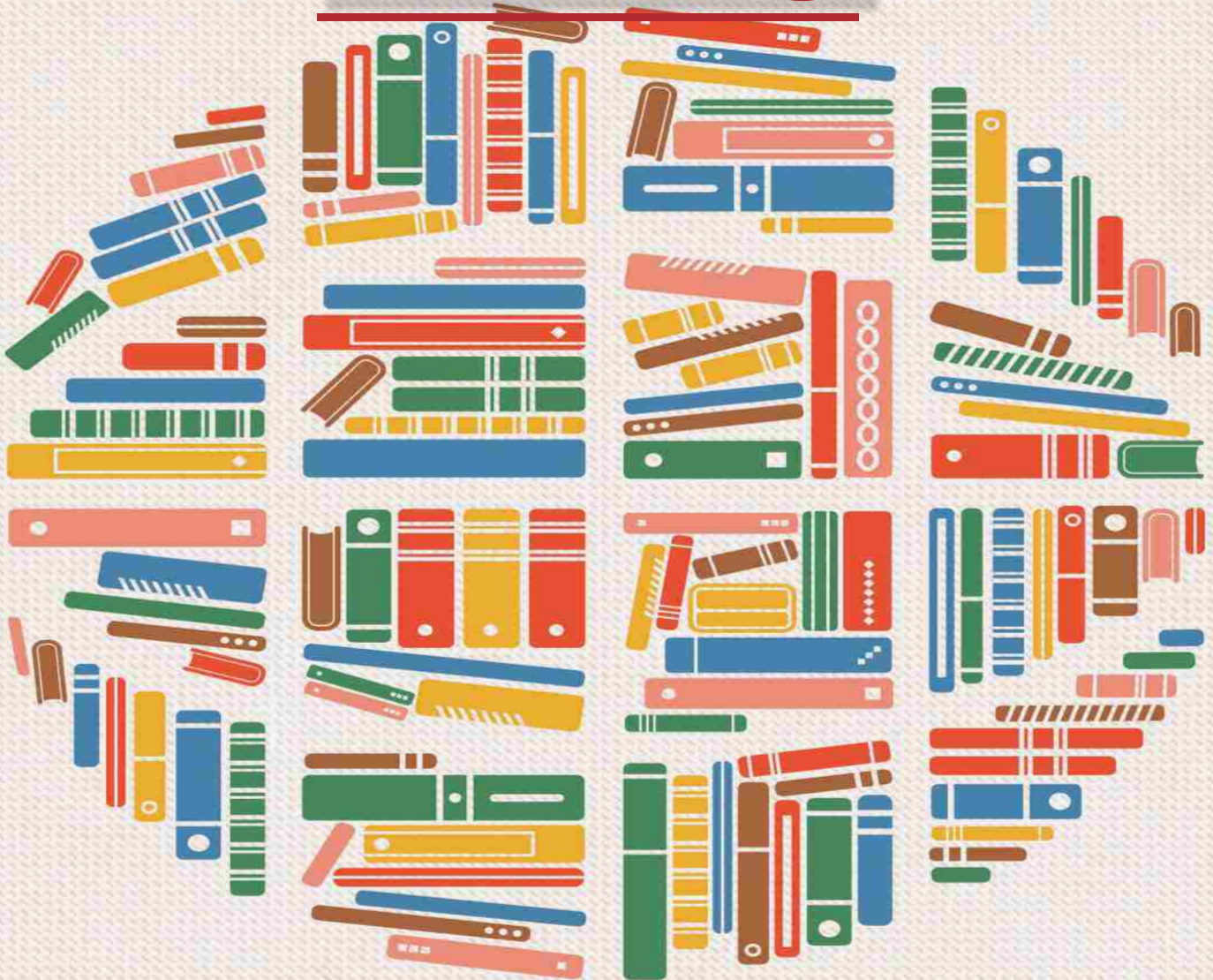


September 3, 2021

Stock TALES



Stock Tales are concise, holistic stock reports across wider spectrum of sectors. Updates will not be periodical but based on significant events or change in price.

Digital play on travel recovery...

About the stock: Easy Trip Planners or EaseMyTrip.com (EMT) is the **fastest growing and only profitable company** in the online travel portal in India. It was founded as a **B2B2C** portal in 2008, providing travel agents access to its website to book domestic travel airline tickets. Subsequently, the company diversified into the business to customer (**B2C**) distribution channel in 2011.

- The company now offers a comprehensive range of travel-related products and services for end-to-end travel solutions, including airline tickets, hotels and holiday packages, rail tickets and bus tickets
- As of FY20, airline tickets accounted for 94.0% of revenues while hotels and other services contributed 5.4% and 0.6% of revenues, respectively

Key triggers for future price performance:

- Online travel market in India is **set to double over the next five years** to reach \$31 billion in FY25E, growing at 14% CAGR from FY20 levels
- The **key drivers of longer term growth of online travel are**: (1) Increased adoption of internet platforms in under-penetrated segments such as hotels, international travel and bus, (2) elevated growth in underlying demand in air and hotel segments due to rising income levels and (3) deeper penetration of travel into lower tier towns
- Near-term triggers** - In anticipation of a recovery post the second wave, the Ministry of Civil Aviation has also increased the load capacity of airlines to 65%, which should hopefully ramp up further as the demand situation improves. Similarly, more than 90% of chain hotels and over 80% of top independent hotels are now open for bookings
- Easy Trip Planners (EMT)** is the fastest growing and profitable company in OTA space in India and is **ranked second in the domestic air ticketing space**
- "Lean cost model"** and **"No convenience fee strategy"** remain key pillars supporting such rapid, profitable growth. This has also led to stickiness by customers with healthy repeat transaction rate of ~86% in the B2C channel
- Further benefits would accrue from segments like **international air, hotels and bus booking** over the next three to four years, which are high margin business but currently having online penetration below 20% levels

What should investors do? We like EMT for its user friendly platform, unique travel offerings, low cost business model and healthy financial position.

- Considering strong growth potential of this technology platform in travel, we initiate coverage under Stock Tales format with a **BUY** recommendation

Target Price and Valuation: We value EMT at ₹ 600, valuing at 45x FY24E EPS (ie. Implied PEG ratio of 1.3x).

Key Financial Summary

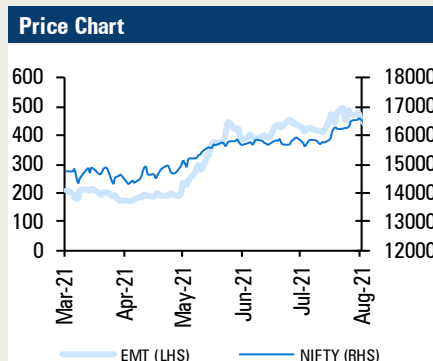
Key Financials	FY19	FY20	FY21	2 Year CAGR (%)	FY22E	FY23E	FY24E	3 Year CAGR (%)
Gross operating revenues*	205	286	198	-1.8	237	400	536	39.3
EBITDA	25	31	75	74.0	85	138	185	34.9
EBITDA (%)	12.1	10.7	38.0		35.8	34.4	34.5	
Net Profit	24	33	61	59.4	67	109	146	33.7
EPS	1.9	3.0	5.6		6.2	10.0	13.4	
P/E	259.4	158.7	85.8		77.6	48.3	35.9	
RoNW	35.3	32.6	37.5		32.4	41.3	42.5	
RoCE	36.0	33.6	35.9		31.4	41.0	42.5	

Source: Company, ICICI Direct Research *including revenue from claims w/back



Particulars	
Particulars	₹ crore
Market Capitalization	5238
Total Debt (FY21)	17
Cash (FY21)	228
EV (₹ crore)	5027
52 week High/Low	₹ 529/353
Equity Capital	21.7
Face Value (₹)	2.0

Shareholding pattern		
Particulars (%)	Q4FY21	Q1FY22
Promoter holding	74.9	74.9
DII	12.1	5.2
FII	4.7	1.1
Public	8.2	18.9



- Key Risks**
- Any further imposition of restrictions on travel
 - Companies adopting work from home policy beyond FY22E could further delay recovery in the business travel

Research Analyst
Rashesh Shah
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Company Background

Incorporated in 2008, the Easy Trip Planners or Easemytrip.com (EMT) was founded as a **B2B2C** portal providing travel agents access to its website to book domestic travel airline tickets. Subsequently, the company diversified into the business to customer (**B2C**) distribution channel in 2011 by primarily focusing on the growing Indian middle class population's travel requirements. EMT now **offers a comprehensive range of travel-related products and services for end-to-end travel solutions**, including airline tickets, hotels and holiday packages, rail tickets, bus tickets and taxis as well as ancillary value added services such as travel insurance, visa processing and tickets for activities and attractions. In 2013, it also commenced a business to enterprise (**B2E**) distribution channel with the aim of providing end-to-end travel solutions to corporates.

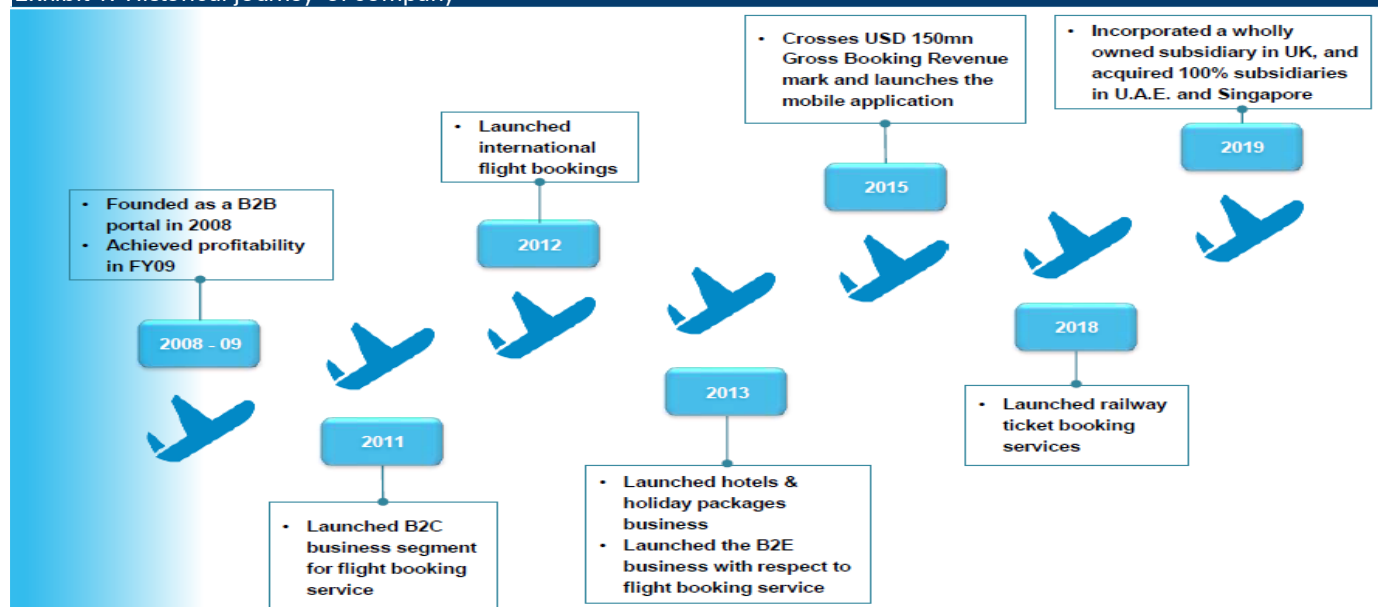
Key features of company at glance: -

- Only profitable player in OTA space** - It has reported EBITDA of over ₹ 75 crore even in the Covid year, which caused serious damage to the tourism and related sectors
- Ranked second** among key OTAs in India in terms of domestic air ticketing segment and **ranked third** in terms of gross booking revenues
- Registered customer** has increased at a CAGR of 21% in the past three years, i.e. from 58.7 lakh customers in FY18 to 1.04 crore in FY21
- "Lean cost model"** and **"No convenience fee strategy"** remains key pillars for such rapid growth. It has a healthy repeat transaction rate of ~86% in the B2C channel
- It is a zero debt, cash rich company** (Total ₹ 228 crore as of FY21) as this business requires minimal capex for growth

Registered customers trend	
	In crore
FY18	0.59
FY19	0.81
FY20	0.97
FY21	1.04
Aug-21	1.11

Source: Company data

Exhibit 1: Historical journey of company

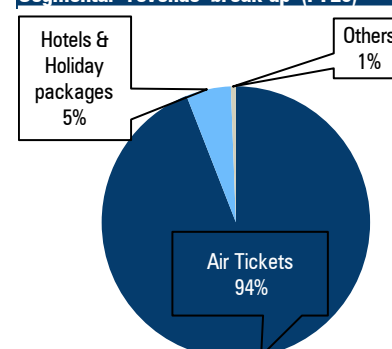


Source: Company, ICICI Direct Research

Products and Services

The company's products and services are organised primarily in the following segments: **(A) Airline tickets (~94% of revenues)** – It includes sale of airline tickets as well as airline tickets sold as part of the holiday packages; **(B) Hotels and holiday packages (~5.4% of revenues)** – It consists of standalone sales of hotel rooms as well as travel packages (which may include hotel rooms, cruises, travel insurance and visa processing); and **(C) Other services**, which consists of rail tickets, bus tickets, taxi rentals and ancillary value added services such as travel insurance, visa processing and tickets for activities and attractions

Segmental revenue break-up (FY20)

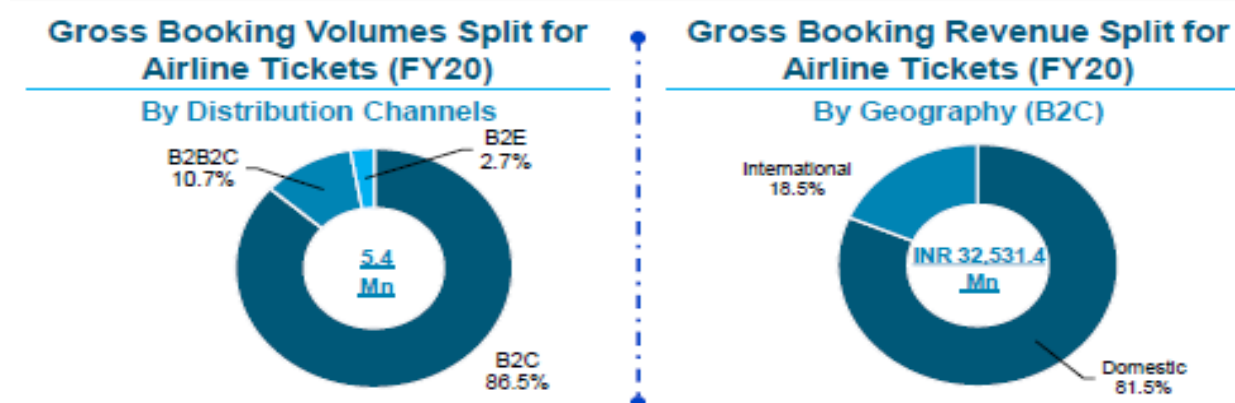


Source: Company data

A) Airline tickets – Main revenue stream

The company provides airline tickets for domestic travel within India, international travel from and to India and international travel from and to other countries. EMT earns from the airline tickets booked by customers through its platforms in the form of commissions and incentives. Commissions and incentive payments, such as performance linked bonus, are primarily received from GDS service providers, certain airlines as well as credit card companies on a periodic basis, and are generally based on volume of sales generated by the company. In addition, EMT also earns revenue from convenience fee, cancellation service charges, rescheduling charges and advertisement revenue that it may charge along with travel booking.

Exhibit 2: Domestic airline ticket booking accounts for over 81% of gross airline booking revenues (FY20)



Source: Company, ICICI Direct Research

B) Hotels and holiday packages – High margin business

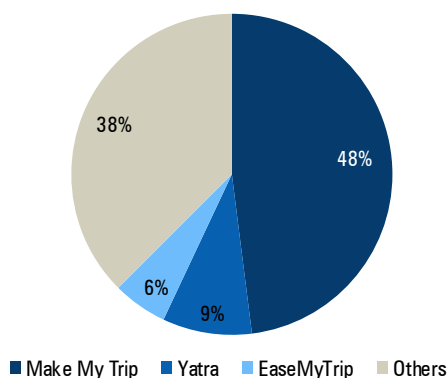
The company offers the ability to search, compare and book reservations at more than 73,400 hotels in India and more than 1,023,000 hotels outside India. EMT typically does not assume inventory risk and receives commissions from their hotel suppliers on a periodic basis or before/ after the customer checks out. **It has higher margins in comparison to the air ticketing segment.** However, it contributed only 5.4% of revenues as of FY20 i.e. pre-Covid year (up from 2.7% in FY19). This segment will remain a key focus area for the management, going forward. The company has incorporated subsidiaries in UK, UAE and Singapore to provide a better experience to customers during an international holiday.

C) Other travel products & Services

It consists of rail tickets, bus tickets, taxi rentals and ancillary value added services such as travel insurance, visa processing and tickets for activities and attractions.

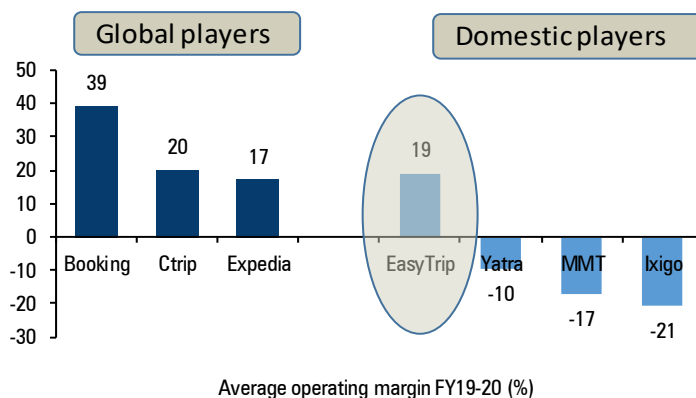
Key players profile in OTA segment (based on FY20 data)

Exhibit 5: Top domestic players market share based on gross booking revenue FY20



Source: Company, ICICI Direct Research, GBR – gross booking revenue

Exhibit 6: EasyTrip – Only Indian player with positive margins



Source: Company, ICICI Direct Research

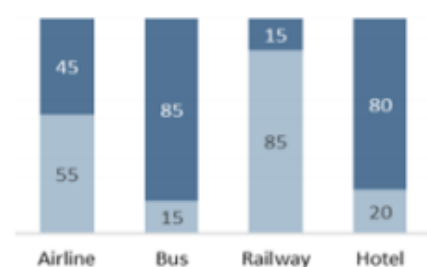
Investment Rationale

Online travel market set to double over next five years...

Travel is a mature online business in India with online penetration levels of ~35% as of FY20 and >50% penetration in some segments like air (55% in 2020 vs. 44% in 2018) and rail (85%). As per the report by Goldman Sachs, the online travel market in India is set to double over the next five years to reach US\$31 billion in FY25, growing at 14% CAGR from FY20. **At a gross take rate of 7%, this translates to a potential revenue pool of US\$2.2 billion for internet platforms (i.e. ₹ 16,000 crore).**

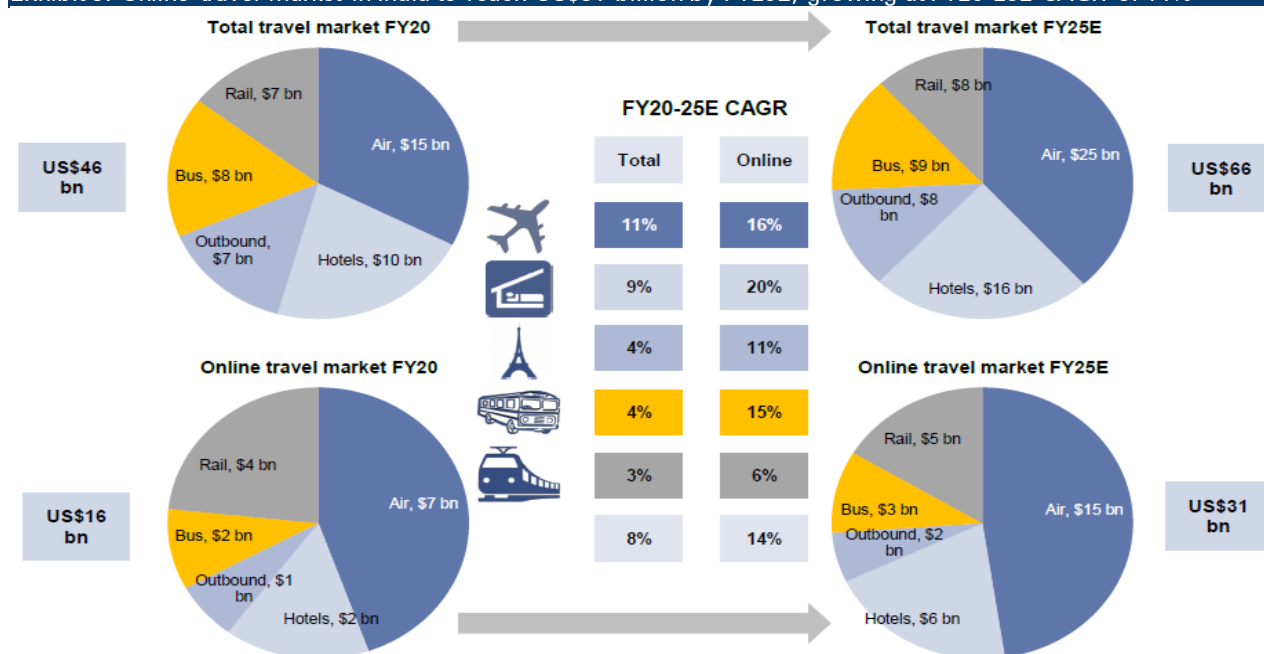
The three key drivers of longer term growth of online travel are: (1) increased adoption of internet platforms in under-penetrated segments such as hotels, international travel and bus (online volume penetration <20% in each of these segments); (2) elevated growth in underlying demand in air and hotel segments due to rising income levels and (3) deeper penetration of travel into lower tier towns.

Travel penetration (Online vs Offline) - 2020



Source: MoT India, Frost & Sullivan report

Exhibit 3: Online travel market in India to reach US\$31 billion by FY25E, growing at FY20-25E CAGR of 14%



Source: Goldman Sachs Report, ICICI Direct Research

Rise in internet penetration....

With the launch of Reliance Jio in 2016, data prices became affordable at less than US\$1 per GB and India's internet adoption skyrocketed from 310-330 million internet users in 2015 to 660-690 million users in 2020. Easy availability of smartphones, cheap data and high speed 4G connections have enabled Indians to embrace digital applications. However, compared to China, the digital penetration in India is still low and is likely to grow rapidly and reach over 985 million users by 2025.

Exhibit 4: Internet users – India & China

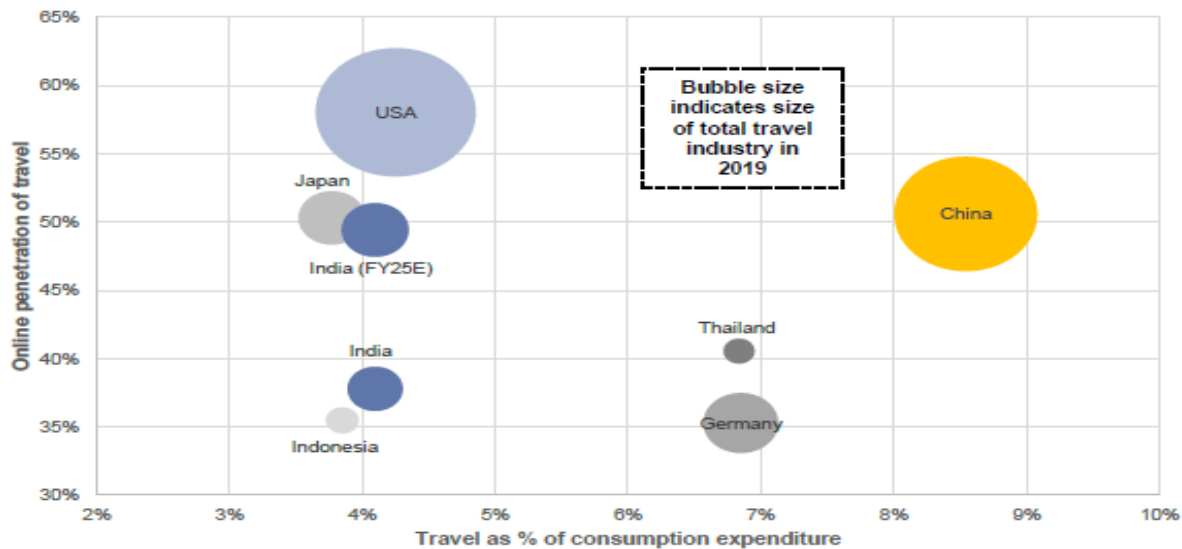


Source: RedSeer, ICICI Direct Research

...to help grow online penetration of travel as well...

Travel spend as percentage of consumer expenditure in India is in line with peers like Indonesia and the US. However, there is huge scope for penetration to rise further based on the comparison with the select global peers on travel landscape.

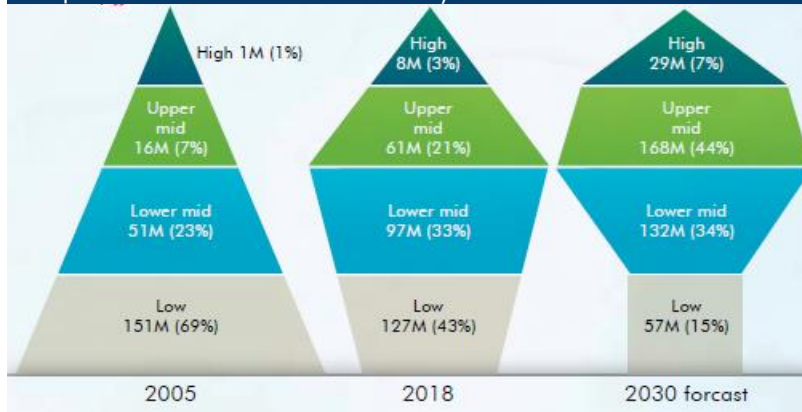
Exhibit 5: India vs. few select global peers in travel landscape (2019)



Source: Goldman Sachs Report, ICICI Direct Research

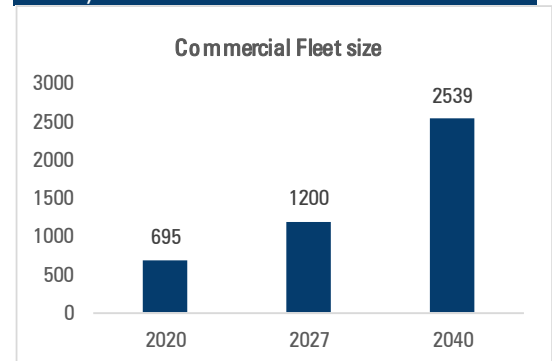
...to also be backed by improvement in structural economic matrix

Exhibit 8: Addressable market pie (upper mid, high income households) to improve from 24% in 2018 to 51% by 2040



Source: WEF, ICICI Direct Research

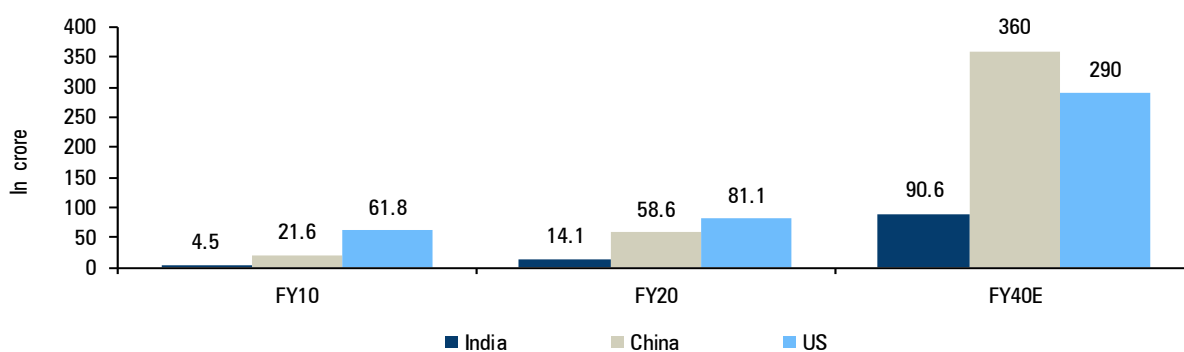
Exhibit 9: Commercial flights in India to rise 3.5x by 2040.....



Source: FICCI-KPMG Report, ICICI Direct Research

Overall, domestic passenger traffic to reach ~91 crore (0.6x per capita) by 2040 from 14.1 crore passengers (0.1x per capita) in 2020 as per industry estimates.

Exhibit 6: Domestic air passenger traffic - Comparison between India, US, China market



Source: DGCA, UN, ACI ICICI Direct Research

EMT well placed to capture larger pie in domestic air ticket bookings through its two strong pillars

Easy Trip Planners (EMT) is the fastest growing and profitable company in the online travel agent (OTA) space in India. It recorded 47% CAGR in FY18-20 in terms of gross booking revenues (vs 20% CAGR growth reported by MakeMyTrip and -1.1% CAGR by Yatra during the same period) while remaining profitable in the travel OTA space. **"Lean cost model"** and **"No convenience fee strategy"** remain key pillars supporting such rapid and profitable growth. This has also led to stickiness by customers with healthy repeat transaction rate of ~86% in the B2C channel.

Exhibit 7: Competitive benchmarking (base year FY20)

Company	Easy Trip Planners	Make My Trip Ltd	Yatra Online Inc.	Cleartrip Pvt Ltd
Year of commencement of Business	2008	2000	2005	2005
Number of Agents	55961	3200	26000	NA
Employee Count	480	3960	2000	NA
Net Profit margin (%) - FY20	20.4	-87.0	-11.4	NA
Gross booking YoY growth - FY20	43%	18%	-23%	NA
Repeat Transactions	85.95%	NA	88%	NA
Return on Equity (%) - FY20	32.6	-ve	0	-ve
Return on Capital Employed (%) - FY20	33.6	-ve	-ve	-ve

Source: Industry Reports, Company data, ICICI Direct Research

Note: MakeMyTrip & Yatra derive ~45% of revenues from hotels & packages segment while air travel accounts for 34-35% of revenues based on FY20 data

EMT now occupies dominant position in domestic air ticketing space with ~19% market share as on FY21

EMT has achieved fastest growth in gross booking revenue (GBR) during pre-Covid levels with air ticketing segment reporting CAGR of 46.3% during FY18-20 vs. top two players combined CAGR of 13.9% during the same period. Market leader MakeMyTrip (~51% market share) reported CAGR of 19.7% in GBR while Yatra reported 1.1% de-growth during the same period. The market size of top two players was at ~14x of EMT in FY18. It has now declined to 3.1x of EMT as of FY21. This indicates that the company has constantly gained presence and market share (now second largest with ~19% market share) in the domestic air-ticketing space due to its lean cost model and no convenience fee strategy.

Exhibit 8: Comparison of top two player's GBR trend vs. Easy Trip Planners in air ticketing space

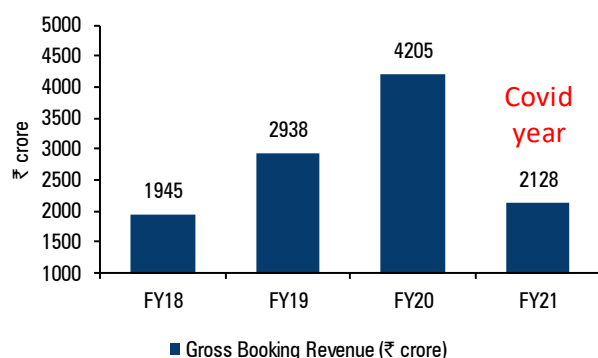
GMV trend in Air ticketing (₹ crore)	FY18	FY19	FY20	FY21P	FY18-20 CAGR (%)
MakeMyTrip-GolBibo	18509	22628	26537	5713	19.7
Yatra	7915	9763	7741	1008	-1.1
Cleartrip - Not reported	NA	NA	NA	NA	
Top two players combined	26424	32391	34278	6721	13.9
Easy Trip Planners	1923	2895	4114	2170	46.3
Top two players / Easy Trip planners (x)	13.7	11.2	8.3	3.1	

Source: Industry Reports, Company data, ICICI Direct Research

Lean cost model – Structural advantage against peers...

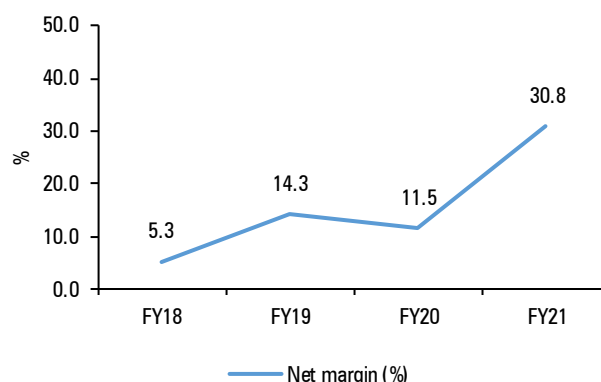
The **lean cost structure** has helped the company to remain profitable and grow faster than its peers in the past three years. This has also facilitated the company to provide the customer an option of “**No convenience fee charge**” in case the customer does not adopt any cash back/promo benefit facility. This strategy attracts a large number of customers to their platform organically and has also made the transaction experience seamless. This, in turn, would lead to increased preference and stickiness by customers over a period of time. With this strategy in place, we believe the company is in a strong position to capture the highest market share in the **domestic air ticketing space** over the next four to five years.

Exhibit 5: FY18-20 gross booking revenue CAGR at 47%



Source: Company, ICICI Direct Research

Exhibit 6: PAT margin has consistently increased

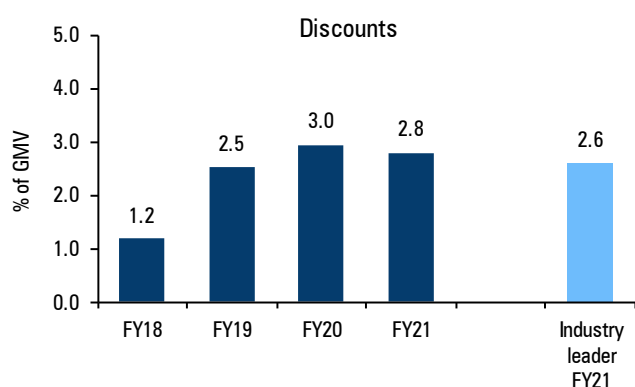


Source: Company, ICICI Direct Research

Cost comparison with leader (expenditure as percentage of GBR)

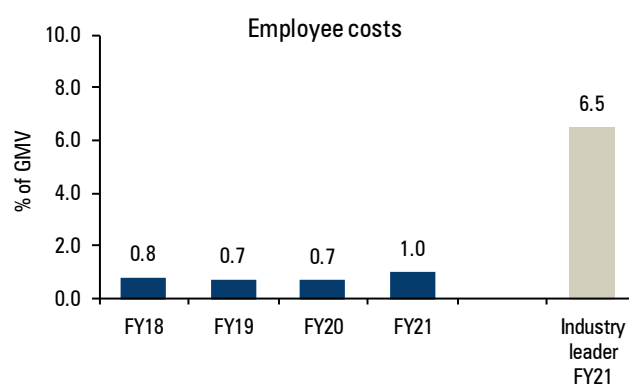
EMT's total cost has remained at 5.8% of GBR only vs. 13.6% of GBR reported by the industry leader for FY21.

Exhibit 5: EMT's discounts broadly remains in line



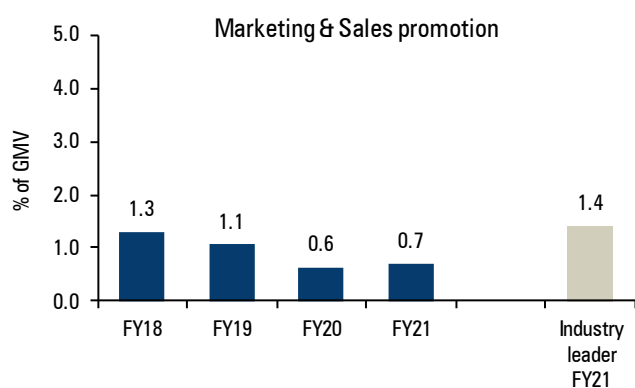
Source: Company, ICICI Direct Research

Exhibit 6: EMT's employee cost remains significantly lower



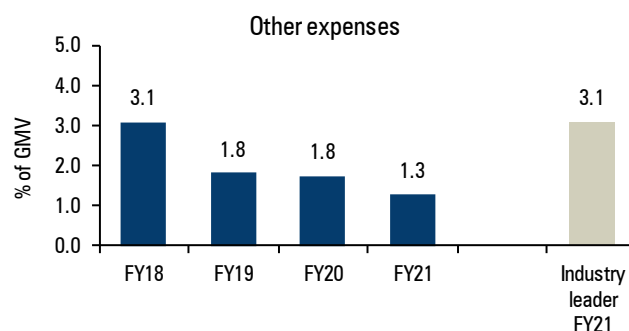
Source: Company, ICICI Direct Research

Exhibit 5: Marketing spend of EMT has constantly reduced



Source: Company, ICICI Direct Research

Exhibit 6: EMT's other expenses also remain far lower than leader



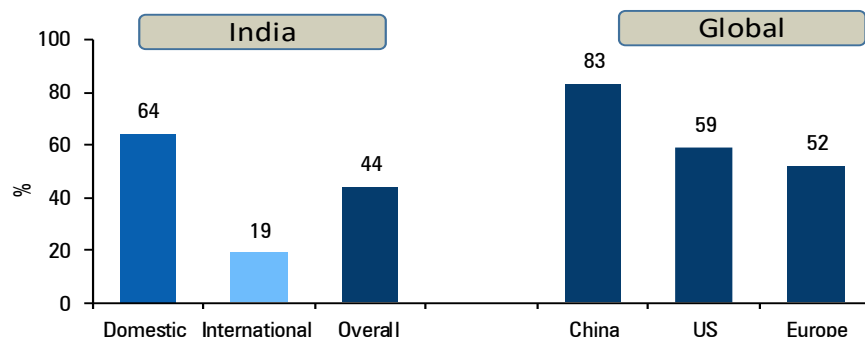
Source: Company, ICICI Direct Research

Increased focus on other high growing segments

International air travel – Under penetrated segment

The company is also looking into expand its share in **international air travel** by entering into partnerships and arrangements with international airlines. The online penetration for domestic segment is at ~64%. Thus, domestic air growth for OTAs is likely to be in line with underlying market growth. However, online penetration in international air remains low at ~19%. From EMT's perspective, this segment currently contributes only 19% of gross booking revenue from airlines while it has grown at CAGR of 119.8% during FY18-20.

Exhibit 10: Online penetration for international air travel remains low (2018)

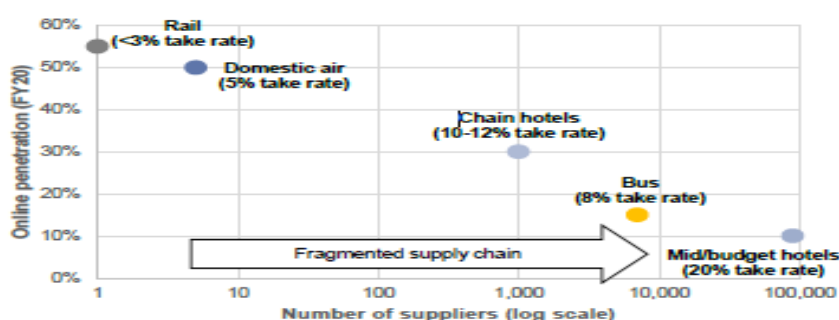


Source: Goldman Sachs Report, ICICI Direct Research

Hotels – Highly fragmented, under penetrated segment

The company offers ability to search, compare and book reservations at more than 73,400 hotels in India and more than 1,023,000 hotels outside India. EMT typically does not assume inventory risk and receives commissions from their hotel suppliers on a periodic basis. **It has higher margins in comparison to the air ticketing segment.** However, it contributed only 5.4% of revenues as of FY20 i.e. pre-Covid year (up from 2.7% in FY19). This segment will also remain a key focus area for the management, going forward. The company has incorporated subsidiaries in UK, UAE and Singapore to scale up the business in this segment.

Exhibit 10: Average take rates of hotel segment remains far higher....



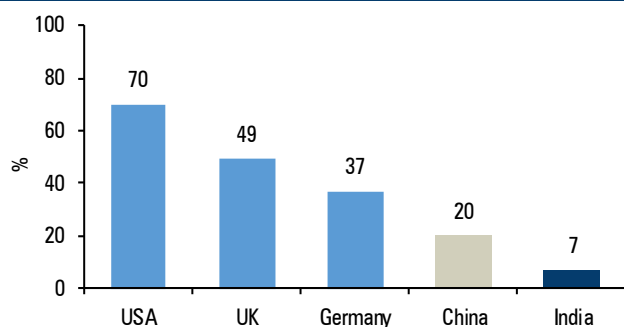
Source: Goldman Sach's report, ICICI Direct Research

As per the Goldman Sach's report on India Internet, less than 10% of total room inventory in India is affiliated with chains vs. 20%, 70% in China, US, respectively

This higher fragmentation of suppliers, low occupancy levels and low online penetration (22% in India) will result in structurally **higher takes rates for hotel platforms** in India vs global peers

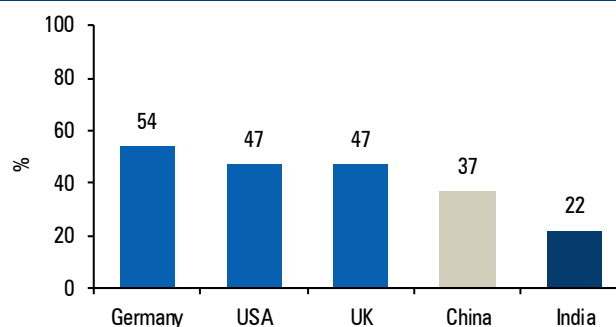
MakeMyTrip, Agoda and Booking.com together occupy 75% of market share in the hotel OTA space at present

Exhibit 5: Chain affiliated hotels as percentage of total (2019)



Source: Goldman Sach's report, ICICI Direct Research

Exhibit 6: Online hotel penetration (2019)

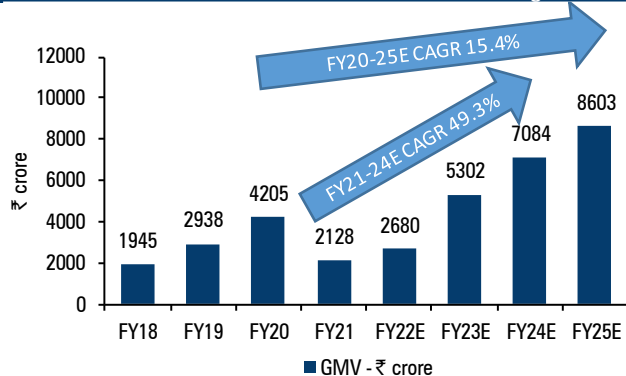


Source: Goldman Sach's report, ICICI Direct Research

Financial story in charts:

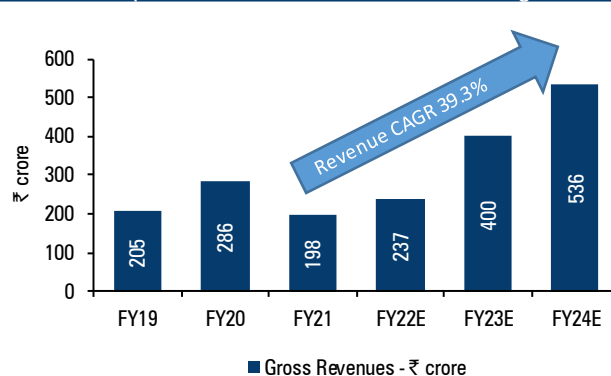
The online travel market in India set to double over the next five years to US\$31 billion in FY25, growing at 14.1% CAGR from FY20. In line with the industry trend, we also expect the company's GBR to more than double to ₹ 8600 crore by FY25E from ₹ 4204 crore in FY20 (i.e. at 15.4% CAGR). EMT is likely to grow at a robust pace at 49% CAGR during FY21-24E on lower base of FY21 that was impacted due to Covid with FY21 witnessing sharp de-growth of 49% in GBR. At net take rate of ~5% (on net basis), we expect revenue and PAT CAGR of 39.3% and 33.7%, respectively, during FY21-24E. **We believe** the low cost model and no convenience fee strategy would strongly support the company in gaining market share further from competitors, going ahead.

Exhibit 5: GBR to increase at 49.3% CAGR during FY21-24E



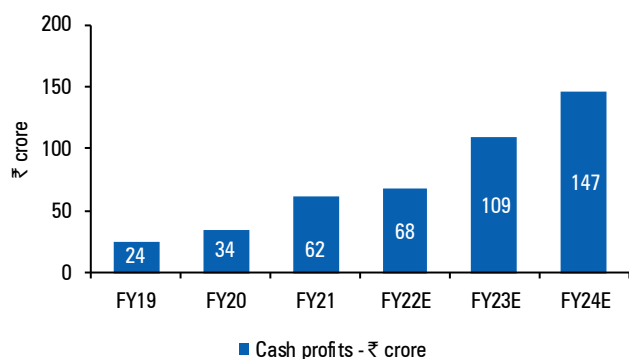
Source: Company, ICICI Direct Research

Exhibit 6: Expect revenue CAGR of 39.3% during FY21-24E



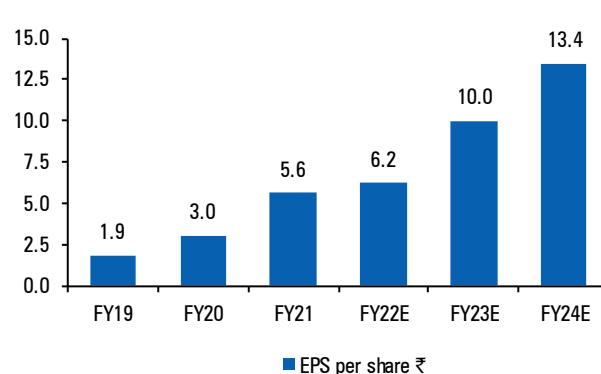
Source: Company, ICICI Direct Research

Exhibit 5: Cash profit trend



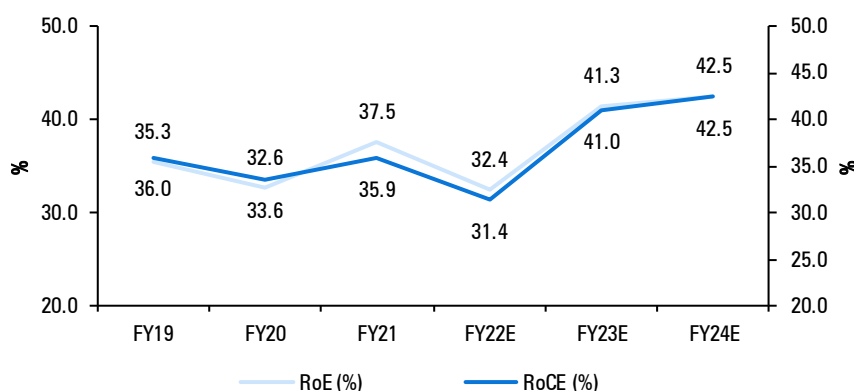
Source: Company, ICICI Direct Research

Exhibit 6: Earnings per share (₹)



Source: Company, ICICI Direct Research

Exhibit 10: Return ratios....



Strong cash generation, limited capex requirement for growth and debt free status to keep return ratios healthy

Source: Company, ICICI Direct Research

Valuations & Outlook

We like EMT for its user friendly platform, unique travel offerings, low cost model, and healthy financial position. The company is consistently gaining market share led by its two strong growth pillars and is now well placed to withstand any competition which may come-up in the future given the strong liquidity and its improving brand visibility in the domestic air ticketing segment.

Further benefit is expected to accrue from segments like international air and hotel booking space over the next three to four years, which currently have online penetration below 20%.

We believe EMT remains a best proxy vs. airline or hotel companies to play on travel recovery given its low cost and negative w/cap characteristics along with strong balance-sheet. We initiate coverage on the company with BUY recommendation and target price of ₹600/share (implying 0.8x FY24E MCap to GBR, ~12x FY24E MCap/sales, 45x FY24E EPS).

Valuation

Exhibit 14: Valuation

Valuations based on FY24E estimates	₹ crore
Gross Booking Revenue	8603
Estimated Revenue	536
Estimated PAT	146
Target P/E multiple (x)	45.0
Implied multiples (x)	
Mcap / GBR	0.8
Mcap / Sales	12.2
Estimated Mcap	6562
Total o/s shares	10.9
Target price (₹ per share)	600

Source: Company, ICICI Direct Research

Key risk & concerns

Delayed recovery due to Covid pandemic

India has gone through the worst of Covid second wave impact with April 2021 domestic air traffic going down 28% MoM. Further, deterioration in the Covid situation could have an adverse impact on our estimates.

Market share gains through aggressive discounts and promotions...

Higher discounts and promotional activity can drive healthy growth but may lead to fall in margins and profitability. The competitors may adopt aggressive discounts/promotions to drive their market share. If the company also chooses to pedal on growth through promotions/discounts, the profitability may get affected.

Entry of new players like Flipkart, Amazon in travel space...

The current competitive situation is most benign with the company occupying the second spot in the domestic air ticketing space. However, entry of new players like Flipkart/Amazon having larger pool of 12-14 crore online shoppers compared to ~1 crore registered customers of EMT may lead to intense competition. In April 2021, Flipkart acquired 100% stake in Cleartrip for \$40 million (~₹ 300 crore) under slump sale. Both Flipkart and Amazon have ambitions in the payment space through PhonePe and Amazon Pay, respectively. Travel is a large frequent use case that they tap through offering this on their platforms.

Financial Summary

Exhibit 18: Profit and loss statement ₹ crore

(Year-end March)	FY20	FY21	FY22E	FY23E	FY24E
Gross operating Income	285.7	198.1	237.1	400.0	535.7
Growth (%)	39%	-31%	20%	69%	34%
Marketing & Sales promotion	27.0	14.8	18.8	34.5	46.0
Employee costs	30.2	21.2	24.1	31.8	39.0
Payment gateway Charges	34.9	14.8	18.8	37.1	49.6
Other expenses Incl. discounts	163.1	72.0	90.7	159.1	216.0
Total Operating Expenditure	255.2	122.7	152.3	262.4	350.6
EBITDA	30.5	75.3	84.8	137.5	185.0
Growth (%)	22.7%	146.6%	12.6%	62.1%	34.5%
Depreciation	0.7	0.7	0.8	0.9	1.0
Interest	3.3	3.5	3.5	4.0	4.2
Other Income	19.4	12.3	12.0	16.0	20.0
PBT	45.9	83.4	92.5	148.6	199.8
Exceptional loss	0.0	0.0	0.0	0.0	0.0
Total Tax	12.9	22.4	25.1	40.1	54.0
Reported PAT	33.0	61.0	67.5	108.6	145.8
Adjusted PAT	33.0	61.0	67.5	108.6	145.8
Growth (%)	63%	85%	11%	61%	34%
Adjusted EPS (₹)	3.0	5.6	6.2	10.0	13.4

Source: Company, ICICI Direct Research

Exhibit 19: Cash flow statement ₹ crore

(Year-end March)	FY20	FY21	FY22E	FY23E	FY24E
Profit after Tax	33.0	61.0	67.5	108.6	145.8
Add: Depreciation	0.7	0.7	0.8	0.9	1.0
Add: Finance costs	3.3	3.5	3.5	4.0	4.2
(Inc)/dec in Current Assets	10.3	-11.5	-13.2	-59.0	-49.7
Inc/(dec) in CL and Def. tax	6.7	35.8	10.4	28.3	66.6
CF from Operating activi	54.0	89.5	69.0	82.8	168.0
(Inc)/dec in Fixed Assets	2.7	-0.5	-52.5	-28.3	-33.5
(Inc)/dec in Investments	-15.0	1.2	-5.0	-6.2	-15.0
Others	-0.3	-0.3	-0.1	-1.5	-5.0
CF from Investing activi	-12.6	0.4	-57.6	-36.0	-53.5
Issue/(Buy back) of Shares	0.0	0.0	0.0	0.0	0.0
Inc/(dec) in loan funds	6.8	10.6	0.0	-5.3	-2.0
Finance costs	-3.3	-3.5	-3.5	-4.0	-4.2
Others	0.0	0.0	0.0	0.0	0.0
Changes in other equity	0.3	0.4	-21.7	-54.3	-65.2
CF from Financing activi	3.8	7.4	-25.2	-63.7	-71.4
Net Cash flow	45.1	97.3	-13.8	-16.9	43.1
Opening Cash	86.0	131.2	228.5	214.7	197.8
Closing Cash	131.2	228.5	214.7	197.8	240.9

Source: Company, ICICI Direct Research

Exhibit 20: Balance sheet ₹ crore

(Year-end March)	FY20	FY21	FY22E	FY23E	FY24E
Liabilities					
Equity Capital	21.7	21.7	21.7	21.7	21.7
Reserve and Surplus	79.5	140.9	186.7	240.9	321.5
Total Shareholders funds	101.3	162.7	208.4	262.6	343.3
Total Debt	6.8	17.3	17.3	12.0	10.0
Other financial liabilities	40.4	23.1	30.0	35.0	40.0
Minority Interest / Others					
Total Liabilities	148.4	203.1	255.7	309.6	393.3
Assets					
Net Assets	10.1	9.9	11.1	38.5	63.5
CWIP	-	-	-	-	-
Total Fixed Assets	10.1	9.9	11.1	38.5	63.5
Intangibles	2.0	2.1	52.5	52.5	60.0
Investments	15.0	13.8	18.8	25.0	40.0
Debtors	58.2	28.9	23.7	45.8	67.5
Loans and Advances	19.8	21.3	22.0	25.0	35.0
Other Current Assets	50.5	89.8	107.5	141.4	159.4
Cash	131.2	228.5	214.7	197.8	240.9
Total Current Assets	259.7	368.5	367.9	410.0	502.7
Creditors	26.6	25.6	18.3	22.3	31.0
Provisions & Others	114.8	169.0	179.8	199.1	252.0
Total Current Liabilities	141.4	194.6	198.1	221.4	283.0
Net Current Assets	118.2	173.9	169.8	188.6	219.8
Others Assets	3.1	3.4	3.5	5.0	10.0
Application of Funds	148.4	203.1	255.7	309.6	393.3

Source: Company, ICICI Direct Research

Exhibit 21: Key ratios ₹ crore

(Year-end March)	FY20	FY21	FY22E	FY23E	FY24E
Per share data (₹)					
Adjusted EPS	3.0	5.6	6.2	10.0	13.4
Cash EPS	3.1	5.7	6.3	10.1	13.5
BV	9.3	15.0	19.2	24.2	31.6
DPS	0.0	0.0	2.0	5.0	6.0
Cash Per Share	12.1	21.0	19.8	18.2	22.2
Operating Ratios (%)					
EBITDA Margin	10.7	38.0	35.8	34.4	34.5
EBIT Margin	10.4	37.7	35.4	34.2	34.4
PAT Margin	11.5	30.8	28.4	27.1	27.2
Inventory days	0.0	0.0	0.0	0.0	0.0
Debtor days	74.3	53.3	36.4	41.8	46.0
Creditor days	38.1	76.1	43.8	31.0	32.3
Return Ratios (%)					
RoE	32.6	37.5	32.4	41.3	42.5
RoCE	33.6	35.9	31.4	41.0	42.5
Valuation Ratios (x)					
P/E	158.7	85.8	77.6	48.3	35.9
EV / EBITDA	167.4	66.7	59.4	36.7	27.1
EV / Net Sales	17.9	25.4	21.3	12.6	9.3
Market Cap / Sales	18.3	26.4	22.1	13.1	9.8
Price to Book Value	51.7	32.2	25.1	19.9	15.3
Solvency Ratios					
Debt/EBITDA	0.2	0.2	0.2	0.1	0.1
Debt / Equity	0.1	0.1	0.1	0.0	0.0
Current Ratio	1.8	1.9	1.9	1.9	1.8
Quick Ratio	1.8	1.9	1.9	1.9	1.8

Source: Company, ICICI Direct Research

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