.7	*0.4*	13.6	13.4	*1.5*	15.4	15.4	-

Source: HSIE Research

Kansai Nerolac

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	86,326	86,517	*(0.2)*	94,153	94,244	*(0.1)*	1,02,904	1,02,904	-
Gross Profit	29,916	30,843	*(3.0)*	33,199	33,765	*(1.7)*	36,894	36,894	-
Gross Profit Margin (%)	34.7	35.7	***-100 bps***	35.3	35.8	***-57 bps***	35.9	35.9	***0 bps***
EBITDA	9,890	10,653	*(7.2)*	11,519	11,932	*(3.5)*	13,373	13,373	-
EBITDA margin (%)	11.5	12.3	***-86 bps***	12.2	12.7	***-43 bps***	13.0	13.0	***0 bps***
APAT	7,148	7,716	*(7.4)*	8,026	8,332	*(3.7)*	9,199	9,199	-
APAT margin (%)	8.3	8.9	***-64 bps***	8.5	8.8	***-32 bps***	8.9	8.9	***0 bps***
EPS (Rs)	8.8	9.5	*(7.4)*	9.9	10.3	*(3.7)*	11.4	11.4	-

Source: HSIE Research

Swiggy

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	2,80,604	2,85,651	*(1.8)*	3,44,327	3,47,860	*(1.0)*	4,14,286	4,14,286	-
Adj. EBITDA	(18,089)	(15,604)	*NM*	(4,906)	(3,929)	*NM*	11,447	11,447	-
Adj. EBITDAM (%)	(6.4)	(5.5)	***-98 bps***	(1.4)	(1.1)	***-30 bps***	2.8	2.8	***0 bps***
Pre-IND AS EBITDA	(23,489)	(21,004)	*NM*	(6,636)	(5,659)	*NM*	10,587	10,587	-
Pre-IND AS EBITDA margin (%)	(8.4)	(7.4)	***-102 bps***	(1.9)	(1.6)	***-30 bps***	2.6	2.6	***0 bps***

Source: HSIE Research

Eternal

(INR mn)	FY27E			FY28E			FY29E		
	New	Old	Change (%)	New	Old	Change (%)	New	Old	Change (%)
Revenue	9,17,375	9,00,925	*1.8*	12,67,797	12,39,056	*2.3*	15,95,686	15,95,686	-
Adj. EBITDA	32,494	27,358	*18.8*	48,509	40,842	*18.8*	66,462	66,462	-
Adj. EBITDAM (%)	3.5	3.0	***51 bps***	3.8	3.3	***53 bps***	4.2	4.2	***0 bps***
Pre-IND AS EBITDA	23,804	18,668	*27.5*	39,419	31,752	*24.1*	57,372	57,372	-
Pre-IND AS EBITDA margin (%)	2.6	2.1	***52 bps***	3.1	2.6	***55 bps***	3.6	3.6	***0 bps***
APAT	14,664	10,820	*35.5*	24,376	18,632	*30.8*	36,129	36,129	-
APAT margin (%)	1.6	1.2	***40 bps***	1.9	1.5	***42 bps***	2.3	2.3	***0 bps***
EPS (Rs)	1.5	1.1	*35.5*	2.5	1.9	*30.8*	3.7	3.7	-

Source: HSIE Research

Financial Summary

Company	NET SALES (Rs bn)					EBITDA (Rs bn)					EBITDA Margin (%)					APAT (Rs. bn)				
	1Q FY26	4Q FY26	1Q FY27E	QoQ (%)	YoY (%)	1Q FY26	4Q FY26	1Q FY27E	QoQ (%)	YoY (%)	1Q FY26	4Q FY26	1Q FY27E	QoQ (bps)	YoY (bps)	1Q FY26	4Q FY26	1Q FY27E	QoQ (%)	YoY (%)
Jewellery																				
Titan	165.2	269.2	233.3	*(13.3)*	*41.2*	18.3	19.4	24.1	*24.6*	*31.9*	11.1	7.2	10.3	315	(73)	10.9	11.3	14.5	*28.3*	*32.7*
-Jewellery	128.0	182.0	183.1	*0.6*	*43.1*	14.1	18.2	19.8	*8.9*	*40.8*	11.0	10.0	10.8	82	(18)					
Apparel																				
Trent	47.8	49.4	56.7	*14.8*	*18.5*	8.4	9.2	10.2	*11.3*	*22.1*	17.5	18.6	18.0	(57)	53	4.2	4.5	4.9	*7.8*	*16.0*
STOP	10.9	11.2	11.6	*3.8*	*6.0*	1.7	1.8	1.8	*(0.2)*	*6.9*	15.2	15.9	15.3	(61)	13	(0.2)	(0.2)	(0.2)	*19.9*	*13.8*
V-MART	8.9	9.7	10.9	*12.2*	*23.0*	1.3	1.1	1.6	*47.4*	*24.2*	14.3	10.9	14.4	344	13	0.3	0.1	0.4	*332.0*	*33.2*
ABLBL	18.4	21.7	20.6	*(5.1)*	*12.2*	2.6	3.5	3.0	*(15.6)*	*13.0*	14.3	16.2	14.4	(180)	11	0.2	0.6	0.1	*(85.7)*	*(63.1)*
Vishal Mega Mart	31.4	31.1	37.7	*21.0*	*20.0*	4.6	4.2	5.5	*30.2*	*20.4*	14.6	13.6	14.7	103	5	2.1	1.7	2.6	*55.5*	*26.7*
Paints																				
Asian Paints	89.4	92.5	102.6	*11.0*	*14.8*	16.2	17.9	19.0	*6.2*	*16.7*	18.2	19.3	18.5	(84)	31	11.0	11.7	13.2	*12.5*	*19.9*
Berger Paints	32.0	28.7	35.6	*24.0*	*11.1*	5.3	4.8	5.7	*18.3*	*7.8*	16.5	16.8	16.0	(78)	(49)	3.1	3.3	3.7	*11.6*	*18.7*
Kansai Nerolac	21.6	19.5	22.8	*16.9*	*5.6*	3.0	2.2	2.9	*33.7*	*(4.5)*	14.0	11.1	12.7	160	(134)	2.2	1.1	1.9	*69.0*	*(14.1)*
Footwear																				
Bata	9.4	8.3	10.2	*22.9*	*8.0*	2.0	1.7	2.1	*23.4*	*7.5*	21.1	20.9	21.0	9	(10)	0.6	0.5	0.7	*35.5*	*25.6*
Relaxo	6.5	7.5	7.2	*(3.8)*	*10.4*	1.0	1.2	1.1	*(12.9)*	*8.6*	15.2	16.5	14.9	(156)	(25)	0.5	0.7	0.6	*(18.4)*	*13.0*
Metro Brands	6.3	7.7	7.2	*(6.5)*	*15.1*	1.9	2.4	2.2	*(8.3)*	*12.5*	30.9	30.8	30.2	(61)	(70)	1.0	1.1	1.0	*(11.3)*	*(0.6)*
New Age																				
FSN E-Comm Ventures (Nykaa)	21.5	26.5	27.7	*4.5*	*28.5*	1.4	2.2	2.2	*(0.6)*	*57.6*	6.5	8.4	8.0	(41)	148	0.2	0.8	0.8	*6.2*	*241.8*
Swiggy	49.6	63.8	66.5	*4.2*	*34.0*	(9.5)	(7.0)	(5.9)	*(15.9)*	*(38.6)*	(19.2)	(10.9)	(8.8)	210	1,041	(12.0)	(8.0)	(7.3)	*(9.0)*	*(39.2)*
Eternal	71.7	172.9	201.0	*16.2*	*180.4*	1.2	4.9	7.0	*45.0*	*512.6*	1.6	2.8	3.5	70	190	0.3	1.7	3.3	*90.5*	*1,226.0*

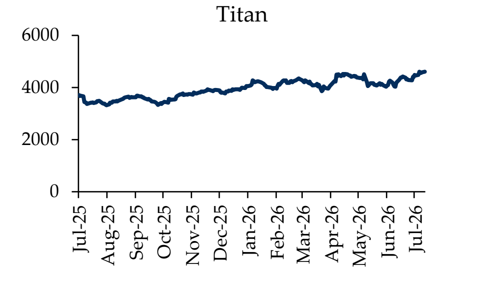
Source: HSIE Research

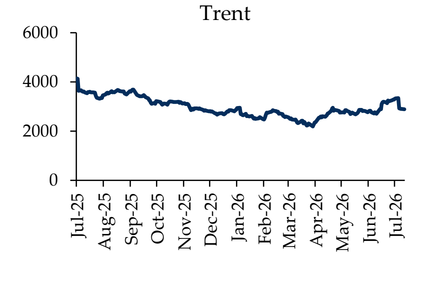
Valuation Summary

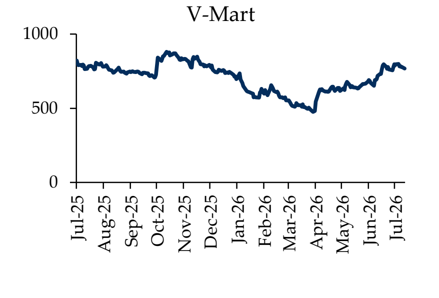
Company	Mcap (Rs bn)	CMP (Rs)	Reco.	TP (Rs)	EPS (Rs)			P/E (x)			EV/EBITDA (x)			ROCE (%)		
					FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
ABLBL	118	97	Buy	150	2.2	3.0	3.9	47	34	26	15	12	10	9.9	10.4	10.8
Vishal Mega Mart	536	115	Buy	135	2.3	2.9	3.5	51	40	33	33	27	22	12.9	13.8	14.2
Titan Company	4,075	4,590	Reduce	4,350	71.2	83.0	97.5	64	55	47	48	41	36	14.9	15.3	15.5
Trent	1,534	2,876	Add	3,000	42.0	50.3	58.9	68	57	49	30	25	21	23.5	21.7	19.7
Shoppers Stop	42	380	Reduce	350	-0.6	3.0	7.4	NM	128	51	20	15	12	17.1	17.8	17.3
V-MART	60	752	Buy	875	20.1	29.2	41.3	37	26	18	22	17	13	14.4	16.6	18.3
Bata India	88	685	Reduce	720	18.9	26.0	32.0	36	26	21	19	15	12	11.2	13.3	14.0
Relaxo Footwears	95	380	Add	400	8.3	10.2	12.1	46	37	31	24	20	17	9.8	11.3	12.6
Metro Brands	289	1,059	Add	1,060	17.7	22.9	28.7	60	46	37	40	33	27	19.0	19.6	19.6
Asian Paints	2,560	2,669	Add	3,000	53.3	62.7	72.0	50	43	37	33	30	27	19.0	20.5	21.6
Berger Paints	574	492	Add	550	11.7	13.6	15.4	42	36	32	27	23	20	17.5	18.1	18.0
Kansai Nerolac	164	203	Reduce	220	8.8	9.9	11.4	23	20	18	17	14	12	10.4	10.8	11.6
FSN E-Commerce (Nykaa)	933	326	Sell	230	1.6	2.5	3.6	198	130	90	122	85	63	21.5	24.6	26.0
Swiggy	778	282	Buy	470	-6.9	-0.0	6.9	NM	NM	41	NM	327	32	-8.8	0.6	9.3
Eternal	2,818	292	Buy	370	1.5	2.5	3.7	192	116	78	112	67	46	5.1	7.3	9.6

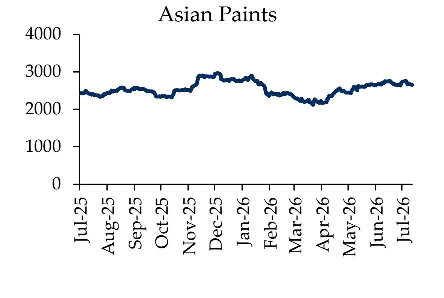
Source: HSIE Research

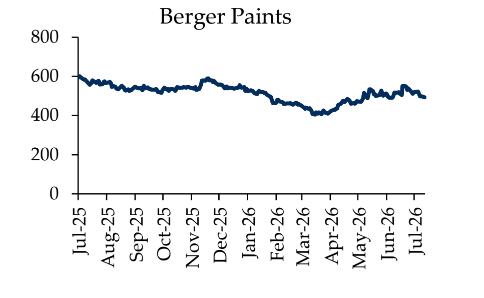
Price history

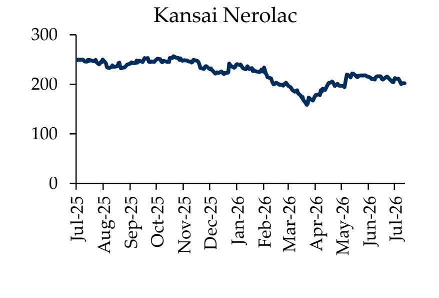


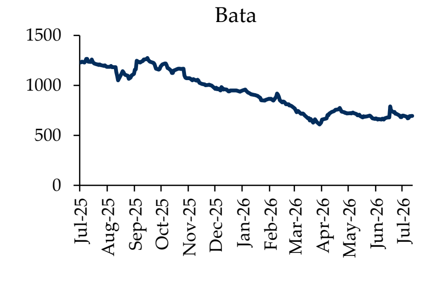


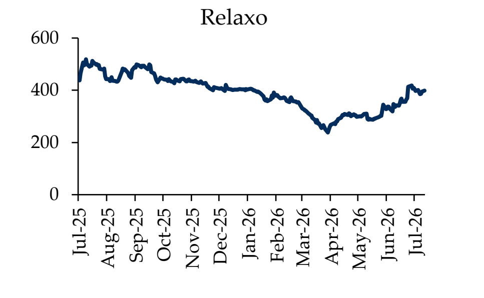


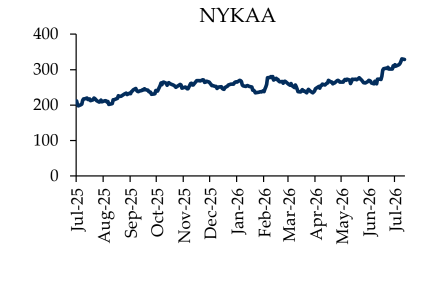


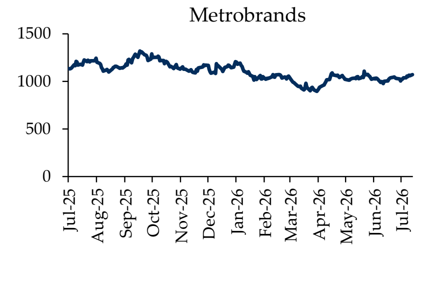


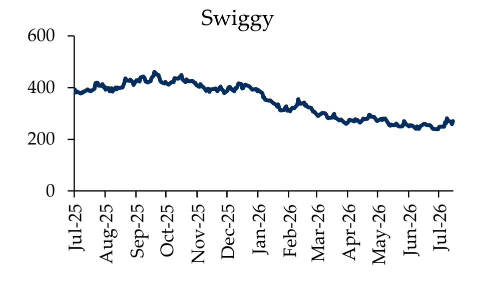


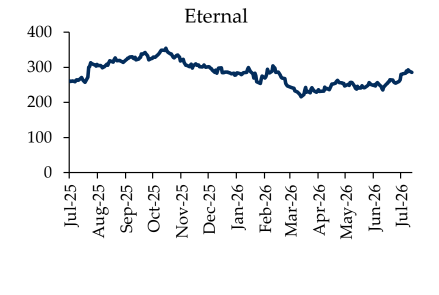


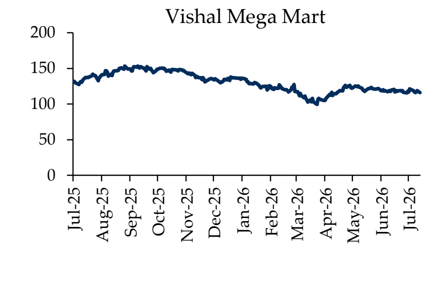












Rating Criteria

BUY:	>+15% return potential
ADD:	+5% to +15% return potential
REDUCE:	-10% to +5% return potential
SELL:	> 10% Downside return potential

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