



## Weighted Average Cost of Capital

All figures are in INR unless stated otherwise

### Peer Comps

Name of the Comp	Country	Total Debt	Total Equity	Tax Rate <sup>1</sup>	Debt/ Equity	Debt/ Capital	Levered Beta <sup>2</sup>	Unlevered Beta <sup>3</sup>
Avenue Supermart	India	592.2	3,02,291.5	30.00%	0.20%	0.20%	0.72	0.71
Trent	India	1,753.0	2,92,240.9	30.00%	0.60%	0.60%	0.73	0.73
Aditya Birla Fashion	India	9,451.4	36,547.1	30.00%	25.86%	20.55%	1.33	1.13
Brainbees Solution	India	1,429.6	33,297.9	30.00%	4.29%	4.12%	0.15	0.15
Redtape	India	480.1	10,957.3	30.00%	4.38%	4.20%	0.19	0.18
<b>Average</b>				30.00%	7.07%	5.93%	0.62	0.58
<b>Median</b>				30.00%	4.29%	4.12%	0.72	0.71

### Cost of Debt

Pre Tax Cost of Debt	10.13%
Tax Rate	30.00%
Post Tax Cost of Debt	7.09%

### Cost of Equity

Risk Free Rate	6.88%
Equity Risk Premium	9.98%
Levered Beta <sup>4</sup>	0.74
Cost of Equity	14.22%

### Capital Structure

		Current	Target
Total Debt	592.2	0.20%	4.12%
Market Cap	3,02,291.5	99.80%	95.88%
Total Capital	3,02,883.7	100.00%	100.00%
Debt/Equity		0.20%	4.29%

### Levered Beta

Comps Median Unlevered Beta	0.71
Target Debt/Equity	4.29%
Tax Rate	30%
Levered Beta	0.74

### Weighted Average Cost of Capital

Cost of Equity	14.22%
Equity Weight	95.88%
Cost of Debt	7.09%
Debt Weight	4.12%
<b>WACC</b>	<b>13.93%</b>

Notes:

1. Tax Rate considered as Marginal Tax Rate for the country

2. Levered Beta is based on 5 Year Monthly Data

3. Unlevered Beta = Levered Beta / (1 + (1 - Tax Rate) \* Debt/Equity)

4. Levered Beta = Unlevered Beta \* (1 + (1 - Tax Rate) \* Debt/Equity)