

# Bharat Heavy Electricals | BUY

## 1QFY26: It's a game of patience now

BHEL reported consol net revenue of INR 54.9bn (0% YoY, -20% JMFe) with an EBITDA margin of -9.8% (-3% in 1QFY25). Other expenses increased from INR 3.4bn in 1QFY25 to INR 6.8bn in 1QFY26, possible due to certain one-off provision. Company reported loss of INR 4.6bn in 1QFY26 vs. loss of INR 2.1bn in 1QFY25. Analysing the CEA's projects monitoring reports, we expect performance of BHEL to improve from 3QFY26 given the profile of major projects under construction. The total order book stands at INR 2,044bn which is likely to increase to INR 2,250 bn by Mar'26. As execution of legacy projects are nearing completion and industry orders-mix improves, EBITDA margin is likely to improve gradually from 4.4% in FY25 to at least 11% in FY28. We continue to maintain BUY with an unchanged TP of INR 278 (30x FY27EPS).

- **Financial performance:** BHEL reported revenue of INR 54.9bn (0% YoY) due to subdued execution during the quarter. Other expenses increased from INR 3.4bn in 1QFY25 to INR 6.8bn in 1QFY26, possible due to certain one-off provision. Gross margin remained stable sequentially at 29% in 1QFY26. EBITDA margin contracted to -9.8% from -3.1% in 1QFY25 due to rise in other expense by INR 3.3bn. Company reported a loss of INR 4.5bn compared to loss of INR 2.1bn in 1QFY25. Power/ Industry segment reported revenue of INR 39bn/ INR 41bn (-6%/ +17% YoY) in 1QFY26. The EBIT margin for Power/ Industry segment came at -13.1%/ 19.3% vs. -1.3%/ 4.7% in 1QFY25.
- **Project execution:** BHEL has bagged 28 GW of the order in the new power capex cycle beginning Aug'23. The construction at 20 GW of the projects has still not started due to various reasons like lack of customer clearance, availability of land or certain regulatory approvals. The most recent under construction project is 2x800 MW NTPC Singrauli which was awarded in Mar'24. We expect performance of BHEL to improve from 3QFY26 studying the profile of major projects under construction (3x800 MW Patratu STPP commissioning expected in 1HCY26; initial civil works completed at 2x800 MW NTPC Lara and 2x800 MW NTPC Singrauli; 2x660 MW NTPC Talcher progressing slow).
- **Orders inflows:** Order inflow in 1QFY26 stood at INR 134 bn (INR 76bn/ INR 58bn from Power/ Industry) vs. 95 bn in 1QFY25. Key power segment orders includes supply of 6x800MW STGs to Adani Power Ltd. Industry segment secured orders for design and execution of 6,000 MW, ±800 kV, Bhadla - Fatehpur HVDC terminals and supply of transformers. With this, the total order book stands at INR 2,044bn as of 30 Jun'25 (INR 1,617bn Power, INR 427bn Industry & Exports).
- **Opportunities:** Presently, 32 GW of projects are under construction, while an additional 18 GW of projects have recently been awarded and are yet to commence construction. Consequently, the ordering for remaining c. 50 GW is anticipated over the next 2-3 years. More than 10 GW of projects are in tendering stage. We expect BHEL to book orders worth INR 600-700 bn during FY26 and report total order book of at least INR 2,250 bn on Mar'26.



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### Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	278
Upside/(Downside)	16.1%
Previous Price Target	281
Change	-0.9%

### Key Data – BHEL IN

Current Market Price	INR240
Market cap (bn)	INR835.1/US\$9.5
Free Float	30%
Shares in issue (mn)	3,482.1
Diluted share (mn)	3,482.1
3-mon avg daily val (mn)	INR2,473.0/US\$28.2
52-week range	306/176
Sensex/Nifty	80,544/24,574
INR/US\$	87.7

### Price Performance

%	1M	6M	12M
Absolute	-7.8	17.1	-16.6
Relative*	-4.5	13.2	-17.7

\* To the BSE Sensex

### Financial Summary

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	2,29,205	2,83,395	3,45,000	4,16,500	4,89,000
Sales Growth (%)	3.5	23.6	21.7	20.7	17.4
EBITDA	6,126	12,416	24,054	41,429	55,140
EBITDA Margin (%)	2.6	4.4	7.0	9.9	11.3
Adjusted Net Profit	2,822	5,339	16,544	32,306	44,345
Diluted EPS (INR)	0.8	1.5	4.8	9.3	12.7
Diluted EPS Growth (%)	-56.9	89.2	209.9	95.3	37.3
ROIC (%)	1.7	2.6	6.1	9.8	11.5
ROE (%)	1.2	2.2	6.6	12.2	15.7
P/E (x)	296.1	156.5	50.5	25.9	18.8
P/B (x)	3.4	3.4	3.3	3.1	2.8
EV/EBITDA (x)	140.7	68.3	36.1	21.7	16.8
Dividend Yield (%)	0.2	0.3	1.0	1.9	2.6

Source: Company data, JM Financial. Note: Valuations as of 06/Aug/2025

JM Financial Research is also available on:  
Bloomberg - JMFR <GO>,  
Thomson Publisher & Reuters,  
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.

## 1QFY26 Performance

- **Financial performance:** BHEL reported revenue of INR 54.9bn (0% YoY) due to subdued execution during the quarter. Other expenses increased from INR 3.4bn in 1QFY25 to INR 6.8bn in 1QFY26, possible due to certain one-off provision. Gross margin remained stable sequentially at 29% in 1QFY26, but EBITDA margin contracted to -9.8% from -3.1% in 1QFY25 due to rise in other expense by INR 3.3bn. Company reported a loss of INR 4.5bn compared to loss of INR 2.1bn in 1QFY25, driven by increased EBITDA loss.
- **Segment performance:** Power/ Industry segment reported revenue of INR 39bn/ INR 41bn (-6%/ +17% YoY) in 1QFY26. The weak performance of the company came from the power segment, which reported EBIT loss of INR 5.1bn vs. loss of INR 540mn in 1QFY25. In contrast, industry segment reported robust performance with EBIT of INR 3.1bn vs. INR 633mn in 1QFY25. EBIT margin for Power/ Industry segment came at -13.1%/ 19.3% vs. -1.3%/ 4.7% in 1QFY25.
- **Projects commissioning:** In 1QFY26, BHEL commissioned 700 MWe Unit #7 of Rawatbhata Atomic Power Plant (RAPP). It also executed 660 MW Unit #3 of North Karanpura STPP, 200 MW Unit #4 of Parbati-II HEP, and 170 MW Unit #4 of Punatsangchhu-II HEP in Bhutan. On the synchronization front, BHEL completed 660 MW Unit #5 of Sagardighi TPP (WBPDC), 60 MW STG for NR Ispat and Power Ltd. in Chhattisgarh, and 25.6 MW STG for Assam Bio-Refinery in Numaligarh.
- **Project execution:** We have analyzed CEA's projects monitoring reports. Given the profile of major projects under construction, we expect performance of BHEL to improve from 3QFY26.
  - BHEL has bagged 28 GW of the order in the new power capex cycle beginning Aug'23. The construction at 20 GW of the projects has still not started due to various reasons like lack of customer clearance, availability of land or certain regulatory approvals. The most recent under construction project is 2x800 MW NTPC Singrauli which was awarded in Mar'24.
  - Currently the company is executing 3x800 MW Patratu STPP on fast pace which it won under intense competition and with back-ended payment terms. The commissioning of the project is expected in 1H FY26.
  - The initial civil works at 2x800 MW NTPC Lara and 2x800 MW NTPC Singrauli have been completed, which is outsourced and is a low-value added activity. Subsequent to this, works on boiler structures will pick-up pace, resulting in higher revenue and better realization.
  - The works at 2x660 MW NTPC Talcher is progressing at slow pace due to protests from unauthorized habitants from railway siding area affecting construction of railway siding works.
  - 2x800 MW Adani Mahan is swiftly progressing. It is expected to commission in 1H FY27 i.e within 28 months of LOA, the fastest thermal power project completed in India.
- **Orders inflows:** Order inflow in 1QFY26 stood at INR 134 bn (INR 76bn/ INR 58bn from Power/ Industry) vs. 95 bn in 1QFY25. Key power segment orders includes supply of 6x800MW STGs to Adani Power Ltd. Industry segment secured orders for design and execution of 6,000 MW, ±800 kV, Bhadla - Fatehpur HVDC terminals and supply of transformers. With this, the total order book stands at INR 2,044bn as of 30 Jun'25 (INR 1,617bn Power, INR 427bn Industry & Exports).
- **Opportunities:** The government has revised its target for thermal capacity expansion from 80 GW to 100 GW by FY32 (media reports). Presently, 32 GW of projects are in the construction phase, while an additional 18 GW of projects have recently been awarded and are yet to commence construction. Consequently, the ordering for remaining c. 50 GW is anticipated over the next 2-3 years. More than 10 GW of projects are in tendering stage. We expect BHEL to book orders worth INR 600-700 bn during FY26 and report total order book of at least INR 2,250 bn on Mar'26.

**Exhibit 1. 1QFY26 results summary**

Particulars	1QFY26	1QFY25	YoY %	4QFY25	QoQ %	JMFe	% Var
<b>Net sales</b>	<b>54,869</b>	<b>54,849</b>	<b>0%</b>	<b>89,934</b>	<b>-39%</b>	<b>69,000</b>	<b>-20%</b>
Expenditure	60,241	56,544	7%	81,618	-26%	66,955	-10%
Raw material expense	38,865	38,776		59,533		46,920	
% of Revenue	71%	71%		66%		68%	
Employee expense	14,625	14,349		15,394		15,549	
% of Revenue	27%	26%		17%		23%	
Other expenditure	6,751	3,418	2	6,691		4,485	
% of Revenue	12%	6%		7%		7%	
<b>EBITDA</b>	<b>(5,371)</b>	<b>(1,694)</b>		<b>8,317</b>		<b>2,046</b>	
<b>EBITDA margins</b>	<b>-9.8%</b>	<b>-3.1%</b>		<b>9.2%</b>		<b>3.0%</b>	
Other income	1,848	1,111		1,592		1,507	
Depreciation	745	590		850		850	
Interest	1,812	1,617		2,014		2,014	
PBT	(6,080)	(2,790)		7,044		689	
Tax	(1,525)	(676)		2,000		172	
PAT	(4,555)	(2,114)		5,044		517	
<b>Adjusted PAT</b>	<b>(4,555)</b>	<b>(2,114)</b>		<b>5,044</b>		<b>517</b>	
<b>EPS</b>	<b>(1.3)</b>	<b>(0.6)</b>		<b>1.4</b>		<b>0.1</b>	

Source: Company, JM Financial

**Exhibit 2. Thermal projects' status as on 24<sup>th</sup> Jun'25**

Particulars	Capacity (MW)
<b>Target</b>	<b>1,00,000</b>
Under construction	32,300
Recently awarded but construction not started	18,360
Projects identified	58,620
<b>Total</b>	<b>1,09,280</b>
Under tendering	10,120
To be identified/ tendered	48,500

Source: Industry, CEA, MOP, JM Financial

**Exhibit 3. Thermal projects awarded to BHEL**

Quarter	Utility	Description	Scope	MW	INR bn*	INR Mn/ MW
2QFY22	NPCIL	6x700 MWe EPC, Nuclear steam turbines	EPC	-	108	
2QFY23	NTPC	2x660 MW EPC Talcher TPP	EPC	1320	85	64.39
2QFY24	NTPC	2x800 MW NTPC Lara TPS	EPC	1600	110	68.75
2QFY24	Adani Power	2x800 MW Adani Mahan	BTG, limited scope	1600	40	25.00
4QFY24	NLC	3x800 MW NLC Talabira	EPC	2400	150	62.50
4QFY24	HPGCL	1x800MW HPGCL Yamuna Nagar	EPC	800	55	68.75
4QFY24	NTPC	2x800MW NTPC Singrauli	EPC	1600	95	59.38
1QFY25	Adani Power	2x800MW Adani Power Raipur	BTG, limited scope	1600	35	21.88
1QFY25	Adani Power	2x800MW Adani Mirzapur	BTG, limited scope	1600	35	21.88
1QFY25	DVC	2x800MW DVC Koderma	EPC	1600	100	62.50
1QFY25	Adani Power	2x800 MW Adani Kawai-II	BTG, limited scope	1600	40	25.00
1QFY25	Adani Power	2x800 MW Adani Kawai-III	BTG, limited scope	1600	40	25.00
1QFY25	Adani Power	2x800 MW Adani Mahan-III	BTG, limited scope	1600	40	25.00
2QFY25	NTPC	1x800MW NTPC Sipat	EPC	800	61	76.25
2QFY25	NTPC	1x800MW NTPC Darlipalli	EPC	800	61	76.25
3QFY25	NTPC	3x800MW NTPC Telangana Ph-II	MP Pckg	2400	160	66.80
4QFY25	SCCL	1x800MW Singareni II	EPC	800	67	83.75
4QFY25	DVC	2x660MW Raghunathpur II	SG	1320	62	46.97
4QFY25	MAHAGENCO	2x660MW Koradi	BTG, limited scope	1320	80	60.61
4QFY25	CSPGCL	2x660MW Korba West STPP	EPC	1320	118	89.39
4QFY25	GSECL	1x800MW Ukai Unit-VII	EPC	800	75	93.75
1QFY26	Adani Power	6x800MW Projects	SG**	4800	65	-

Source: Industry, JM Financial; \* approx., \*\* part scope

**Exhibit 4. Thermal (coal) capacities under construction**

Sr. No	Project Name	State Implementing Agency Boiler Turbine	LOA Date	Unit No	Cap. (MW)	Original Trial Run	Anticipated Trial Run (as per CEA)	Physical Progress %
Central Sector								
1	Patratu STPP	JH PVUNL BHEL BHEL	Mar'18	U-1	800	Jan'22	Jun'25	81%
				U-2	800	Jul'22	Feb'26	74%
				U-3	800	Jan'23	Jul'26	61%
2	Talcher TPP, St-III	OR NTPC BHEL BHEL	Sep'22	U-1	660	Nov'26	Sep'27	34%
				U-2	660	May'27	Dec'27	29%
3	Lara STPP St-II	CH NTPC BHEL BHEL	Aug'23	U-1	800	Dec'27	Dec'27	15%
				U-2	800	Jun'28	Jun'28	9%
4	NLC TALABIRA TPP	Odisha NLC BHEL BHEL	Jan'24	U-1	800	May'28	Mar'29	0%
				U-2	800	Nov'28	Sep'29	0%
				U-3	800	May'29	Mar'30	0%
5	Sipat STPP, St-III	Chhattisgarh NTPC BHEL BHEL	Sep'24	U-6	800	Sep'29	Sep'29	0%
6	Khurja SCTPP	UP L&T MHI THDC BHEL	Aug'19	U-2	660	Jan'24	Jun'25	89%
7	Singrauli STPP, St-III	MP NTPC BHEL BHEL	Mar'24	U-1	800	May'29	May'29	6%
				U-2	800	Feb'30	Nov'30	5%
8	Koderma TPS, Ph-II	JH DVC BHEL BHEL	Nov'24	U-1	800	Aug'28	Aug'28	0%
				U-2	800	Dec'28	Dec'28	0%
9	Raghunathpur TPS, Ph-II	WB DVC BHEL BHEL	Feb'25	U-3	660	Dec'28	Dec'28	0%
				U-4	660	Apr'29	Apr'29	0%
State Sector								
1	Ennore SCTPP	TN TANGEDCO BHEL BHEL	Sep'14	U-1	660	Jan'18	Sep'26	79%
				U-2	660	Mar'18	Nov'26	77%
2	North Chennai TPP, St-III	TN TANGEDCO BHEL BHEL	Jan'16	U-1	800	Oct'19	Jun'25	96%
3	Udangudi STPP, St-I	TN TANGEDCO BHEL BHEL	Dec'17	U-1	660	Jan'21	Jul'25	93%
				U-2	660	Mar'21	Oct'25	93%
4	Sagardighi TPP St-III	WB WBPDCL BHEL BHEL	Dec'18	U-5	660	Jan'24	Jun'25	93%
5	Yadadri TPS	TEL TSGENCO BHEL BHEL	Oct'17	U-1	800	Oct'21	Mar'25	95%
				U-3	800	Jun'22	Oct'25	93%
				U-4	800	Jun'22	Aug'25	94%
				U-5	800	Oct'22	Dec'25	90%
6	DCRTPP Extn	HR HPCGL BHEL BHEL	Feb'24	U-3	800	Sep'29	Sep'29	0%
8	Singareni TPP,PhII	TEL SCCL BHEL BHEL	Feb'25	U-3	800	Dec'28	Dec'28	0%
9	Ukai TPP	GUJ GSECL BHEL BHEL	Mar'25	U-7	800	Sep'29	Sep'29	0%

Source: CEA as on Jun'25, JM Financial

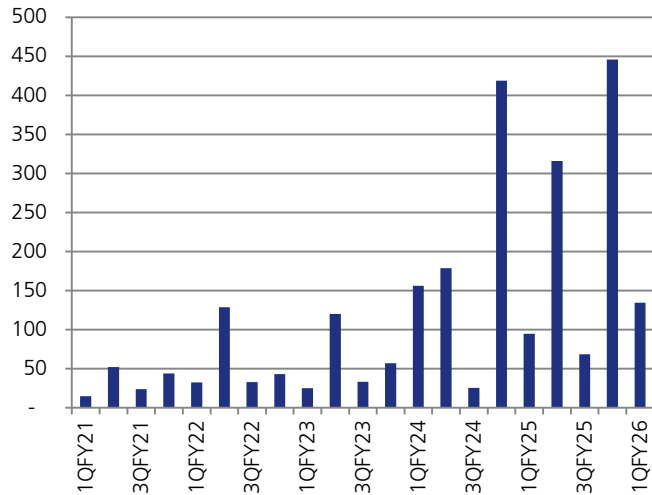
## Exhibit 4. Thermal (coal) capacities under construction (cont'd)

Sr. No	Project Name	State Implementing Agency Boiler Turbine	LOA Date	Unit No	Cap. (MW)	Original Trial Run	Anticipated Trial Run (as per CEA)	Physical Progress %
Private Sector								
1	Mahan STPP	MP Mahan Energen Ltd BHEL (Supply) BHEL (Supply)	Aug'23	U-3	800	Nov'26	Dec'26	48%
				U-4	800	May'27	May'27	42%
2	Raipur Ext TPP, Ph-II	CH Adani Power BHEL (Supply) BHEL (Supply)	Jun'24	U-3	800	Jan'28	Jan'28	0%
				U-4	800	Jul'28	Jul'28	0%
3	Raigarh USCTPP, St-II	CH Adani Power BHEL (Supply) BHEL (Supply)	Oct'24	U-3	800	Jun'27	Jan'28	0%
				U-4	800	Oct'27	Jul'28	0%
				Total	28,200			

Source: CEA as on Jun'25, JM Financial

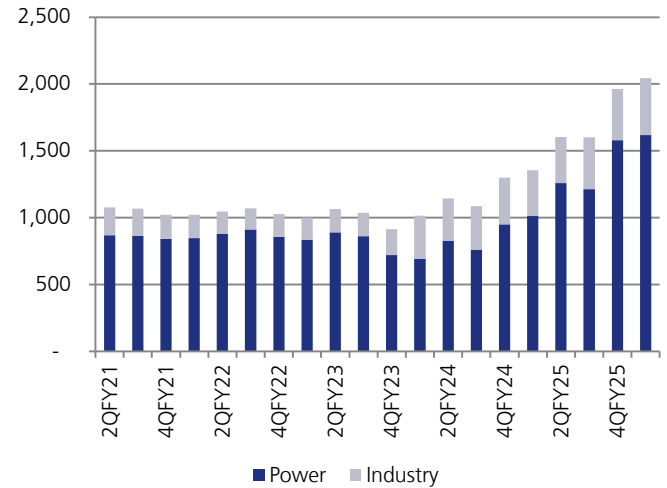
## Key Charts

Exhibit 5. Order inflows (INR bn)



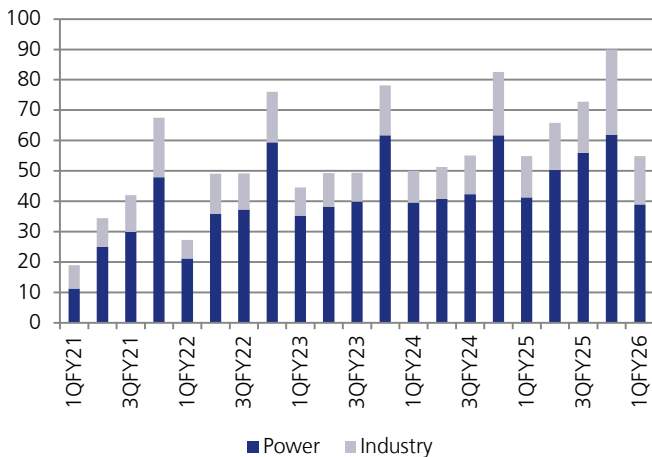
Source: Company, JM Financial

Exhibit 6. Order book (INR bn)



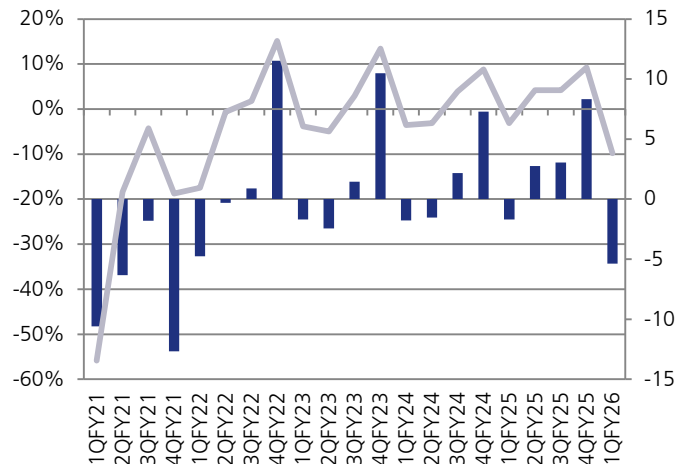
Source: Company, JM Financial

Exhibit 7. Revenue (INR bn)



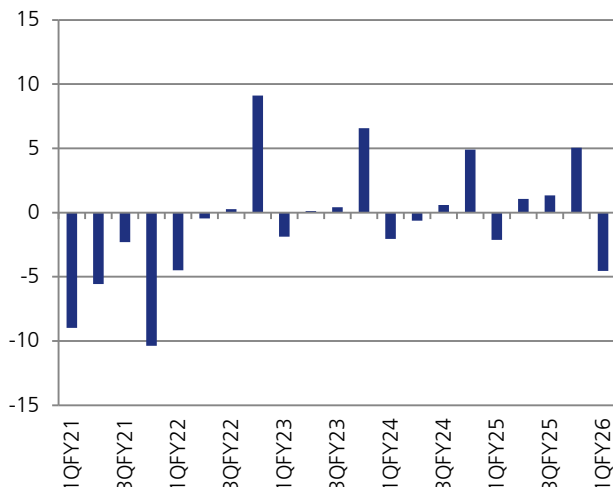
Source: Company, JM Financial

Exhibit 8. EBITDA (INR bn) &amp; EBITDA margin



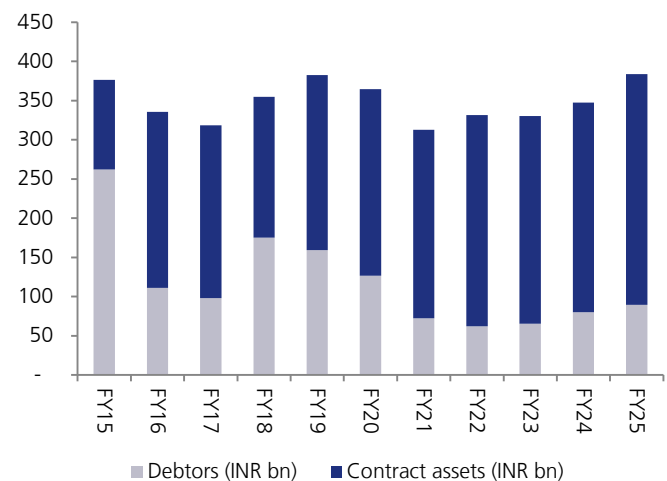
Source: Company, JM Financial

Exhibit 9. Adj PAT (INR bn)



Source: Company, JM Financial

Exhibit 10. Sundry debtors trend (INR bn)



Source: Company, JM Financial

## Valuation

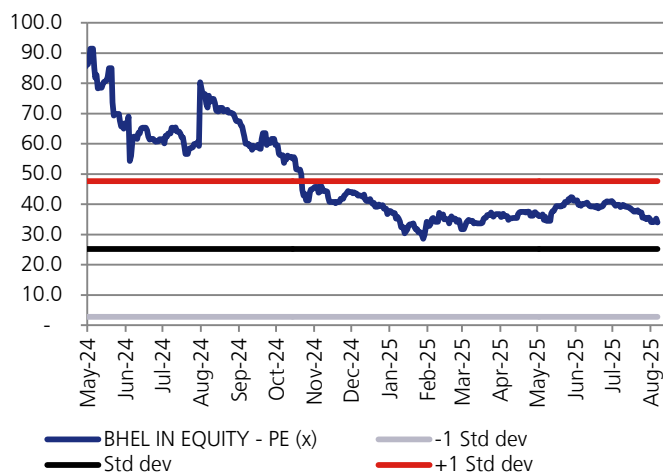
### Exhibit 11. SOTP Valuation

Particulars	Value
FY27 EPS	9.3
P/E multiple	30
<b>TP (INR)</b>	<b>278</b>

Source: Company, JM Financial

## Valuation Bands

### Exhibit 12. BHEL P/E



Source: Company, JM Financial

### Exhibit 13. EV/EBITDA



Source: Company, JM Financial



## Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	2,29,205	2,83,395	3,45,000	4,16,500	4,89,000
Sales Growth	3.5%	23.6%	21.7%	20.7%	17.4%
Other Operating Income	9,723	0	0	0	0
<b>Total Revenue</b>	<b>2,38,928</b>	<b>2,83,395</b>	<b>3,45,000</b>	<b>4,16,500</b>	<b>4,89,000</b>
Cost of Goods Sold/Op. Exp	1,68,071	1,88,452	2,31,150	2,74,890	3,17,850
Personnel Cost	56,288	59,234	62,196	66,861	76,890
Other Expenses	0	0	0	0	0
<b>EBITDA</b>	<b>6,126</b>	<b>12,416</b>	<b>24,054</b>	<b>41,429</b>	<b>55,140</b>
EBITDA Margin	2.6%	4.4%	7.0%	9.9%	11.3%
EBITDA Growth	-35.7%	102.7%	93.7%	72.2%	33.1%
Depn. & Amort.	2,489	2,720	3,053	3,336	3,647
EBIT	3,637	9,696	21,001	38,093	51,493
Other Income	6,103	5,243	6,030	6,994	8,044
Finance Cost	7,313	7,483	6,351	4,957	4,450
PBT before Excep. & Forex	2,427	7,456	20,680	40,131	55,087
Excep. & Forex Inc./Loss(-)	0	0	0	0	0
PBT	2,427	7,456	20,680	40,131	55,087
Taxes	-396	2,117	4,136	7,826	10,742
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	0	0	0	0	0
Reported Net Profit	2,822	5,339	16,544	32,306	44,345
<b>Adjusted Net Profit</b>	<b>2,822</b>	<b>5,339</b>	<b>16,544</b>	<b>32,306</b>	<b>44,345</b>
Net Margin	1.2%	1.9%	4.8%	7.8%	9.1%
Diluted Share Cap. (mn)	3,482.1	3,482.1	3,482.1	3,482.1	3,482.1
<b>Diluted EPS (INR)</b>	<b>0.8</b>	<b>1.5</b>	<b>4.8</b>	<b>9.3</b>	<b>12.7</b>
Diluted EPS Growth	-56.9%	89.2%	209.9%	95.3%	37.3%
Total Dividend + Tax	1,395	2,638	8,175	15,963	21,912
Dividend Per Share (INR)	0.4	0.8	2.3	4.6	6.3

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	2,427	7,456	20,680	40,131	55,087
Depn. & Amort.	2,489	2,720	3,053	3,336	3,647
Net Interest Exp. / Inc. (-)	7,313	7,483	6,351	4,957	4,450
Inc (-) / Dec in WCap.	-34,446	17,295	-24,128	-43,150	-43,753
Others	-17,133	-13,848	-6,030	-6,994	-8,044
Taxes Paid	2,222	813	-4,136	-7,826	-10,742
<b>Operating Cash Flow</b>	<b>-37,129</b>	<b>21,919</b>	<b>-4,210</b>	<b>-9,546</b>	<b>645</b>
Capex	-2,236	-2,681	-7,091	-7,800	-8,580
Free Cash Flow	-39,365	19,238	-11,301	-17,346	-7,935
Inc (-) / Dec in Investments	11,135	-28,727	-1,000	-1,000	-1,000
Others	4,410	4,098	6,030	6,994	8,044
<b>Investing Cash Flow</b>	<b>13,309</b>	<b>-27,309</b>	<b>-2,061</b>	<b>-1,806</b>	<b>-1,537</b>
Inc / Dec (-) in Capital	0	0	0	0	0
Dividend + Tax thereon	-1,395	-874	-8,175	-15,963	-21,912
Inc / Dec (-) in Loans	33,840	-684	-26,515	-6,274	-5,646
Others	-14,031	21,497	-6,351	-4,957	-4,450
<b>Financing Cash Flow</b>	<b>18,414</b>	<b>19,939</b>	<b>-41,040</b>	<b>-27,193</b>	<b>-32,008</b>
<b>Inc / Dec (-) in Cash</b>	<b>-5,406</b>	<b>14,549</b>	<b>-47,311</b>	<b>-38,545</b>	<b>-32,899</b>
Opening Cash Balance	66,981	61,575	76,124	28,812	-9,733
Closing Cash Balance	61,575	76,124	28,812	-9,733	-42,632

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	2,44,387	2,47,222	2,55,591	2,71,934	2,94,367
Share Capital	6,964	6,964	6,964	6,964	6,964
Reserves & Surplus	2,37,422	2,40,258	2,48,627	2,64,970	2,87,403
Preference Share Capital	0	0	0	0	0
Minority Interest	0	0	0	0	0
Total Loans	88,080	87,950	61,435	55,162	49,515
Def. Tax Liab. / Assets (-)	-42,013	-40,677	-40,677	-40,677	-40,677
<b>Total - Equity &amp; Liab.</b>	<b>2,90,454</b>	<b>2,94,494</b>	<b>2,76,349</b>	<b>2,86,418</b>	<b>3,03,205</b>
Net Fixed Assets	28,564	31,084	35,122	39,587	44,520
Gross Fixed Assets	70,352	76,798	83,889	91,690	1,00,270
Intangible Assets	260	337	337	337	337
Less: Depn. & Amort.	44,611	47,331	50,384	53,720	57,367
Capital WIP	2,823	1,617	1,617	1,617	1,617
Investments	0	0	0	0	0
Current Assets	5,19,183	6,08,733	6,29,560	6,85,085	7,47,557
Inventories	72,206	98,695	1,04,261	1,25,869	1,47,779
Sundry Debtors	80,101	89,309	1,08,724	1,31,256	1,54,104
Cash & Bank Balances	61,575	76,124	28,812	-9,733	-42,632
Loans & Advances	0	0	0	0	0
Other Current Assets	3,05,302	3,44,605	3,87,763	4,37,692	4,88,306
Current Liab. & Prov.	2,57,553	3,45,660	3,88,672	4,38,592	4,89,210
Current Liabilities	1,53,663	2,20,908	2,46,367	2,75,916	3,05,877
Provisions & Others	1,03,889	1,24,752	1,42,305	1,62,676	1,83,332
Net Current Assets	2,61,630	2,63,073	2,40,889	2,46,494	2,58,348
<b>Total - Assets</b>	<b>2,90,454</b>	<b>2,94,494</b>	<b>2,76,349</b>	<b>2,86,418</b>	<b>3,03,205</b>

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	1.2%	1.9%	4.8%	7.8%	9.1%
Asset Turnover (x)	0.4	0.5	0.5	0.6	0.6
Leverage Factor (x)	2.2	2.4	2.6	2.6	2.7
RoE	1.2%	2.2%	6.6%	12.2%	15.7%

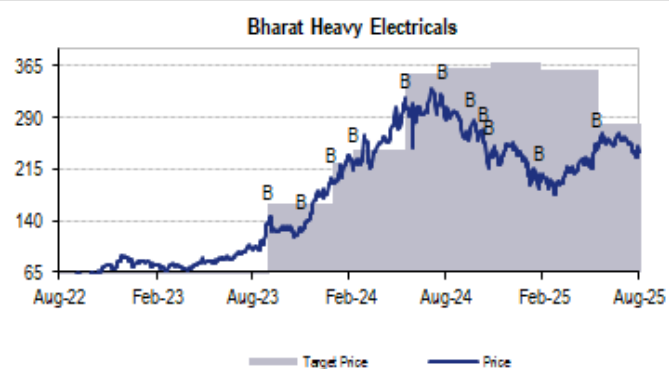
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	70.2	71.0	73.4	78.1	84.5
ROIC	1.7%	2.6%	6.1%	9.8%	11.5%
ROE	1.2%	2.2%	6.6%	12.2%	15.7%
Net Debt/Equity (x)	0.1	0.0	0.1	0.2	0.3
P/E (x)	296.1	156.5	50.5	25.9	18.8
P/B (x)	3.4	3.4	3.3	3.1	2.8
EV/EBITDA (x)	140.7	68.3	36.1	21.7	16.8
EV/Sales (x)	3.6	3.0	2.5	2.2	1.9
Debtor days	122	115	115	115	115
Inventory days	110	127	110	110	110
Creditor days	170	158	162	168	170

Source: Company, JM Financial

## History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
4-Sep-23	Buy	165	
9-Nov-23	Buy	165	0.0
4-Jan-24	Buy	225	36.5
14-Feb-24	Buy	243	8.1
22-May-24	Buy	353	45.1
31-Jul-24	Buy	361	2.4
23-Sep-24	Buy	361	0.0
17-Oct-24	Buy	361	0.0
29-Oct-24	Buy	371	2.7
30-Jan-25	Buy	358	-3.4
19-May-25	Buy	281	-21.6

## 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.
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