ADD Aditya Birla Sun Life AMC

Yields improve; costs elevate

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BFSI - Capital Markets ▸ Result Update ▸ **July 22, 2026** **CMP (Rs): 1,043 | TP (Rs): 1,200**

ABSLAMC delivered a modest performance during 1QFY27, with QAAUM at Rs4.28trn (-2% qoq) coming ~1% below our estimates, while improved yields drove largely in-line revenue. However, employee costs at Rs1.16bn were elevated owing to ESOP costs, resulting in an EBITDA margin of 55.6% (-2.5ppt qoq) against our estimate of 56.6%. Core PAT at Rs1.86bn declined 14% sequentially but was ~1% above our estimate, owing to a lower tax rate. Strong other income at Rs1.62bn led to PAT of Rs3.1bn (+65% qoq). The improvement in yields was driven by the implementation of BER and optimization of commissions and other expenses. Going forward, the management remains committed to its "focus" funds strategy, while planning to launch multiple products across the Alternate and Offshore category. To bake in the 1Q developments, we cut our revenue estimates by ~1% over FY28-29 and EBITDA margin by 150-170bps, resulting in a ~2-3% cut in PAT over FY27-29E. We cut our Jun-27E TP by ~4% to Rs1,200 (Rs1,250 earlier), implying an FY28E PER of ~29x.

Improvement in yields and elevated cost drive in-line performance

ABSLAMC's MF QAAUM at Rs4.28trn increased 6% yoy but declined 2% sequentially, resulting in a ~20bps qoq contraction in market share to 5.1%. Revenue yields at 43.4bps improved 0.8bps qoq, driven by the implementation of BER and optimization of commissions and other expenses. As a result, revenue at Rs4.63bn (+1% qoq) was largely in line with our estimate. Employee costs at Rs1.16bn increased 11% qoq owing to higher ESOP expenses, missing our estimate of Rs1.1bn. Consequently, EBITDA margin at 55.6% dipped 250bps sequentially and was lower than our estimate of 56.6%, resulting in EBITDA of 2.58bn (-3% qoq) vs our estimate of Rs2.61bn. Other income at Rs1.62bn increased significantly, which, coupled with a lower tax rate, led to PAT of Rs3.1bn (+65% qoq) vs our estimate of Rs1.85bn. Core PAT at Rs1.86bn declined 14% sequentially (owing to a low tax rate in 4Q) and was 1% above our estimate.

Strategic commitment to "focus" funds; multiple new products in the pipeline

The company is increasing its distribution efforts around "focus" equity and hybrid strategies, including Flexi Cap, Balanced Advantage, Multi Asset, and Small Cap, where the management expects healthy flows over the medium term. To drive further growth, the management remains focused on launching new products in the Alternate and Offshore segments. Near-term launches and ongoing fundraises span AIFs (including the Structured Opportunity Fund 2 and Real Estate Credit Series II) and offshore inbound and outbound funds via the newly licensed GIFT City branch. The management plans to scale the SIF Hybrid Long-Short strategies over the next six months, as the fund establishes a performance track record.

We maintain ADD and cut our Jun-27E TP to Rs1,200

To bake in the 1Q developments, we tweak our estimates, resulting in a slight cut in AUM while yields are broadly stable, leading to a ~1% cut in revenue over FY28-29E. We cut EBITDA margin by 150-170bps resulting in a ~2-3% cut in PAT over FY27-29E. We maintain ADD and revise down our Jun-27E TP to Rs1,200 (from Rs1,250 earlier), implying FY28E PER of ~29x.

Aditya Birla Sun Life AMC: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	16,848	18,450	20,245	22,472	24,775
EBITDA	9,890	11,019	11,714	12,940	14,235
Adj. PAT	9,306	9,751	11,144	12,080	13,156
Adj. EPS (Rs)	32.2	33.7	38.5	41.7	45.4
Core PAT	7,055	8,098	8,393	9,276	10,208
EBITDA margin (%)	58.7	59.7	57.9	57.6	57.5
EBITDA growth (%)	30.0	11.4	6.3	10.5	10.0
Adj. EPS growth (%)	19.1	4.7	14.3	8.4	8.9
RoE (%)	27.0	25.1	26.3	26.4	26.8
P/E (x)	32.3	30.9	27.0	24.9	22.9
EV/EBITDA (x)	26.6	23.6	21.9	19.5	17.5
P/B (x)	8.1	7.5	6.8	6.4	5.9
FCFF yield (%)	2.6	2.9	3.0	3.4	3.9

Source: Company, Emkay Research

Target Price – 12M	Jun-27
Change in TP (%)	**(4.0)**
Current Reco.	ADD
Previous Reco.	ADD
Upside/(Downside) (%)	15.1

Stock Data	**ABSLAMC IN**
52-week High (Rs)	1,225
52-week Low (Rs)	708
Shares outstanding (mn)	289.3
Market-cap (Rs bn)	302
Market-cap (USD mn)	3,134
Net-debt, FY27E (Rs mn)	(44,855.6)
ADTV-3M (mn shares)	0.5
ADTV-3M (Rs mn)	538.9
ADTV-3M (USD mn)	5.6
Free float (%)	24.8
Nifty-50	24,187.7
INR/USD	96.2
Shareholding,Jun-26	
Promoters (%)	74.7
FPIs/MFs (%)	4.4/14.3

Price Performance

(%)	1M	3M	12M
Absolute	(11.7)	0.5	17.7
Rel. to Nifty	(12.3)	2.1	22.1

1-Year share price trend (Rs)

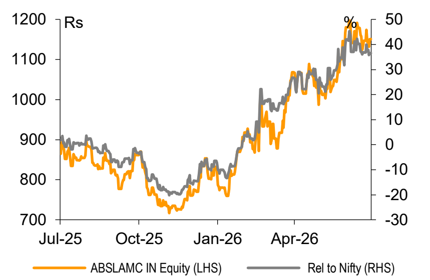

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Exhibit 1: 1QY27 financial performance

Rs mn	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy	qoq	1QFY27E	Var
Revenue from operations	4,474	4,613	4,781	4,582	4,630	3%	1%	4,612	0%
Other income	1,179	705	843	-329	1,624	38%	NM	900	80%
Total revenue	**5,653**	**5,318**	**5,624**	**4,254**	**6,254**	**11%**	**47%**	**5,512**	**13%**
Employee benefits expense	926	951	1,077	1,044	1,163	26%	11%	1,086	7%
Depreciation expense	103	108	117	130	128	24%	-1%	135	-5%
Fee and commission expense	135	145	161	156	154	14%	-1%	174	-12%
Other expenses	753	692	674	718	736	-2%	3%	743	-1%
Finance costs	13	13	12	12	11	-14%	-4%	12	-6%
EBITDA	2,660	2,825	2,869	2,664	2,576	-3%	-3%	2,609	-1%
EBITDA margin (%)	59.5%	61.2%	60.0%	58.1%	55.6%	-3.8ppt	-2.5ppt	56.6%	-0.9ppt
Total expense	**1,930**	**1,909**	**2,041**	**2,060**	**2,193**	**14%**	**6%**	**2,150**	**2%**
PBT	3,723	3,156	3,583	2,194	4,061	9%	85%	3,362	21%
PAT	**2,771**	**2,413**	**2,695**	**1,871**	**3,095**	**12%**	**65%**	**2,521**	**23%**
Tax rate (%)	25.6%	23.5%	24.8%	14.7%	23.8%	-1.8ppt	9.1ppt	25.0%	-1.2ppt
Core PAT	**1,893**	**1,874**	**2,061**	**2,151**	**1,857**	**-2%**	**-14%**	**1,846**	**1%**
AUM (Rs bn)	**4,035**	**4,252**	**4,432**	**4,359**	**4,277**	**6%**	**-2%**	**4,337**	**-1.4%**

Key ratios (As bps of AUM)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy (bps)	qoq (bps)	1QFY27E	Var (bps)
Revenue yield (bps)	44.5	43.0	42.8	42.6	43.4	-1.1	0.8	42.6	0.8
Opex	18.0	16.7	17.1	17.8	19.3	1.2	1.4	18.5	0.7
Operating profit	26.4	26.4	25.7	24.8	24.2	-2.3	-0.6	24.1	0.0
PAT	27.5	22.5	24.1	17.4	29.0	1.5	11.6	23.3	5.7

AUM	1QFY26	2QFY26	3QFY26	Q44Y26	1QFY27	yoy (ppt)	qoq (ppt)	1QFY27E	Var (ppt)
AUM mix (%)									
Equity	*44.3*	*44.9*	*44.6*	*44.8*	*45.8*	*1.5*	*1.0*	*45.5*	*0.4*
Debt	*31.5*	*32.2*	*32.2*	*30.9*	*29.2*	*-2.3*	*-1.7*	*30.7*	*-1.4*
Liquid	*15.8*	*15.0*	*15.1*	*15.7*	*16.4*	*0.7*	*0.7*	*15.5*	*1.0*
Other	*8.4*	*8.0*	*8.1*	*8.5*	*8.5*	*0.1*	*-0.0*	*8.4*	*0.1*

Source: Company, Emkay Research

Exhibit 2: DCF-based valuation for ABSL AMC

Cost of equity (%)	12.0%
Terminal growth (%)	5.0%
Sum of discounted cashflows (Rs mn)	184,250
Terminal value (Rs mn)	148,534
Fair value (Rs mn)	332,784
Number of shares (mn)	288.80
Mar-27 fair value (Rs)	1,152
Jun-27E target price (Rs)	1200

Source: Company, Emkay Research

Exhibit 3: Implied valuation multiples for ABSL AMC

Valuation at target price	**1200**
FY28E P/E (x)	28.7
FY28E P/B (x)	7.3
FY28 P / AUM (%)	6.3%
Valuation at current price	**1043**
FY28E P/E (x)	24.9
FY28E P/B (x)	6.4
FY28 P / AUM (%)	5.5%

Source: Company, Emkay Research

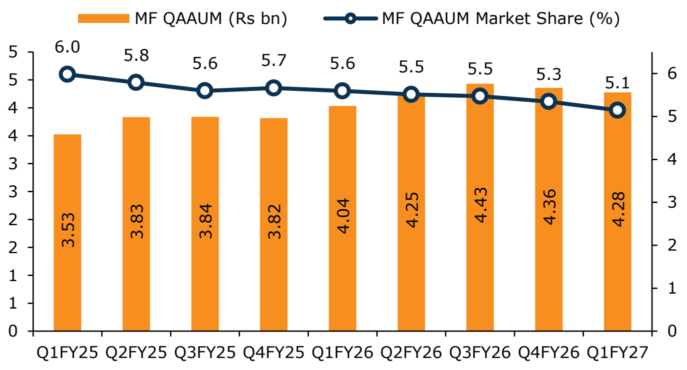
Exhibit 4: Changes in estimates

Rs mn	FY27E			FY28E			FY29E		
	Old	Revised	%Change	Old	Revised	%Change	Old	Revised	%Change
Op Revenue	20,275	20,245	0%	22,587	22,472	-1%	24,901	24,775	-1%
EBITDA	12,035	11,714	-3%	13,400	12,940	-3%	14,704	14,235	-3%
EBITDA margin	59.4%	57.9%	-1.5 ppt	59.3%	57.6%	-1.7 ppt	59.0%	57.5%	-1.6 ppt
PAT	11,389	11,144	-2%	12,430	12,080	-3%	13,509	13,156	-3%
ROE %	26.8%	26.3%	-0.5 ppt	27.0%	26.4%	-0.6 ppt	27.3%	26.8%	-0.5 ppt

Source: Company, Emkay Research

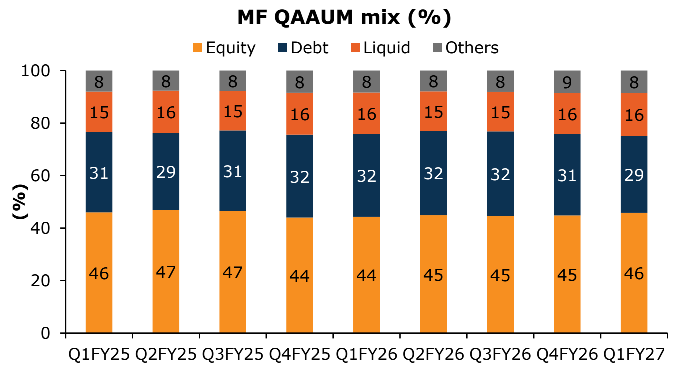
Story in charts

Exhibit 5: MF QAAUM declines ~2% qoq to Rs4.28trn



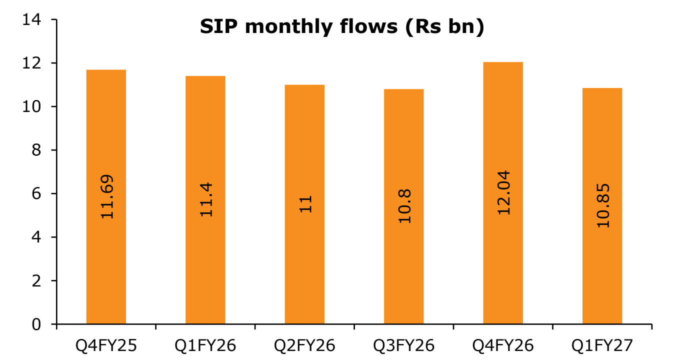
Source: Company, Emkay Research

Exhibit 6: Equity segment share increases to 46%



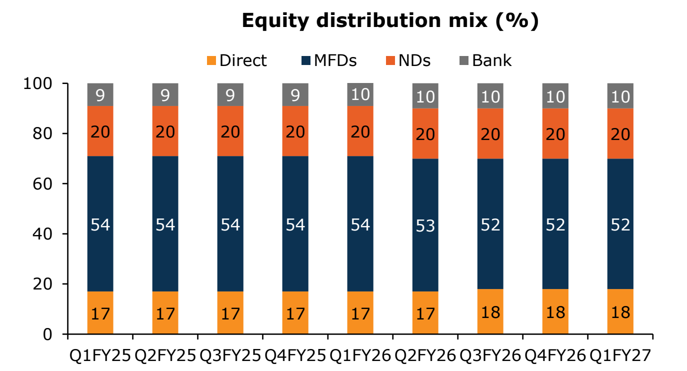
Source: Company, Emkay Research

Exhibit 7: SIP monthly flows dipped in Jun-27



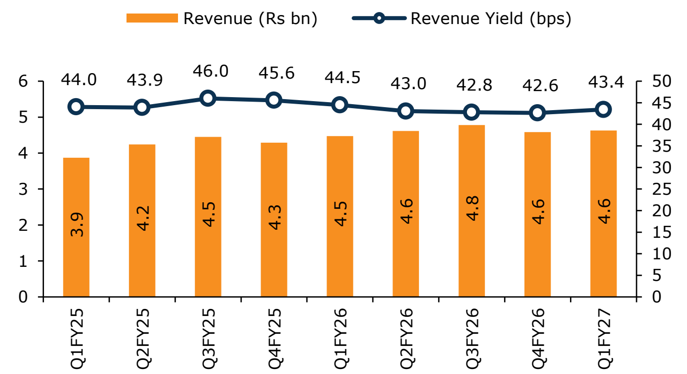
Source: Company, Emkay Research

Exhibit 8: Equity distribution mix is broadly stable on a qoq basis



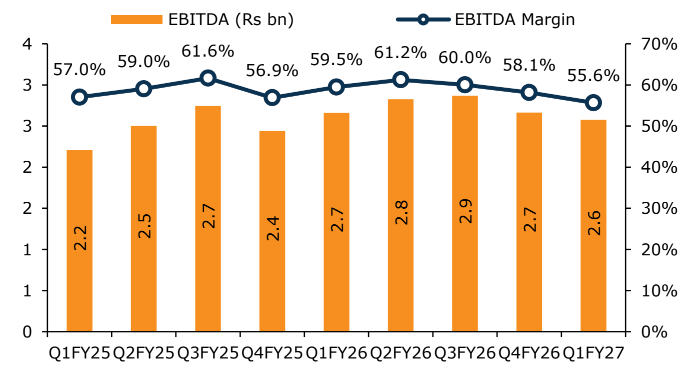
Source: Company, Emkay Research

Exhibit 9: Revenue yields improved sequentially



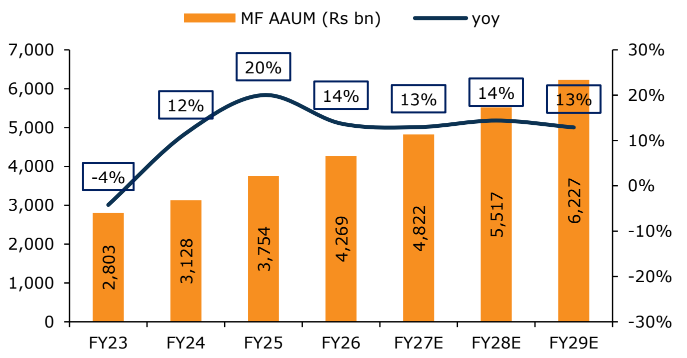
Source: Company, Emkay Research

Exhibit 10: EBITDA margin contracts sequentially



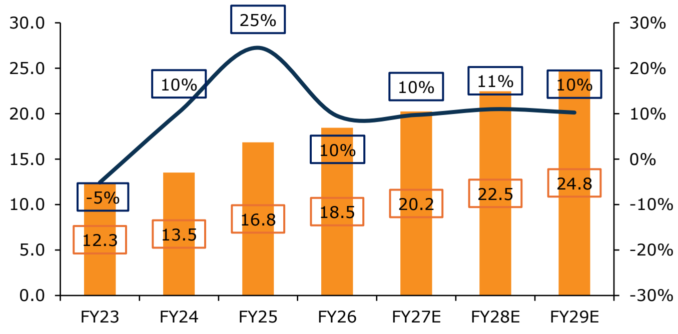
Source: Company, Emkay Research

Exhibit 11: We expect ABSLAMC to deliver ~13% AUM CAGR over FY26-29E



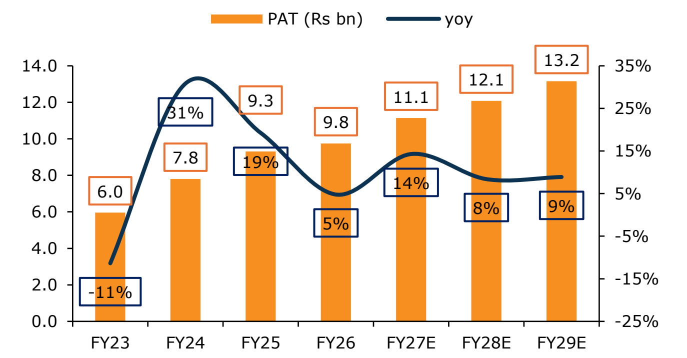
Source: Company, Emkay Research

Exhibit 12: We expect revenue to grow ~10% in FY27E



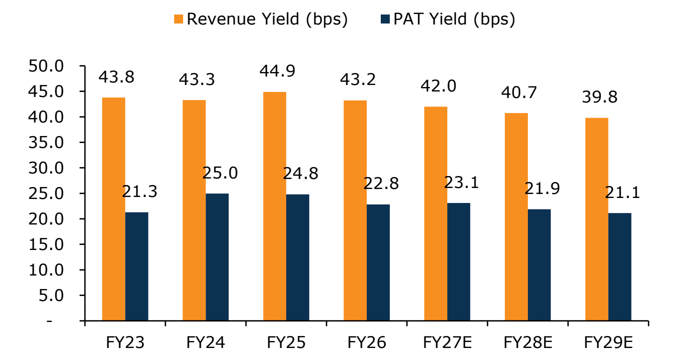
Source: Company, Emkay Research

Exhibit 13: PAT is expected to grow at ~14% in FY27E on account of higher growth in other income



Source: Company, Emkay Research

Exhibit 14: Yields to witness a gradual decline over FY27-29E



Source: Company, Emkay Research

Earnings conference call highlights

- The management acknowledged a marginal reduction in the SIP book during the quarter from Rs12.04bn in Mar-26 to Rs10.8bn in Jun-26 and has launched focused initiatives for both employees and partners to rebuild momentum.
- Following the grant of a GIFT City retail license, the AMC is building an offshore franchise catering to both inbound (NRI/global into India) and outbound flows.
- Flagship schemes (Flexicap, Balanced Advantage, Mid/Multi/Small Cap, and Index funds) were added to the recommendation lists of two large banks during the quarter, and products were approved across HDFC Bank, Kotak Bank, and other institutions.
- In the SIF segment, the AMC launched its first fund (a hybrid long-short) and is preparing two further SIFs—an Equity Long-Short Fund and an Equity Top-100 Long-Short Fund.
- In PMS/AIF, launches include a Structured Opportunity Fund II, a Money Manager Fund, an India Select Sector Fund, and a sector fund, alongside the existing Special Opportunity Fund Series 2.
- The new BER regime is effective Apr-26 and has been fully rolled out; the commission structure has been restructured on a broadly neutral ("win-win") basis with no change in basis-point terms, leaving AMC yields intact and distributor margins maintained.
- Segment yields were called out as ~63–64bps for equity, ~24–25bps for debt/hybrid, ~12–13bps for liquid, and ~8bps for ETF.
- The SIP market share decline was attributed to ELSS outflows (an industry-wide phenomenon) and higher cancellation rates during the quarter, while the core seven-to-eight flagship schemes continued to see improved flows.
- Cumulative SIP contribution for the quarter stood at Rs33bn, broadly in line with 4QFY26 trends, however, monthly movement saw some volatility.
- PMS and AIF contribute ~7% of total revenue on a gross basis and ~4% on a net basis (after distributor payout), and alternate revenue contribution is expected to stay in a similar range.
- The ESIC and EPFO mandates carry minimal direct revenue, but the management views them as a strategic gateway into privately managed EPFO, where traction is beginning to emerge.
- Employee cost rose mainly due to ESOP, with a Rs100mn per-quarter impact expected to continue at a similar run-rate.
- The management expects maximum flows into Flexicap, Balanced Arbitrage, Multi Asset Allocation, and Small Cap funds, with Mid Cap not being aggressively pushed at this stage.
- Active is expected to remain the dominant asset class over the medium term, while passive is positioned as a scale and low-cost play where absolute profitability still contributes to overall PAT.

Exhibit 15: Financial Summary

Income statement (Y/E Mar, Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue from operations	16,848	18,450	20,245	22,472	24,775
Other income	3,010	2,145	3,654	3,724	3,914
Total revenue	**19,858**	**20,595**	**23,898**	**26,196**	**28,690**
Employee expenses	3,652	3,999	4,839	5,516	6,178
Depreciation and amortization	398	458	515	566	620
Other expenses	2,836	2,836	3,049	3,305	3,570
Total operating expenses	6,958	7,432	8,531	9,532	10,541
EBITDA	**9,890**	**11,019**	**11,714**	**12,940**	**14,235**
Total opex	**7,413**	**7,940**	**9,099**	**10,153**	**11,219**
Exceptional items					
PBT	**12,445**	**12,656**	**14,800**	**16,043**	**17,471**
Tax expense	3,139	2,905	3,655	3,963	4,315
PAT	**9,306**	**9,751**	**11,144**	**12,080**	**13,156**
PAT (Adj)	**9,306**	**9,751**	**11,144**	**12,080**	**13,156**
Core PAT	**7,055**	**8,098**	**8,393**	**9,276**	**10,208**
Balance sheet (Rs mn)	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Share capital	1,442	1,444	1,444	1,444	1,444
Reserves and surplus	35,826	38,973	42,752	45,917	49,409
Shareholders' equity	**37,269**	**40,417**	**44,196**	**47,361**	**50,853**
Payables	681	704	772	857	945
Other liabilities	3,195	3,034	3,434	3,795	4,188
Total equity and liabilities	**41,144**	**44,154**	**48,403**	**52,013**	**55,985**
Cash and bank balances	437	584	419	307	273
Cash and bank balances	597	806	863	949	1,044
Investments	36,917	39,462	43,574	47,034	50,829
Receivables	579	546	666	739	679
Fixed assets	1,081	1,211	1,150	1,084	1,155
Other assets	1,534	1,546	1,731	1,900	2,006
Total assets	**41,144**	**44,154**	**48,403**	**52,013**	**55,985**
Assets under management (Rs bn)	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
AAAUM	**3,754**	**4,269**	**4,822**	**5,517**	**6,227**
Equity	1,722	1,906	2,173	2,521	2,904
Debt	1,144	1,354	1,459	1,634	1,786
Liquid	590	657	761	839	911
Other	299	352	429	522	627
DuPont analysis (bps of AAUM)	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Revenue from operations	44.9	43.2	42.0	40.7	39.8
Total revenue	**52.9**	**48.2**	**49.6**	**47.5**	**46.1**
Employee expenses	9.7	9.4	10.0	10.0	9.9
Total opex	**19.7**	**18.6**	**18.9**	**18.4**	**18.0**
PAT (Adj)	**24.8**	**22.8**	**23.1**	**21.9**	**21.1**
Key ratios (%)	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Total revenue/AAUM (bps)	53	48	50	47	46
Cost-to-income ratio	41.3	40.3	42.1	42.4	42.5
Tax rate	25.2	23.0	24.7	24.7	24.7
Adj PAT/AAUM (bps)	25	23	23	22	21
ROE (Adj)	27.0	25.1	26.3	26.4	26.8
Dividend payout ratio (%)					
Per share data (Rs)	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
EPS	32.26	33.76	38.58	41.83	45.55
Core EPS	24.46	28.04	29.06	32.12	35.34
BVPS	129.2	139.9	153.0	164.0	176.1
DPS	24.0	25.5	30.9	33.5	36.4

Source: Company, Emkay Research

Aditya Birla Sun Life AMC: Consolidated Financials and Valuations

Profit & Loss

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	**16,848**	**18,450**	**20,245**	**22,472**	**24,775**
Revenue growth (%)	24.5	9.5	9.7	11.0	10.2
EBITDA	**9,890**	**11,019**	**11,714**	**12,940**	**14,235**
EBITDA growth (%)	30.0	11.4	6.3	10.5	10.0
Depreciation & Amortization	398	458	515	566	620
EBIT	**9,492**	**10,561**	**11,199**	**12,374**	**13,614**
EBIT growth (%)	30.7	11.3	6.0	10.5	10.0
Other operating income	-	-	-	-	-
Other income	3,010	2,145	3,654	3,724	3,914
Financial expense	57	50	53	55	58
PBT	**12,445**	**12,656**	**14,800**	**16,043**	**17,471**
Extraordinary items	0	0	0	0	0
Taxes	3,139	2,905	3,655	3,963	4,315
Minority interest	-	-	-	-	-
Income from JV/Associates	-	-	-	-	-
Reported PAT	**9,306**	**9,751**	**11,144**	**12,080**	**13,156**
PAT growth (%)	19.3	4.8	14.3	8.4	8.9
Adjusted PAT	**9,306**	**9,751**	**11,144**	**12,080**	**13,156**
Diluted EPS (Rs)	**32.2**	**33.7**	**38.5**	**41.7**	**45.4**
Diluted EPS growth (%)	19.1	4.7	14.3	8.4	8.9
DPS (Rs)	**23.9**	**25.4**	**30.8**	**33.4**	**36.4**
Dividend payout (%)	**74.2**	**75.3**	**79.8**	**79.8**	**79.8**
EBITDA margin (%)	58.7	59.7	57.9	57.6	57.5
EBIT margin (%)	56.3	57.2	55.3	55.1	55.0
Effective tax rate (%)	25.2	23.0	24.7	24.7	24.7
NOPLAT (pre-IndAS)	**7,097**	**8,137**	**8,433**	**9,318**	**10,252**
Shares outstanding (mn)	289	290	290	290	290

Source: Company, Emkay Research

Balance Sheet

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	1,442	1,444	1,444	1,444	1,444
Reserves & Surplus	35,826	38,973	42,752	45,917	49,409
Net worth	**37,269**	**40,417**	**44,196**	**47,361**	**50,853**
Minority interests	-	-	-	-	-
Non-current liab. & prov.	807	510	642	696	758
Total debt	**0**	**0**	**0**	**0**	**0**
Total liabilities & equity	**38,757**	**41,564**	**45,520**	**48,787**	**52,391**
Net tangible fixed assets	340	392	370	355	370
Net intangible assets	147	238	226	208	261
Net ROU assets	580	533	508	474	477
Capital WIP	14	47	47	47	47
Goodwill	-	-	-	-	-
Investments [JV/Associates]	-	-	-	-	-
Cash & equivalents	**37,951**	**40,852**	**44,856**	**48,290**	**52,146**
Current assets (ex-cash)	2,112	2,092	2,397	2,639	2,684
Current Liab. & Prov.	2,388	2,590	2,882	3,226	3,594
NWC (ex-cash)	**(276)**	**(498)**	**(486)**	**(587)**	**(910)**
Total assets	**38,757**	**41,564**	**45,520**	**48,787**	**52,391**
Net debt	(37,951)	(40,852)	(44,856)	(48,290)	(52,146)
Capital employed	38,757	41,564	45,520	48,787	52,391
Invested capital	**211**	**133**	**110**	**(23)**	**(278)**
BVPS (Rs)	128.9	139.6	152.7	163.6	175.7
Net Debt/Equity (x)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Net Debt/EBITDA (x)	(3.8)	(3.7)	(3.8)	(3.7)	(3.7)
Interest coverage (x)	220.9	253.6	282.3	291.4	302.2
RoCE (%)	**36.3**	**32.7**	**35.1**	**35.2**	**35.7**

Source: Company, Emkay Research

Cash flows

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	12,445	12,656	14,800	16,043	17,471
Others (non-cash items)	(2,902)	(1,919)	(3,654)	(3,724)	(3,914)
Taxes paid	(2,947)	(2,905)	(3,655)	(3,963)	(4,315)
Change in NWC	365	(74)	119	155	385
Operating cash flow	**7,085**	**8,119**	**8,178**	**9,132**	**10,304**
Capital expenditure	(303)	(460)	(455)	(500)	(692)
Acquisition of business	-	-	-	-	-
Interest & dividend income	363	589	3,654	3,724	3,914
Investing cash flow	**(3,050)**	**(946)**	**(970)**	**(322)**	**(667)**
Equity raised/(repaid)	108	122	0	0	0
Debt raised/(repaid)	-	-	-	-	-
Payment of lease liabilities	(152)	(171)	45	48	51
Interest paid	(57)	(50)	(53)	(55)	(58)
Dividend paid (incl tax)	(3,889)	(6,927)	(7,364)	(8,915)	(9,664)
Others	-	-	-	-	-
Financing cash flow	**(3,990)**	**(7,026)**	**(7,372)**	**(8,923)**	**(9,671)**
Net chg in Cash	46	147	(165)	(112)	(34)
OCF	7,085	8,119	8,178	9,132	10,304
Adj. OCF (w/o NWC chg.)	6,721	8,193	8,058	8,977	9,919
FCFF	6,783	7,659	7,723	8,633	9,613
FCFE	7,089	8,198	11,324	12,302	13,469
OCF/EBITDA (%)	71.6	73.7	69.8	70.6	72.4
FCFE/PAT (%)	76.2	84.1	101.6	101.8	102.4
FCFF/NOPLAT (%)	**95.6**	**94.1**	**91.6**	**92.7**	**93.8**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	32.3	30.9	27.0	24.9	22.9
EV/CE(x)	7.1	6.4	5.8	5.3	4.9
P/B (x)	8.1	7.5	6.8	6.4	5.9
EV/Sales (x)	15.6	14.1	12.7	11.3	10.1
EV/EBITDA (x)	26.6	23.6	21.9	19.5	17.5
EV/EBIT(x)	27.7	24.7	22.9	20.4	18.3
FCFF yield (%)	2.6	2.9	3.0	3.4	3.9
FCFE yield (%)	2.4	2.7	3.8	4.1	4.5
Dividend yield (%)	2.3	2.4	3.0	3.2	3.5
DuPont-RoE split					
Net profit margin (%)	55.2	52.8	55.0	53.8	53.1
Total asset turnover (x)	0.5	0.5	0.5	0.5	0.5
Assets/Equity (x)	1.0	1.0	1.0	1.0	1.0
RoE (%)	**27.0**	**25.1**	**26.3**	**26.4**	**26.8**
DuPont-RoIC					
NOPLAT margin (%)	42.1	44.1	41.7	41.5	41.4
IC turnover (x)	65.5	107.3	166.8	517.3	(164.3)
Operating metrics					
Core NWC days	(6.0)	(9.9)	(8.8)	(9.5)	(13.4)
Total NWC days	**(6.0)**	**(9.9)**	**(8.8)**	**(9.5)**	**(13.4)**
Fixed asset turnover	-	-	-	-	-
Opex-to-revenue (%)	41.3	40.3	42.1	42.4	42.5

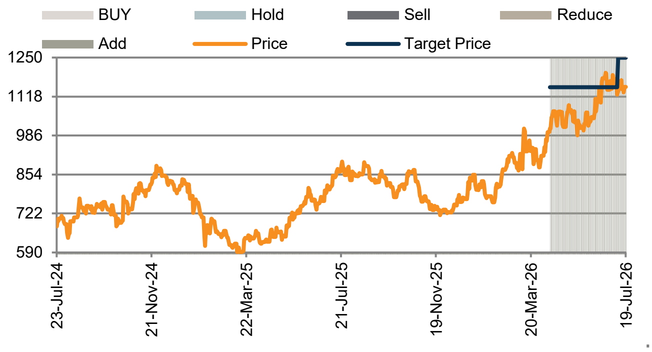
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
09-Jul-26	1,136	1,250	Add	Avinash Singh
24-Apr-26	1,068	1,150	Add	Avinash Singh
13-Apr-26	1,010	1,150	Add	Avinash Singh

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

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