

Power Grid Corp | BUY

4QFY25: Present tense, future bright; Maintain BUY

Power Grid (PGCIL) revenue for 4QFY25 was largely flat at INR 123bn, 2%/1% YoY/ JMFe due to subdued CapEx during earlier years (INR 91bn/92bn/125bn in FY22/FY23/FY24) and capitalization of just INR 90bn in FY25. EBITDA came in at INR 102bn, 1%/-1% YoY/ JMFe with margin of 83.3% in 4QFY25 vs. 84.3%/85.1% in 4QFY24/3QFY25 due to increase in 19%YoY employee expense. Adj. PAT came in at INR 41bn, -6%/-6% YoY/ JMFe due to increase in finance cost by INR 3.7bn (19% YoY). Execution of large transmission projects is inherently challenging but perpetually rewarding. During FY25, capacity augmentation for transmission lines and transformation capacity in India lagged behind targets by 42% and 23% due to issues in getting RoW and short supplies in transformers. Currently, Power Grid's 9 TBCB projects are more than 90% complete, which we expect to commission in FY26, giving a fillip to capitalisation. Capex momentum is likely to gain pace and exceed INR 250bn in FY26 and beyond with pick up in execution of HVDC projects. We maintain our BUY rating with a revised SOTP-based TP of INR 353.

- **Business Outlook:** A total of 1,91,474 ckm of transmission lines and 13,07,435 MVA of transformation capacity (including HVDC bi-pole/BTB) is planned for addition in ISTS and InSTS from 2022 to 2032 as per National Electricity Plan 2032. This will require a CapEx of INR 4.3 tn (62% ISTS) during FY22-27 and INR 4.9 tn (80% ISTS) during FY27-32. The management guided a cum CapEx of INR 3 tn by FY32 for the upcoming opportunities.
- **CapEx & capitalisation:** The company incurred a CapEx of INR 86bn in 4QFY25 vs INR 48bn in 4QFY24 and capitalisation of INR 16bn in 4QFY25 vs. INR 18bn in 4QFY24. The Management during the call has guided for CapEx of INR 280bn/ INR 350bn/ INR 450bn in FY26/FY27/FY28 vs. INR 92bn/ INR 125bn/ INR 262bn in FY23/FY24/FY25. It expects capitalisation of INR 260bn for FY26 vs. INR 76bn/ 90bn in FY24/FY25. As of Mar'25, it has INR 1,547bn of works in hand, including INR 468bn of RTM projects and INR 1079bn of other projects including TBCB.
- **Project wins:** PGCIL has won 24 TBCB projects in FY25, commanding the market share of 57.3% in terms of NCT cost and 54.6% in terms of projects wins. In 4QFY25/FY25 company has won projects worth INR 290bn/ INR 920bn respectively.
- **Project execution:** The company has added 12,000MVA/ 37,515MVA of transformation capacity and 645ckm/ 2,540ckm of transmission lines during 4QFY25/FY25.
- **Receivables:** Total receivables continue to decrease- INR 34bn/ INR 44bn/ INR 48bn in 4QFY25/ 3QFY25/ 4QFY24. The company has done billing of INR 369bn in FY25 with realization of INR 383bn (103.8%).
- **Land and RoW:** Currently, 14 ISTS projects are facing delays due to prolonged Right-ofWay (RoW) issues, primarily due to the demand for higher compensation compared to state government-determined rates. Eight of the 14 affected projects belong to Power Grid (Exhibit-5). Recently, the Ministry of Power has issued supplementary guidelines significantly increasing the compensation for ISTS lines. ([Execution more arduous than anticipated](#))

Financial Summary					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	4,58,431	4,57,923	5,04,035	5,37,717	5,83,190
Sales Growth (%)	0.5	-0.1	10.1	6.7	8.5
EBITDA	3,99,029	3,90,654	4,31,341	4,59,120	4,98,169
EBITDA Margin (%)	87.0	85.3	85.6	85.4	85.4
Adjusted Net Profit	1,61,446	1,52,451	1,74,495	1,85,132	1,98,355
Diluted EPS (INR)	17.4	16.4	18.8	19.9	21.3
Diluted EPS Growth (%)	6.4	-5.6	14.5	6.1	7.1
ROIC (%)	12.4	11.4	12.3	12.4	12.3
ROE (%)	19.0	17.0	18.2	18.1	18.2
P/E (x)	17.1	18.1	15.8	14.9	13.9
P/B (x)	3.2	3.0	2.8	2.6	2.5
EV/EBITDA (x)	9.3	9.6	8.7	8.3	8.0
Dividend Yield (%)	4.1	3.5	4.1	4.4	4.7

Source: Company data, JM Financial. Note: Valuations as of 21/May/2025



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Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	353
Upside/(Downside)	19.3%
Previous Price Target	341
Change	3.6%

Key Data – PWGR IN

Current Market Price	INR296
Market cap (bn)	INR2,754.4/US\$32.2
Free Float	43%
Shares in issue (mn)	9,300.6
Diluted share (mn)	9,300.6
3-mon avg daily val (mn)	INR4,460.3/US\$52.1
52-week range	366/247
Sensex/Nifty	81,597/24,813
INR/US\$	85.6

Price Performance

%	1M	6M	12M
Absolute	-7.5	-9.1	-9.1
Relative*	-9.7	-11.9	-17.3

* To the BSE Sensex

JM Financial Research is also available on:
Bloomberg - JMFR <GO>,
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S&P Capital IQ, FactSet and Visible Alpha

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

■ Miscellaneous

- Company commissioned four 765kV transmission lines and five 400kV transmission lines in FY25.
- Company's average cost of borrowing stood at 7.41% in 4QFY25
- Telecom segment revenue has reached INR 11.3bn (24% YoY).

Exhibit 1. 4QFY25 results summary

INR mn	4QFY25	4QFY24	% YoY	3QFY25	% QoQ	JMFe	% Var
Revenue	122,754	119,781	2%	112,330	9%	121,872	1%
Op Exp.	28,211	25,231	12%	22,918	23%	24,448	15%
EBITDA	102,236	100,990	1%	95,380	7%	103,690	-1%
EBITDA Margin (%)	83.3%	84.3%	-103bps	84.9%	-162bps	85.1%	-180bps
Deprn.	31,955	32,590		32,162		32,362	
EBIT	70,281	68,400		63,218		71,328	
Other income	3,155	3,273		5,100		2,650	
Interest	23,027	19,281	19%	19,174	20%	19,174	20%
PBT	50,113	53,009	-5%	49,093	2%	55,422	-10%
Tax (inc. def. tax)	9,188	9,585		10,902		11,684	
Reg def a/c	504	(1,761)		425		753	
PAT (reported)	41,429	41,663	-1%	38,616	7%	44,491	-7%
Adj PAT	40,925	43,424	-6%	38,192	7%	43,738	-6%
EPS	4.40	4.67	-6%	4.11	7%	4.70	-6%

Source: Company, JM Financial

Exhibit 2. ISTS projects delayed due to Right of Way (ROW) issues

Sl. No.	Name of Transmission Project	Transmission Service Provider	State
1	Khetri, Junjhnu, Raj. to Narela, North Delhi., NCT Delhi transmission Line (170 km) (765 kV)	PGCIL	Rajasthan, Delhi, Haryana
2	LILO of Meerut Bhiwani transmission line (tapping point in Mahara, Sonipat, HR) at Narela, North Delhi., NCT Delhi (34 km) (765kV)	PGCIL	Uttar Pradesh, Delhi, Haryana
3	Bhadla II, Phalodi Raj. to Sikar II, Sikar, Raj. transmission line (300 km) (765kV)	PGCIL	Rajasthan
4	Kurnool-III Pooling Station, AP to Maheshwaram, Ranga Reddy, TG transmission line (252 km) (765kV)	PGCIL	Andhra Pradesh, Telangana
5	Maharanibagh to Narela line on Multicircuit tower in Delhi (28.5 km) (400kV)	PGCIL	Delhi, Haryana
6	Navasari (New), GJ to Kala, Silvsa, DD transmission line and Navasari (New), GJ to Magarwada, Daman, DD transmission line (Multicircuit portion) (192 km) (400 kV)	PGCIL	Gujarat, Maharashtra
7	Magarwada, Daman , DD to Kala, Silvsa, DD transmission line (45.5 km) (400 kV)	PGCIL	Maharashtra
8	Navsari(New), Navsari, GJ to Padghe, Rajgarh, Maharashtra transmission line (226 km) (765 kV)	PGCIL	Gujarat, Maharashtra
9	LILO of one circuit of Narendra (existing) Narendra (New) line (tapping point in Narendra, Dharwad, KA) at Xeldem, South Goa, Goa (105 km) (400kV)	Sterlite	Karnataka, Goa
10	Udupi, Udupi, KA to Kasargod, Kasaragod, KL transmission line (115 km) (400kV)	Sterlite	Karnataka, Kerala
11	North Karanpura, Ranchi, JH to Gaya, Gaya District, BR transmission line (98 km) (400kV)	Adani	Jharkhand , Bihar
12	Narendra New, Dharwad, KA to Pune, Pune, MH transmission line (318 km) (765 kV)	Adani	Karnataka, Maharashtra
13	Koteswar, Tehri, UK to Rishikesh, Dehradun, UK transmission line (38.5 km) (400kV)	Tata Power	Uttarakhand
14	Gadag, Gadag district, Karnataka to Koppal, Koppal, KA transmission line (50 km) (400 kV)	Renew	Karnataka

Source: MoP, JM Financial

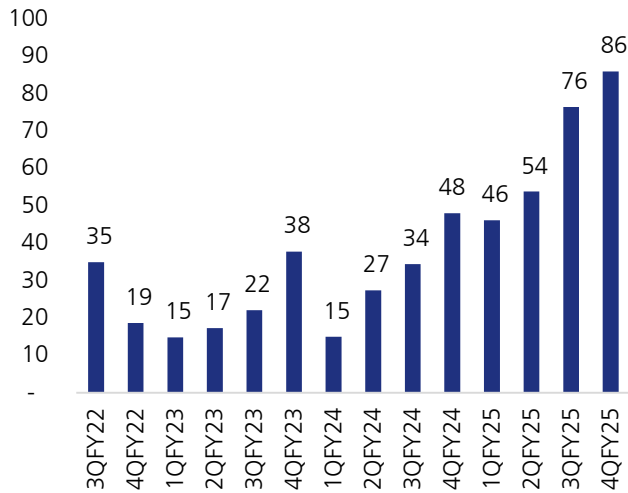
Exhibit 3. TBCB* projects under execution by PGCIL

Sr No.	Transmission Project	Cost (INR bn.)	SPV transfer dt	Original target	Revised target
1	Inter-regional ER-WR Interconnection SPV Name: ER WR TRANSMISSION Ltd (CKM-136)	3	Mar-23	Mar-25	Apr-25
2	Transmission Network Expansion in Gujarat associated with integration of RE projects from Khavda potential RE zone	10	Mar-23	Mar-25	May-25
3	Establishment of Khavda Pooling Station- 2 (KPS2) in Khavda RE Park	8	Mar-23	Dec-24	May-25
4	Establishment of Khavda Pooling Station- 3 (KPS3) in Khavda RE Park	7	Mar-23	Dec-24	May-25
5	Evacuation of power from REZ in Rajasthan (20 GW) under Phase-III part H	19	Oct-23	Apr-25	May-25
6	Transmission system for evacuation of power from solar energy zones in Rajasthan (8.1 GW) under phase-II- Part G	16	May-22	Nov-23	Jun-25
7	Transmission system associated with LTA applications from Rajasthan SEZ Part E, Phase-II	16	Mar-23	Sep-24	Jun-25
8	Evacuation of 4.5GW RE injection at Khavda PS under Phase II- Part B	12	Mar-23	Mar-25	Jun-25
9	For evacuation of 4.5GW RE injection at Khavda PS under Phase II- Part C	14	Mar-23	Mar-25	Jun-25
10	Evacuation of power from REZ in Rajasthan (20 GW) under Phase-III part B1	25	Sep-23	Mar-25	Jun-25
11	For Evacuation of power from REZ in Rajasthan (20 GW) under Phase-III Part D	24	Feb-24	Aug-25	Aug-25
12	For Solar Energy Zone in Ananthapuram (Ananthapur) (2500 MW) and Kurnool (1000 MW), Andhra Pradesh	8	Sep-23	Sep-25	Sep-25
13	System Strengthening Scheme for Eastern and North Eastern Regions (CKM-139, MVA-1000)	2.5	Oct-22	Oct-25	Oct-25
14	Transmission system associated with LTA applications from Rajasthan SEZ Phase-III Part-C1	12	Oct-23	Apr-25	Oct-25
15	For integration of Renewable Energy Zone (Phase-II) in Koppal-II (Phase-A & B) and Gadag-II (Phase-A) in Karnataka	44	Dec-23	Dec-25	Dec-25
16	Evacuation of additional 7 GW RE Power from Khavda RE Park under Phase III Part B	42	Dec-23	Dec-25	Dec-25
17	Evacuation of power from Rajasthan REZ Ph-IV (Part-1) (Bikaner Complex): PART-A	47	Dec-23	Dec-25	Dec-25
18	Evacuation of power from Rajasthan REZ Ph-IV (Part-1) (Bikaner Complex): PART-D	33	Dec-23	Dec-25	Dec-25
19	Solar Energy Zone in Bidar (2500 MW), Karnataka	14	Feb-24	Feb-26	Feb-26
20	Evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW):Part E2	7	May-24	Feb-26	Feb-26
21	Additional evacuation of Power from Bhadla-111 PS as part of Rajasthan REZ Phase III Scheme (20 GW)	4	Aug-24	Feb-26	Feb-26
22	Evacuation of Power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (SGW): Part A	248	Nov-24	May-29	May-26
23	Augmentation of transformation capacity at Jam Khambhaliya PS(GIS)	3	Oct-24	Jul-26	Jul-26
24	Evacuation of Power from Rajasthan REZ Ph-IV (Part-2: 5.5 GW) (Jaisalmer/Barmer Complex): Part C	27	Aug-24	Aug-26	Aug-26
25	Evacuation of Power from Rajasthan REZ Ph-IV (Part-2: 5.5 GW) (Jaisalmer/Barmer Complex): Part E	33	Aug-24	Aug-26	Aug-26
26	Evacuation of Power from Rajasthan REZ Ph-IV (Part-2: 5.5 GW) (Jaisalmer/Barmer Complex): Part B	33	Aug-24	Aug-26	Aug-26
27	Evacuation of Power from Rajasthan REZ Ph-IV (Part-2: 5.5 GW) (Jaisalmer/Barmer Complex): Part D	22	Aug-24	Aug-26	Aug-26
28	Transmission System Strengthening for interconnections of Bhadla-111 and Bikaner-111 complex	14	Aug-24	Aug-26	Aug-26
29	Evacuation of Power from Rajasthan REZ Ph-IV (Part-2: 5.5 GW) (Jaisalmer/ Barmer Complex): Part HI	37	Oct-24	Oct-26	Oct-26
30	Evacuation of power from potential RE zone in Khavda area of Gujarat under phase-IV (7 GW): PART B	48	Oct-24	Oct-26	Oct-26
31	Evacuation of Power from Rajasthan REZ Ph- IV (Part-2 : 5.5 GW) (Jaisalmer/ Barmer Complex)	27	Nov-24	Nov-26	Nov-26
32	Evacuation of Power from Rajasthan REZ PH-IV (PART- 3: 6GW) [BIKANER COMPLEX]:PART-A	60	Nov-24	Nov-26	Nov-26
33	Dynamic Reactive Compensation at KPS1 and KPS3	5	Nov-24	Nov-26	Nov-26
34	evacuation of power from Rajasthan REZ Ph-IV (Part-3: 6GW) [Bikaner complex]: Part-B	54	Nov-24	Nov-26	Nov-26
35	evacuation of power from Rajasthan REZ Ph-IV (Part-4: 3.5 GW): Part A	58	Dec-24	Dec-26	Dec-26
36	evacuation of power from Kudankulam Unit - 3 & 4 (2x1000 MW)	5	Jan-25	Dec-26	Dec-26
37	System Strengthening at Koppal-11 and Gadag-11 for integration of RE generation projects	14	Jan-25	Jan-27	Jan-27
38	Augmentation of transformation capacity at Bidar PS	3	Feb-25	Feb-27	Feb-27
39	Augmentation of transformation capacity at KPS2 & KPS2 (Phase V Part B1 & B2)	5	Feb-25	Feb-27	Feb-27
40	Augmentation of Banaskantha (Raghnesda) PS (GIS)	2	Mar-25	Mar-27	Mar-27
41	Integration of Kurnool-IV REZ - Phase-I (for 4.5 GW)	56	Mar-25	Mar-27	Mar-27
42	Rajasthan REZ Ph-V (Part-1: 4 GW) [Sirohi/Nagaur] Complex	50	Mar-25	Mar-27	Mar-27
43	integration of Davanagere/ Chitradurga and Bellary REZ in Karnataka	35	Mar-25	Mar-27	Mar-27
44	Augmentation at Fatehgarh-11 PS, Fatehgarh-IV PS (Section-II) and Barmer-I PS	4	Mar-25	Mar-27	Mar-27
45	strengthening at Kurnool- III PS for integration of additional RE generation projects	29	Mar-25	Mar-27	Mar-27

Source: CEA, JM Financial; * Tariff Based Competitive Bidding

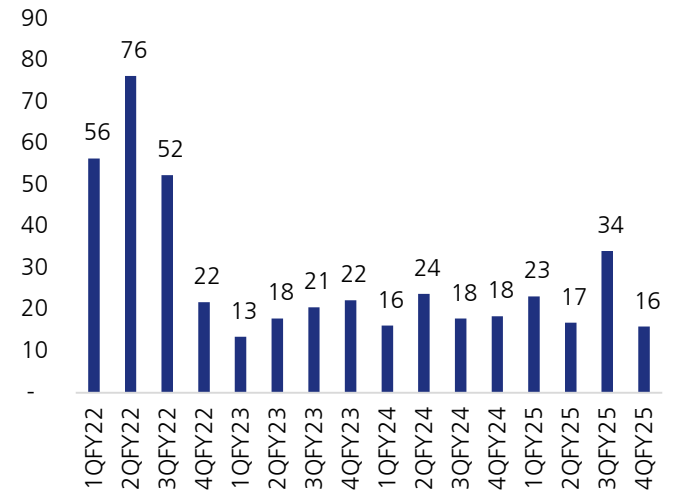
Key Charts

Exhibit 4. Quarterly CapEx trend (INR bn)



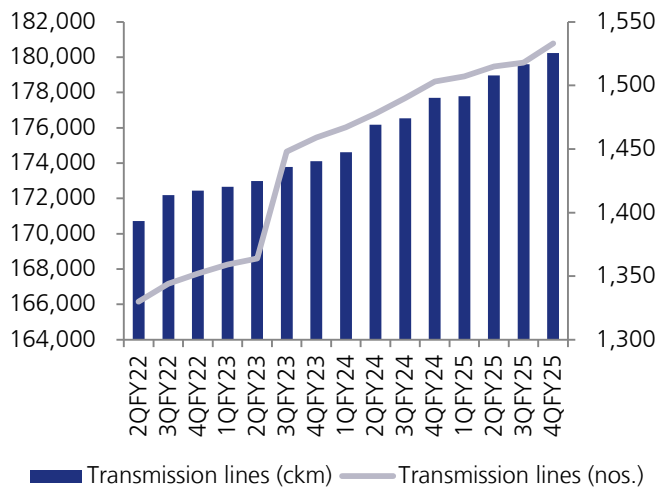
Source: Company, JM Financial

Exhibit 5. Quarterly capitalisation trend (INR bn)



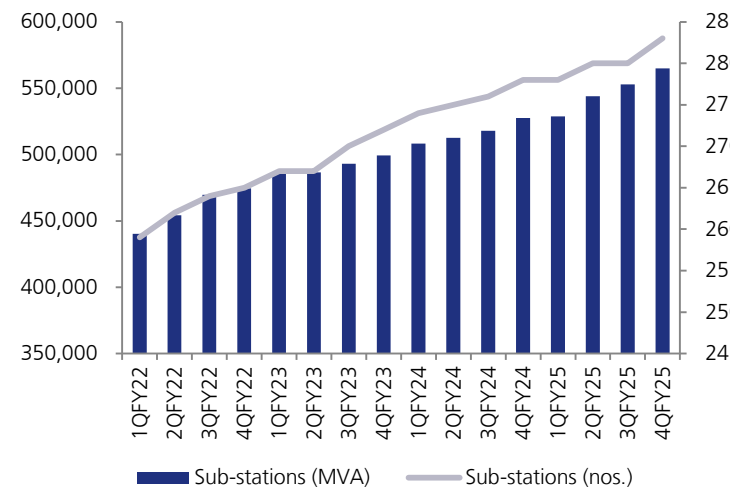
Source: Company, JM Financial

Exhibit 6. Growth in transmission lines



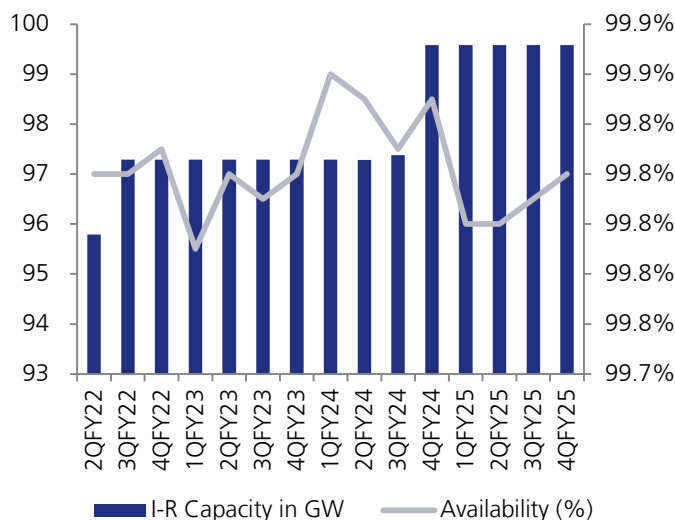
Source: Company, JM Financial

Exhibit 7. Addition in sub-stations



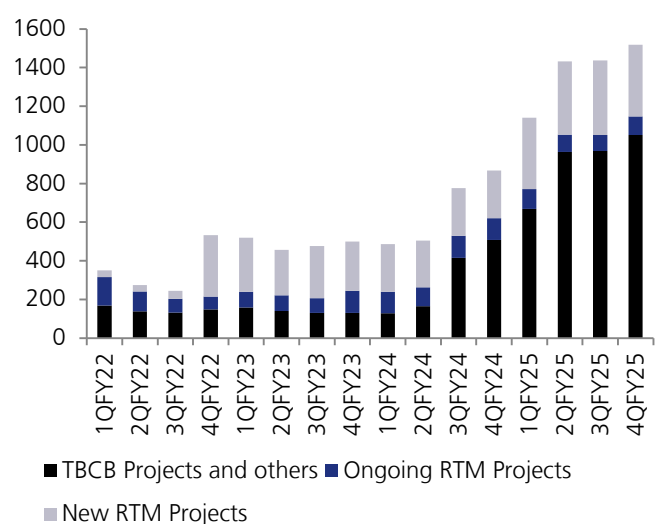
Source: Company, JM Financial

Exhibit 8. Inter-regional capacity (GW)



Source: Company, JM Financial

Exhibit 9. Work in hand (INR bn)



Source: Company, JM Financial

Exhibit 10. SOTP Valuation

SOTP Table	Comments	Equity Value	Value/Share
Transmission Business	DCF	3,210,015	345
Telecom Business	12x P/E on FY27 earnings	37,357	4
Consultancy Business	12x P/E on FY27 earnings	22,109	2
TBCB SPV stake retained (26%)		7,034	1
Invit Stake retained (15%)	20% Discount to CMP	8,845	1
Target Price			353

Source: JM Financial

Valuation Bands**Exhibit 11. P/B**

Source: Bloomberg, JM Financial

Exhibit 12. EV/EBITDA

Source: Bloomberg, JM Financial

Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	4,58,431	4,57,923	5,04,035	5,37,717	5,83,190
Sales Growth	0.5%	-0.1%	10.1%	6.7%	8.5%
Other Operating Income	0	0	0	0	0
Total Revenue	4,58,431	4,57,923	5,04,035	5,37,717	5,83,190
Cost of Goods Sold/Op. Exp	0	0	0	0	0
Personnel Cost	24,344	26,044	27,346	28,714	30,149
Other Expenses	35,058	41,226	45,348	49,883	54,871
EBITDA	3,99,029	3,90,654	4,31,341	4,59,120	4,98,169
EBITDA Margin	87.0%	85.3%	85.6%	85.4%	85.4%
EBITDA Growth	1.0%	-2.1%	10.4%	6.4%	8.5%
Depn. & Amort.	1,30,953	1,29,042	1,53,237	1,64,254	1,78,895
EBIT	2,68,076	2,61,612	2,78,104	2,94,866	3,19,275
Other Income	10,700	16,671	17,504	18,379	19,298
Finance Cost	87,728	87,001	89,366	94,432	1,04,131
PBT before Excep. & Forex	1,91,049	1,91,282	2,06,242	2,18,814	2,34,442
Excep. & Forex Inc./Loss(-)	0	0	0	0	0
PBT	1,91,049	1,91,282	2,06,242	2,18,814	2,34,442
Taxes	29,408	37,728	31,747	33,682	36,087
Extraordinary Inc./Loss(-)	-5,714	2,763	0	0	0
Assoc. Profit/Min. Int.(-)	-196	-1,103	0	0	0
Reported Net Profit	1,55,732	1,55,214	1,74,495	1,85,132	1,98,355
Adjusted Net Profit	1,61,446	1,52,451	1,74,495	1,85,132	1,98,355
Net Margin	35.2%	33.3%	34.6%	34.4%	34.0%
Diluted Share Cap. (mn)	9,300.6	9,300.6	9,300.6	9,300.6	9,300.6
Diluted EPS (INR)	17.4	16.4	18.8	19.9	21.3
Diluted EPS Growth	6.4%	-5.6%	14.5%	6.1%	7.1%
Total Dividend + Tax	1,12,189	97,656	1,13,422	1,20,336	1,28,931
Dividend Per Share (INR)	12.1	10.5	12.2	12.9	13.9

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	1,83,930	1,93,527	2,06,242	2,18,814	2,34,442
Depn. & Amort.	1,30,953	1,29,042	1,53,237	1,64,254	1,78,895
Net Interest Exp. / Inc. (-)	0	0	71,862	76,053	84,833
Inc (-) / Dec in WCap.	10,532	7,095	14,094	35,459	32,785
Others	81,288	64,357	0	0	0
Taxes Paid	-33,807	-31,787	-31,747	-33,682	-36,087
Operating Cash Flow	3,72,895	3,62,233	4,13,688	4,60,898	4,94,867
Capex	-1,14,037	-2,41,113	-2,21,736	-3,39,003	-4,28,309
Free Cash Flow	2,58,858	1,21,120	1,91,952	1,21,894	66,558
Inc (-) / Dec in Investments	0	0	0	0	0
Others	2,179	28,000	0	0	0
Investing Cash Flow	-1,11,858	-2,13,112	-2,21,736	-3,39,003	-4,28,309
Inc / Dec (-) in Capital	0	0	0	0	0
Dividend + Tax thereon	-1,12,189	-97,656	-1,13,422	-1,20,336	-1,28,931
Inc / Dec (-) in Loans	-53,264	66,296	36,983	89,679	1,52,787
Others	-94,478	-91,939	-71,862	-76,053	-84,833
Financing Cash Flow	-2,59,931	-1,23,299	-1,48,300	-1,06,709	-60,976
Inc / Dec (-) in Cash	1,105	25,821	43,652	15,185	5,582
Opening Cash Balance	73,846	74,951	1,00,772	1,44,424	1,59,609
Closing Cash Balance	74,951	1,00,772	1,44,424	1,59,609	1,65,191

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	8,71,451	9,26,628	9,87,701	10,52,498	11,21,922
Share Capital	93,006	93,006	93,006	93,006	93,006
Reserves & Surplus	7,78,445	8,33,622	8,94,695	9,59,492	10,28,916
Preference Share Capital	0	0	0	0	0
Minority Interest	0	0	0	0	0
Total Loans	10,50,670	10,98,580	11,35,563	12,25,242	13,78,029
Def. Tax Liab. / Assets (-)	0	0	0	0	0
Total - Equity & Liab.	19,22,121	20,25,208	21,23,264	22,77,740	24,99,951
Net Fixed Assets	19,59,580	20,59,052	21,27,551	23,02,301	25,51,715
Gross Fixed Assets	27,44,003	28,18,641	29,96,821	32,36,721	35,52,449
Intangible Assets	0	0	0	0	0
Less: Depn. & Amort.	9,66,398	10,95,439	12,48,677	14,12,930	15,91,825
Capital WIP	1,81,975	3,35,851	3,79,407	4,78,510	5,91,091
Investments	41,632	31,167	31,167	31,167	31,167
Current Assets	5,07,693	5,70,853	6,78,898	7,16,178	7,51,591
Inventories	14,063	18,025	15,462	16,495	17,890
Sundry Debtors	1,18,341	80,088	1,30,114	1,38,808	1,50,547
Cash & Bank Balances	74,951	1,00,772	1,44,424	1,59,609	1,65,191
Loans & Advances	7,035	7,167	7,167	7,167	7,167
Other Current Assets	2,93,303	3,64,801	3,81,732	3,94,100	4,10,797
Current Liab. & Prov.	5,86,785	6,35,864	7,14,352	7,71,906	8,34,522
Current Liabilities	5,72,082	6,22,285	7,00,094	7,56,935	8,18,802
Provisions & Others	14,703	13,579	14,258	14,971	15,720
Net Current Assets	-79,092	-65,011	-35,454	-55,728	-82,931
Total - Assets	19,22,121	20,25,208	21,23,264	22,77,740	24,99,951

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	35.2%	33.3%	34.6%	34.4%	34.0%
Asset Turnover (x)	0.2	0.2	0.2	0.2	0.2
Leverage Factor (x)	3.0	2.9	2.9	2.9	2.9
RoE	19.0%	17.0%	18.2%	18.1%	18.2%

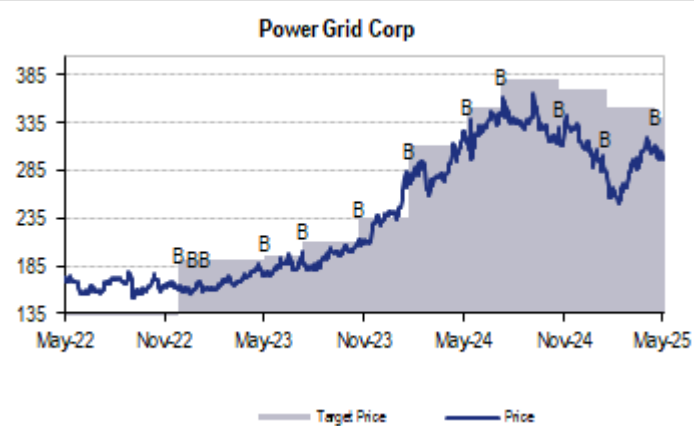
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	93.7	99.6	106.2	113.2	120.6
ROIC	12.4%	11.4%	12.3%	12.4%	12.3%
ROE	19.0%	17.0%	18.2%	18.1%	18.2%
Net Debt/Equity (x)	1.1	1.1	1.0	1.0	1.1
P/E (x)	17.1	18.1	15.8	14.9	13.9
P/B (x)	3.2	3.0	2.8	2.6	2.5
EV/EBITDA (x)	9.3	9.6	8.7	8.3	8.0
EV/Sales (x)	8.1	8.2	7.4	7.1	6.8
Debtor days	94	64	94	94	94
Inventory days	11	14	11	11	11
Creditor days	3,515	3,376	3,515	3,515	3,515

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
14-Dec-22	Buy	191	
11-Jan-23	Buy	191	-0.1
2-Feb-23	Buy	192	0.2
22-May-23	Buy	195	1.8
1-Aug-23	Buy	210	7.8
10-Nov-23	Buy	235	11.7
11-Feb-24	Buy	312	32.9
26-May-24	Buy	350	12.3
30-Jul-24	Buy	381	8.8
10-Nov-24	Buy	371	-2.8
5-Feb-25	Buy	351	-5.4
6-May-25	Buy	342	-2.6

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

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Rating	Meaning
Buy	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
Hold	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
Sell	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

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