16 November 2026
2QFY27 Results Update | Sector: Automobile

Ashok Leyland

Estimate change	↑
TP change	↑
Rating change	↔

Motilal Oswal values your support in the EXTEL POLL 2026 for India Research, Sales, Corporate Access and Trading team.
We request your ballot.



Bloomberg	AL IN
Equity Shares (m)	5874
M.Cap.(INRb)/(USDb)	985.6 / 10.5
52-Week Range (INR)	215 / 138
1, 6, 12 Rel. Per (%)	3/3/16
12M Avg Val (INR M)	3629

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	440.1	500.8	557.0
EBITDA	57.3	53.0	71.4
Adj. PAT	38.2	34.5	48.2
Adj. EPS (INR)	6.5	5.9	8.2
EPS Gr. (%)	18.6	-9.8	39.9
BV/Sh. (INR)	22.3	24.4	27.7
Ratios			
RoE (%)	31.0	25.1	31.5
ROCE (%)	26.2	21.6	27.1
Payout (%)	53.8	63.9	60.9
Valuations			
P/E (x)	25.7	28.5	20.4
P/BV (x)	7.5	6.8	6.1
EV/EBITDA (x)	16.3	17.5	12.8
Div. Yield (%)	2.1	2.2	3.0

Shareholding Pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	51.1	51.1	51.1
DII	16.6	15.7	13.6
FII	20.5	21.3	24.9
Others	11.8	11.9	10.4

FII includes depository receipts

CMP: INR168 TP: INR195 (+16%) Buy

Resilient margins in tough RM environment

MHCV industry to see mid-teen growth in FY27E

- Ashok Leyland's (AL) 2QFY27 PAT at INR8.7b was 6% ahead of estimates. EBITDA margin contracted 200bp YoY to 10.1% due to high commodity costs, though still 90bp ahead of our estimates.
- CV demand trends have been better than expected so far, with the industry posting strong double-digit growth on a YTD basis. The industry also seems to have weathered the surge in input costs well. Given sustained demand momentum and resilient margins despite a challenging operating environment, we raise our FY28 earnings estimate by 6%, while maintaining our FY27 estimate unchanged to factor in near-term headwinds from raw material inflation. Given these factors, we now expect AL to post 11%/9% volume growth in FY27/FY28. Overall, we factor in revenue/EBITDA/PAT CAGR of 13%/12%/12% over FY26-28E. Over the years, AL has effectively reduced its business cyclicality by focusing on non-truck segments. Its continued emphasis on margin expansion and prudent capex control should help improve returns in the long run. Further, a net cash position will enable AL to invest in growth avenues in the coming years. **We reiterate our BUY rating with a TP of INR195 (based on 14x FY28E EV/EBITDA + ~INR10/sh for NBFC).**

Earnings beat led by resilient margins

- 2Q revenue grew 39% YoY to INR133.6b (in line), entirely driven by volume growth of ~32% YoY to 64.7k units. Realizations rose 5.8% YoY to INR2.1m per unit.
- Gross margins contracted 370bp YoY to 25.1%, coming in below our estimate of 26%.
- As a result, EBITDA margin contracted 200bp YoY to 10.1% (above estimated 9.2%).
- EBITDA grew 16.2% YoY to INR13.5b, beating our estimates of ~INR12b.
- Other income was lower than expected at INR649m (vs estimate of INR1.2b).
- Adj. PAT grew 8.5% YoY to INR8.7b, beating our estimate of INR8.2b.
- For 1HFY27, CFO was a negative ~INR867m, and as a result, FCF was also negative at INR4.8b.
- The company announced an interim dividend of INR1 per share.

Highlights from the management commentary

- Domestic CV demand remained strong across segments, supported by replacement demand, infrastructure activity, healthy freight movement, and improved fleet utilization. Management expects the domestic CV industry to deliver double-digit growth in FY27, with MHCV growth potentially reaching the mid-teens.

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- International volumes increased 7% YoY in 2Q, with strong performance across SAARC and African markets offsetting weakness in the GCC region. Management expects a turnaround in GCC markets in 3QFY27, followed by stronger performance in 4QFY27 as production at the RAK facility has largely normalized.
- The company reiterated its medium-term EBITDA margin aspiration of mid-teens, and considers the current cost inflationary environment temporary. However, 3Q is expected to remain challenging due to continued inflationary pressure, particularly in steel and rubber.
- Switch India delivered 439 electric buses and 732 electric LCVs in 1HFY27 and had an order book of approximately 2,800 electric buses. Ohm Mobility operated a fleet of around 2,100 electric buses and secured an order for over 200 trucks for cement distribution.
- The merger of HLF and NDL received NCLT approval in November, with 1 April 2026 as the appointed date and NDL acting as the legal and accounting acquirer. The remaining legal process, share swap, and NBFC license formalities are expected to be completed in 4QFY27.

Valuation and view

CV demand trends have been better than expected so far, with the industry posting strong double-digit growth on a YTD basis. The industry also seems to have weathered the surge in input costs well. Given sustained demand momentum and resilient margins despite a challenging operating environment, we raise our FY28 earnings estimate by 6%, while maintaining our FY27 estimate unchanged to factor in near-term headwinds from raw material inflation. Given these factors, we now expect AL to post 11%/9% volume growth in FY27E/FY28E. Overall, we factor in revenue/EBITDA/PAT CAGR of 13%/12%/12% over FY26-28E. Over the years, AL has effectively reduced its business cyclicality by focusing on non-truck segments. Its continued emphasis on margin expansion and prudent capex control should help improve returns in the long run. Further, a net cash position will enable AL to invest in growth avenues in the coming years. **We reiterate our BUY rating with a TP of INR195 (based on 14x FY28E EV/EBITDA + ~INR10/sh for NBFC).**

Quarterly Performance (S/A) **(INR M)**

	FY26				FY27				FY26	FY27E		Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Total Volumes (nos)	44,238	49,116	57,625	69,458	48,763	64,677	65,693	64,864	2,20,437	2,43,996	64,677	
Growth %	0.8	7.7	24.2	17.4	10.2	31.7	14.0	-6.6	13.0	10.7	31.7	
Realizations (INR '000)	1,972	1,952	2,002	2,039	1,976	2,066	2,070	2,079	1,996	2,052	2,015	2.6
Change (%)	0.7	1.6	-2.0	1.3	0.2	5.8	3.4	2.0	0.5	2.8	3.2	
Net operating revenues	**87,245**	**95,882**	**1,15,339**	**1,41,605**	**96,344**	**1,33,643**	**1,35,956**	**1,34,854**	**4,40,070**	**5,00,796**	**1,30,300**	**2.6**
Change (%)	1.5	9.3	21.7	18.9	10.4	39.4	17.9	-4.8	13.6	13.8	**35.9**	
RM/sales %	70.6	71.2	72.2	71.4	71.5	74.9	75.0	72.0	71.4	73.5	74.0	
Staff/sales %	7.0	6.8	5.4	5.1	7.2	5.3	5.3	5.4	5.9	5.7	6.8	
Other exp/sales %	11.2	10.0	9.1	9.0	11.2	9.7	9.7	10.6	9.7	10.2	10.0	
EBITDA	**9,696**	**11,622**	**15,350**	**20,655**	**9,695**	**13,500**	**13,664**	**16,140**	**57,322**	**52,999**	**11,988**	**12.6**
Change (%)	6.4	14.2	26.7	15.3	0.0	16.2	-11.0	-21.9	16.3	-7.5	3.1	
EBITDA Margins(%)	11.1	12.1	13.3	14.6	10.1	10.1	10.1	12.0	13.0	10.6	9.2	90bp
Interest	419	420	439	421	415	422	435	429	1,697	1,701	375	
Other Income	529	1,348	593	683	851	649	550	634	3,152	2,684	1,200	
Depreciation	1,828	1,723	1,775	1,826	1,829	1,855	1,875	1,952	7,152	7,511	1,835	
PBT after EO	**7,977**	**10,427**	**10,645**	**19,091**	**8,302**	**11,873**	**11,904**	**14,393**	**48,140**	**46,471**	**10,978**	
Effective Tax Rate (%)	25.6	26.0	25.2	26.4	26.6	26.8	25.5	24.7	25.9	25.8	25.5	
Adj PAT	**5,937**	**8,007**	**10,244**	**14,047**	**6,091**	**8,690**	**8,868**	**10,832**	**38,236**	**34,481**	**8,178**	**6.3**
Change (%)	13.0	15.5	34.5	11.8	2.6	8.5	-13.4	-22.9	18.6	-9.8	2.1	

Key Performance Indicators

Y/E March	FY26				FY27				FY26	FY27E	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE
M&HCV	28,071	30,718	37,376	46,493	29,424	42,177	43,357	42,810	1,42,658	1,57,768	42177
Dom. M&HCV Mkt sh (%)	30.2	30.2	30.2	30.3	28.6	31.4			30.2		
LCV	16,167	18,398	20,249	22,965	19,339	22,500	22,335	22,054	77,779	86,228	22500
Dom. LCV Mkt sh (%)	11.1	11.8	10.7	11.8	11.2	11.4			11.3		
Total Volumes (nos)	**44,238**	**49,116**	**57,625**	**69,458**	**48,763**	**64,677**	**65,693**	**64,864**	**2,20,437**	**2,43,996**	**64677**
Realizations (INR '000)	1,972	1,952	2,002	2,039	1,976	2,066	2,070	2,079	1,996	2,052	2015
Growth %	0.7	1.6	-2.0	1.3	0.2	5.8	3.4	2.0	0.5	2.8	3
Cost Break-up											
RM Cost (% of sales)	70.6	71.2	72.2	71.4	71.5	74.9	75.0	72.0	71.4	73.5	74.0
Staff Cost (% of sales)	7.0	6.8	5.4	5.1	7.2	5.3	5.3	5.4	5.9	5.7	6.8
Other Cost (% of sales)	11.2	10.0	9.1	9.0	11.2	9.7	9.7	10.6	9.7	10.2	10.0
Gross Margin (%)	29.4	28.8	27.8	28.6	28.5	25.1	25.0	28.0	28.6	26.5	26.0
EBITDA Margins (%)	11.1	12.1	13.3	14.6	10.1	10.1	10.1	12.0	13.0	10.6	9.2
EBIT Margins (%)	9.0	10.3	11.8	13.3	8.2	8.7	8.7	10.5	11.4	9.1	7.8

E:MOFSL Estimates



Key takeaways from the management commentary

Update on domestic performance

- Domestic CV demand remained strong across segments, supported by replacement demand, infrastructure activity, healthy freight movement, and improved fleet utilization. Management expects the domestic CV industry to deliver double-digit growth in FY27, with MHCV growth potentially reaching the mid-teens.
- Domestic MHCV volumes grew 44% YoY, outperforming industry growth of 39%, while LCV volumes increased 21% against industry growth of 24%. Domestic MHCV market share improved 120bp YoY to 32.1%, with truck market share increasing 150bp. LCV market share stood at 13.6%, up 30bp YoY.
- Buses recorded the lowest segment growth at 22%, whereas ICVs emerged as the fastest-growing segment, supported by GST rationalization. Heavy-duty trucks, trailers, and MAVs also witnessed strong demand, while tippers are expected to improve with a pickup in infrastructure and construction activity.
- MAVs increased their contribution to domestic truck volumes from 20% in 1QFY27 to 25% in 2QFY27. The company continued to witness healthy traction for its Hippo tractor and Taurus tipper platforms and launched new products, including a 360HP tractor-trailer and air-suspension MAVs, to strengthen its premium portfolio.
- LCV market share gains were supported by improvements to the Dost and Bada Dost platforms, the launch of Saathi in the sub-2T segment, and expansion of the distribution network, particularly across Central and Eastern India. The company aims to increase its addressable market participation to 80-85% from the current 55-60% through new product platforms and wider network coverage.
- Replacement demand remains healthy, supported by the superior total cost of ownership of BS6 vehicles compared with older BS2/BS3/BS4 vehicles. Management indicated that higher freight rates and economic activity remain supportive and does not expect interest rate increases to materially affect demand over the next two quarters.

Update on exports

- International volumes increased 7% YoY, with strong performance across SAARC and African markets offsetting weakness in the GCC region.

- GCC volumes declined ~20% due to disruptions in West Asia, which affected logistics, shipping availability, freight costs, and transit times. These challenges also impacted production and dispatches from the RAK facility.
- Production at Ras Al Khaimah has largely normalized, with the plant operating close to full capacity. Management expects a turnaround in GCC markets in 3QFY27, followed by stronger performance in 4QFY27.

Update on margins

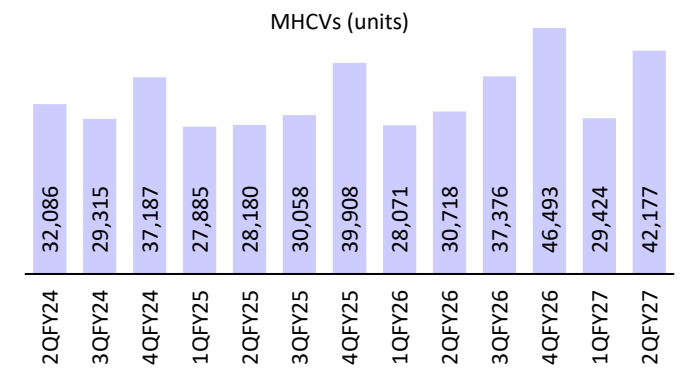
- EBITDA margin contracted 200bp YoY to 10.1%, primarily due to commodity inflation across steel and natural rubber, along with forex, fuel, and conversion-cost pressures. Material costs as a proportion of revenue increased 340bp QoQ to 74.9%.
- Margins remained flat QoQ despite cost pressures, supported by operating leverage, improved realizations, favorable product mix, and cost-control initiatives.
- Net realizations improved ~1-1.25% in 2Q, translating into a cumulative improvement of around 2.5% since the beginning of FY27. The company has already implemented a price increase in Q3 with the impact of same flowing through in 4Q, with another price hike planned for 4Q.
- Management highlighted a timing mismatch between commodity inflation and price increases, with accumulated price increases expected to support margins as input-cost inflation moderates. However, 3Q is expected to remain challenging due to continued inflationary pressure, particularly in steel and rubber.
- The company reiterated its medium-term EBITDA margin aspiration of mid-teens, and considers the current cost inflationary environment temporary.

Other updates

- Plant utilization stood at ~90%, with the company focusing on debottlenecking existing facilities, developing greenfield capacity and augmenting supplier capacity to support growth in the near term. FY27 capex guidance stands at INR10-12b, of which INR3.93b was incurred in 1HFY27.
- Investments in subsidiaries during 2Q included INR3.24b toward repayment of a Switch UK loan and INR1.5b in Ohm Mobility.
- Construction has commenced at the battery-pack assembly facility, which will have an initial capacity of 4GWh and can be expanded to 8-12GWh. The facility is expected to commence operations in 3QFY28, while a decision on cell manufacturing is likely in FY28.
- Management expects EV adoption to gain traction initially in the LCV and bus segments, while MHCV electrification is likely to be slower. LNG is viewed as a viable alternative for long-haul applications, whereas hydrogen is considered a longer-term opportunity.
- Switch India delivered 439 electric buses and 732 electric LCVs in 1HFY27 and had an order book of approximately 2,800 electric buses. Ohm Mobility operated a fleet of around 2,100 electric buses and secured an order for over 200 trucks for cement distribution.
- The merger of HLF and NDL received NCLT approval in November, with 1 April 2026 as the appointed date and NDL acting as the legal and accounting acquirer. The remaining legal process, share swap and NBFC license formalities are expected to be completed in 4QFY27. Separately, auditors identified discrepancies in loan transactions and balances across systems, and an independent review is underway to assess the matter and its potential financial impact.

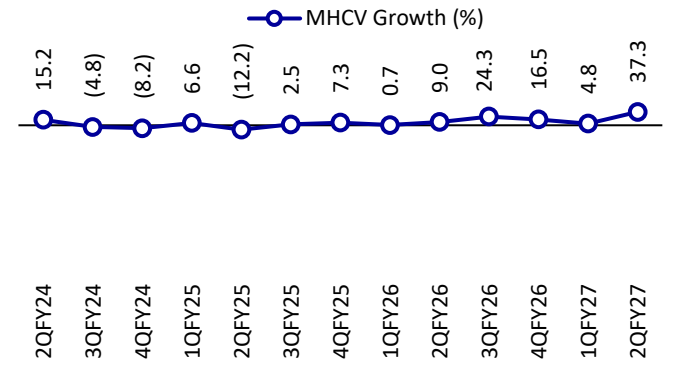
- The company added 43 new touchpoints during 2Q, taking its overall network to 2,175 locations, comprising 1,205 MHCV and 970 LCV touchpoints, with a greater focus on expanding its presence in Northern and Eastern India.
- Aftermarket revenue grew 20% YoY while Power Solutions revenues grew by 33%. Defense revenue increased 66% to approximately INR4b, supported by a healthy order book and tender pipeline.

Exhibit 1: M&HCV sales trend



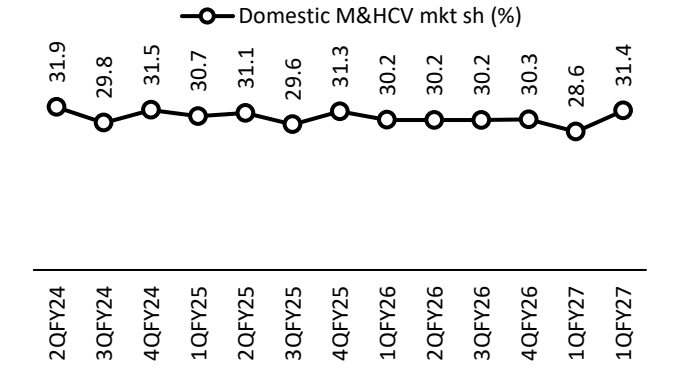
Source: Company, MOFSL

Exhibit 2: Growth trend in M&HCV



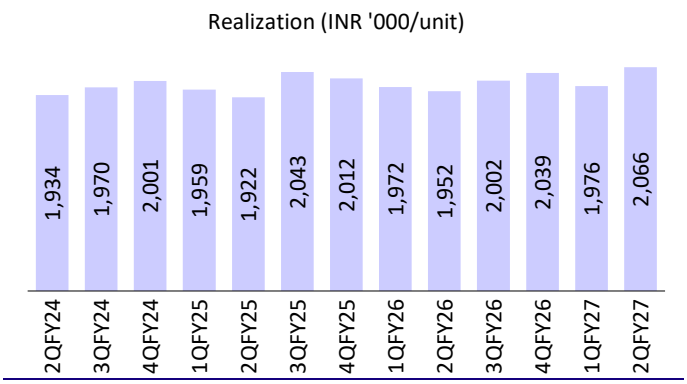
Source: Company, MOFSL

Exhibit 3: Domestic M&HCV market share trend



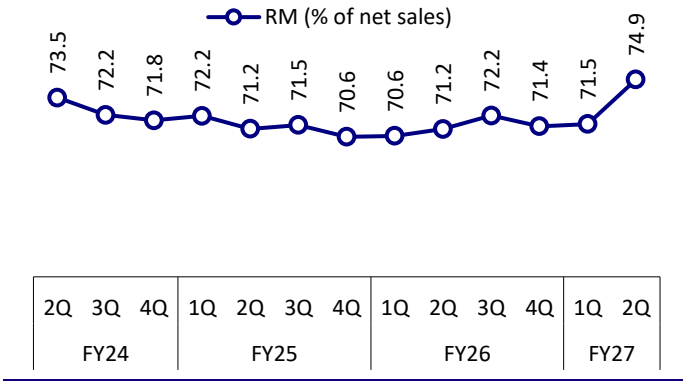
Source: Company, MOFSL

Exhibit 4: Realization trend



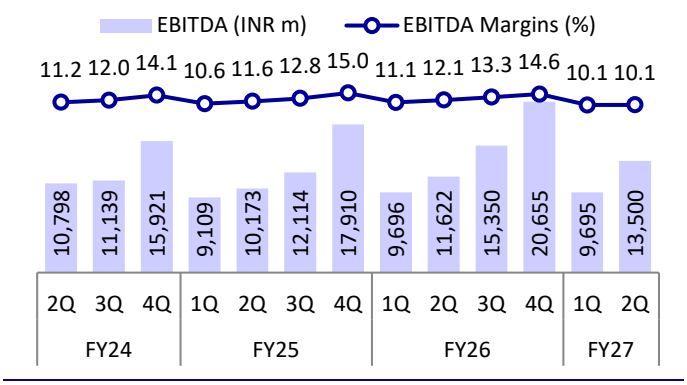
Source: Company, MOFSL

Exhibit 5: Trend in RM costs



Source: Company, MOFSL

Exhibit 6: Trends in EBITDA and EBITDA margin



Source: Company, MOFSL

Valuation and view

- There had been high uncertainty around CV outlook at the start of the fiscal, especially given the ongoing geopolitical dynamics. However, CV demand has held up extremely well in 1H, with the industry clocking 24% volume growth. Even 3Q has started off well, with most players posting healthy double-digit growth. Hence, industry growth rate is widely expected to decelerate in 2H, we now expect the CV industry to post a much better 12% volume growth.
- The industry's pricing discipline has certainly been commendable over the last 12 months, with all CV players witnessing improvement in margins. However, input costs have surged in the recent past and are likely to have some impact on margins in the near term. We currently expect this rising input cost pressure to persist in the near term and normalize in 4Q. We, hence, factor in a 140bp margin impact for FY27E and expect margins to revive in FY28.
- **Focus on reducing business cyclicality:** Over the years, AL has effectively reduced its business cyclicality by focusing on non-truck segments, such as Bus (13% of sales), LCV (12% of sales), Spares (10%), Exports (8%), and Defense (2%). Some of its critical targets in these segments include: 1) a medium-term goal to achieve a 25% share in the LCV sub-segment (2-3.5T), up from 20% currently; 2) having already doubled its revenue in spares over the last five years, the next objective is to further double its revenue over the medium term; 3) increasing its presence in exports through new launches and expanding its footprint in key regions and thereby deliver 20% volume CAGR in exports over next 2-3 years; and 4) the potential to significantly scale up its defense business, aided by the government's 'Make in India' initiative.
- **Aiming for profitable growth:** AL's focus on non-truck CV segments has also led to an improving mix, as these are relatively more profitable than the truck business. Further, over the years, AL has been focusing on improving its operational efficiency wherever feasible and hence reducing its cost. Beyond this, over the last few years, the CV industry has been observing a remarkable pricing discipline, which has helped all players improve margins. Aided by these factors, AL has set a target to achieve mid-teen margins in the coming years.
- **Valuation and view:** CV demand trends have been better than expected so far, with the industry posting strong double digit growth on YTD basis. The industry also seems to have weathered the surge in input costs well. Given these factors, we now expect AL to post 11%/9% volume growth in FY27/FY28. Overall, we factor in revenue/EBITDA/PAT CAGR of 13%/12%/12% over FY26-28E. Over the years, AL has effectively reduced its business cyclicality by focusing on non-truck segments. Its continued emphasis on margin expansion and prudent capex control should help improve returns in the long run. Further, a net cash position will enable AL to invest in growth avenues in the coming years. **We reiterate our BUY rating with a TP of INR195 (based on 14x FY28E EV/EBITDA + ~INR10/sh for NBFC).**

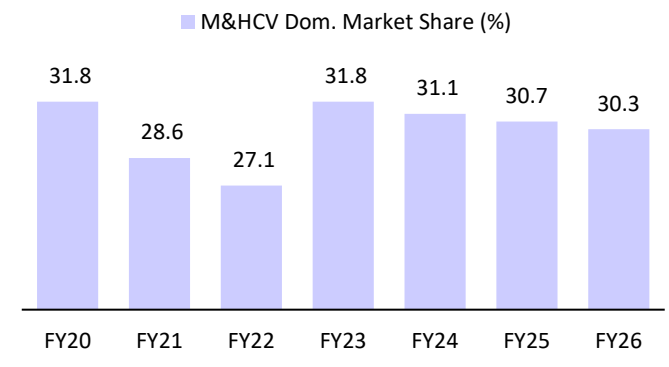
Exhibit 7: Our revised estimates

	FY27E			FY28E		
INR m	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Volumes ('000 units)	244	236	3.2	266	259	2.9
Net Sales	5,00,796	4,78,100	4.7	5,56,971	5,33,003	4.5
EBITDA	52,999	51,223	3.5	71,397	66,537	7.3
EBITDA margins (%)	10.6	10.7	-10bp	12.8	12.5	30bp
Net Profit	34,481	33,983	1.5	48,245	45,522	6.0
EPS (INR)	5.9	5.8	1.5	8.2	7.7	6.0

Source: MOFSL

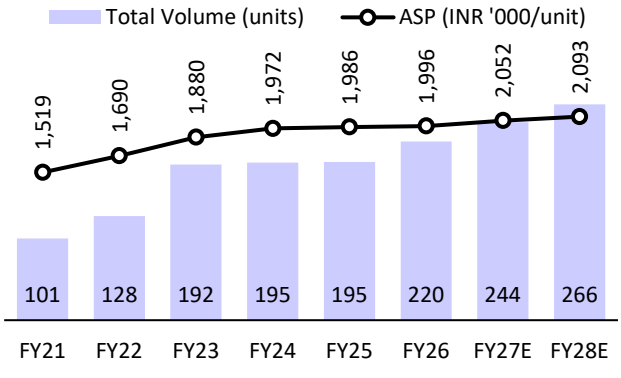
Story in charts

Exhibit 8: AL's market share trend



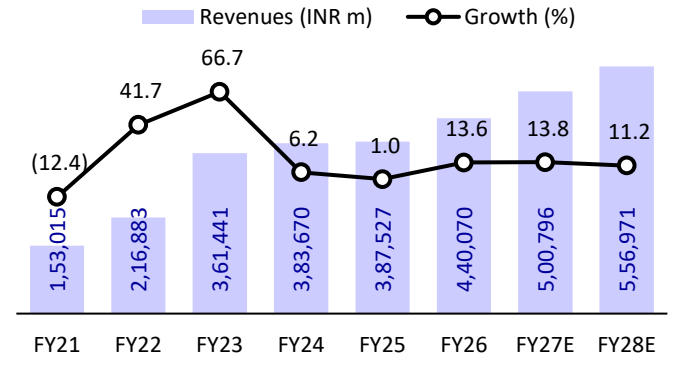
Source: Company, MOFSL

Exhibit 9: Volume and realization growth trends



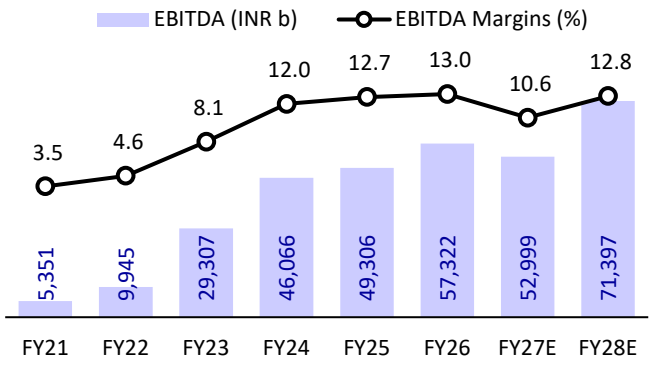
Source: Company, MOFSL

Exhibit 10: Revenue growth trend



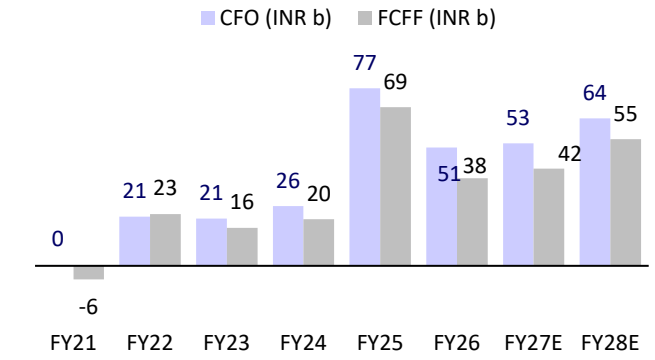
Source: Company, MOFSL

Exhibit 11: EBITDA and EBITDA margin trends



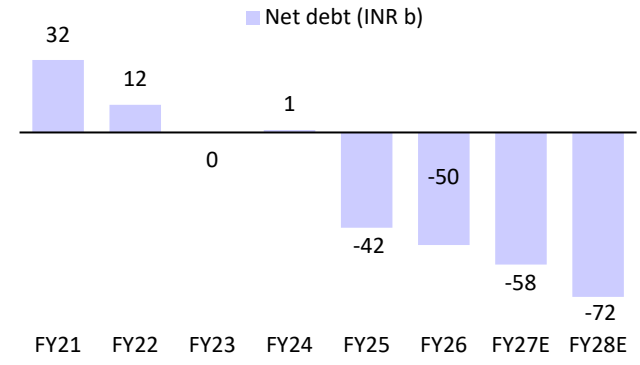
Source: Company, MOFSL

Exhibit 12: CFO and FCFF trends



Source: Company, MOFSL

Exhibit 13: AL became net cash from FY24



Source: Company, MOFSL

Financials and valuations

Income Statement								(INR M)
Y/E March	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**
Volumes ('000 units)	101	128	192	195	195	220	244	266
Growth (%)	-19.6	27.4	49.8	1.2	0.3	13.0	10.7	9.1
Net Operating Income	**1,53,015**	**2,16,883**	**3,61,441**	**3,83,670**	**3,87,527**	**4,40,070**	**5,00,796**	**5,56,971**
Change (%)	-12.4	41.7	66.7	6.2	1.0	13.6	13.8	11.2
EBITDA	**5,351**	**9,945**	**29,307**	**46,066**	**49,306**	**57,322**	**52,999**	**71,397**
EBITDA Margins (%)	-54.4	85.8	194.7	57.2	7.0	16.3	-7.5	34.7
Change (%)	3.5	4.6	8.1	12.0	12.7	13.0	10.6	12.8
Depreciation	7,477	7,528	7,320	7,178	7,193	7,152	7,511	8,086
EBIT	**-2,126**	**2,418**	**21,987**	**38,888**	**42,112**	**50,170**	**45,488**	**63,311**
Interest & Fin. Charges	3,068	3,011	2,891	2,494	2,169	1,697	1,701	1,411
Other Income	1,195	761	1,161	2,466	2,503	3,152	2,684	3,120
PBT	**-4,119**	**5,276**	**21,104**	**37,922**	**43,483**	**48,140**	**46,471**	**65,021**
Tax	(982)	(142)	7,303	11,743	10,450	12,485	11,990	16,775
Effective Rate (%)	23.8	-2.7	34.6	31.0	24.0	25.9	25.8	25.8
Rep. PAT	**-3,137**	**5,418**	**13,801**	**26,179**	**33,033**	**35,655**	**34,481**	**48,245**
Change (%)	-231.0	-272.7	154.7	89.7	26.2	7.9	-3.3	39.9
Adjusted PAT	**-3,045**	**172**	**13,248**	**26,826**	**32,245**	**38,236**	**34,481**	**48,245**
Change (%)	-188.9	-105.7	7,587.8	102.5	20.2	18.6	-9.8	39.9

Balance Sheet								(INR M)
Y/E March	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**
Sources of Funds								
Share Capital	2,936	2,936	2,936	2,936	2,937	5,874	5,874	5,874
Reserves	66,837	70,434	81,322	85,167	1,12,251	1,25,260	1,37,715	1,56,590
Net Worth	**69,772**	**73,369**	**84,258**	**88,104**	**1,15,188**	**1,31,134**	**1,43,589**	**1,62,464**
Loans	37,163	35,071	32,248	22,994	14,817	11,950	12,350	9,350
Deferred Tax Liability	1,708	1,444	5,035	5,563	5,479	5,357	7,681	10,932
Capital Employed	**1,08,642**	**1,09,884**	**1,21,541**	**1,16,661**	**1,35,484**	**1,48,442**	**1,63,620**	**1,82,746**
Application of Funds								
Gross Fixed Assets	1,01,269	1,03,773	1,07,732	1,09,936	1,14,189	1,25,129	1,36,129	1,45,129
Less: Depreciation	35,264	41,626	48,470	54,917	60,233	65,739	73,250	81,337
Net Fixed Assets	**66,005**	**62,146**	**59,262**	**55,019**	**53,956**	**59,390**	**62,879**	**63,792**
Capital WIP	3,719	1,943	1,325	2,015	4,248	4,793	4,793	4,793
Goodwill	4,499	4,499	4,499	4,499	4,499	4,499	4,499	4,499
Investments	30,687	48,196	66,636	55,598	86,730	1,06,790	1,23,790	1,40,790
Curr.Assets, L & Adv.	**79,590**	**86,554**	**94,194**	**1,18,987**	**1,05,826**	**1,10,465**	**1,24,168**	**1,39,885**
Inventory	21,423	20,752	27,745	31,907	29,573	34,860	39,671	44,121
Sundry Debtors	28,163	31,111	40,627	35,699	28,873	29,504	32,929	36,623
Cash & Bank Balances	5,301	9,943	4,541	19,419	26,598	20,311	22,220	26,501
Loans & Advances	24,702	24,749	21,281	31,962	20,782	25,790	29,349	32,641
Current Liab. & Prov.	**75,857**	**93,454**	**1,04,375**	**1,19,457**	**1,19,774**	**1,37,495**	**1,56,509**	**1,71,012**
Sundry Creditors	51,647	68,752	71,751	63,052	73,047	83,293	94,786	1,05,419
Other Liabilities	17,665	17,997	22,238	42,657	31,386	34,344	39,084	43,468
Provisions	6,545	6,705	10,385	13,748	15,341	19,858	22,639	22,126
Application of Funds	**1,08,642**	**1,09,884**	**1,21,541**	**1,16,661**	**1,35,484**	**1,48,442**	**1,63,620**	**1,82,746**

E: MOFSL Estimates

Financials and valuations

Ratios								
Y/E March	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**
Basic (INR)								
EPS	**-0.5**	**0.0**	**2.3**	**4.6**	**5.5**	**6.5**	**5.9**	**8.2**
EPS Growth (%)	-188.9	-105.7	7,587.8	102.5	20.2	18.6	-9.8	39.9
Cash EPS	0.8	1.3	3.5	5.8	6.7	7.7	7.1	9.6
Book Value per Share	11.9	12.5	14.3	15.0	19.6	22.3	24.4	27.7
DPS	0.3	0.5	1.3	2.5	3.1	3.5	3.8	5.0
Div. Payout (%)	-57.8	1,703.5	57.6	54.2	56.9	53.8	63.9	60.9
Valuation (x)								
P/E	-322.9	5,706.1	74.2	36.7	30.5	25.7	28.5	20.4
Cash P/E	221.9	127.7	47.8	28.9	24.9	21.7	23.4	17.5
EV/EBITDA	189.7	100.1	33.6	21.4	19.1	16.3	17.5	12.8
EV/Sales	6.6	4.6	2.7	2.6	2.4	2.1	1.8	1.6
Price to Book Value	14.1	13.4	11.7	11.2	8.5	7.5	6.8	6.1
Dividend Yield (%)	0.2	0.3	0.8	1.5	1.9	2.1	2.2	3.0
Profitability Ratios (%)								
ROE	-4.3	0.2	16.8	31.1	31.7	31.0	25.1	31.5
RoCE	-1.5	2.3	12.4	22.5	25.4	26.2	21.6	27.1
Turnover Ratios								
Debtors (Days)	67	52	41	34	27	24	24	24
Inventory (Days)	51	35	28	30	28	29	29	29
Creditors (Days)	123	116	72	60	69	69	69	69
Working Capital (Days)	-5	-28	-3	4	-14	-16	-16	-16
Fixed-Asset Turnover (x)	2.3	3.5	6.1	7.0	7.2	7.4	8.0	8.7
Leverage Ratio								
Net Debt/Equity (x)	0.5	0.2	0.0	0.0	-0.4	-0.4	-0.4	-0.4

Cash flow Statement								(INR M)
Y/E March	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**
OP/(Loss) before Tax	-4,119	5,276	21,104	37,922	43,483	48,140	45,488	63,311
Int/Div Received	-945	-220	-404	-1,362	-888	-729	2,684	3,120
Depreciation	7,477	7,528	7,320	7,178	7,193	7,152	7,511	8,086
Direct Taxes Paid	779	714	-4,002	-6,245	-9,407	-10,883	-9,666	-13,524
(Inc)/Dec in Work Cap.	-6,058	15,696	-4,265	-15,229	37,407	4,136	7,220	3,068
Other Items	3,198	-7,633	762	3,705	-631	3,590	0	0
CF from Oper. Activity	**332**	**21,361**	**20,514**	**25,968**	**77,157**	**51,406**	**53,237**	**64,061**
Extra-ordinary Items	-120	5,108	846	-937	1,037	-3,485	0	0
CF after EO Items	**211**	**26,469**	**21,360**	**25,031**	**78,194**	**47,921**	**53,237**	**64,061**
(Inc)/Dec in FA+CWIP	-6,166	-3,933	-4,884	-4,815	-9,243	-9,777	-11,000	-9,000
Free Cash Flow	**-5,954**	**22,536**	**16,477**	**20,217**	**68,951**	**38,144**	**42,237**	**55,061**
CF from Inv. Activity	**-9,752**	**-14,589**	**-17,345**	**9,021**	**-40,779**	**-32,052**	**-28,000**	**-26,000**
Inc/(Dec) in Debt	4,780	-2,721	-3,918	-9,096	-8,353	-2,914	400	-3,000
Interest Rec./(Paid)	-2,720	-2,755	-2,598	-2,461	-1,491	-936	-1,701	-1,411
Dividends Paid	0	-1,761	-2,936	-7,634	-20,408	-18,339	-22,027	-29,370
CF from Fin. Activity	**2,060**	**-7,238**	**-9,402**	**-19,175**	**-30,235**	**-22,156**	**-23,328**	**-33,780**
Inc/(Dec) in Cash	**-7,481**	**4,643**	**-5,387**	**14,878**	**7,181**	**-6,287**	**1,909**	**4,281**
Add: Beginning Balance	12,782	5,300	9,928	4,541	19,417	26,598	20,311	22,219
Closing Balance	**5,301**	**9,943**	**4,541**	**19,418**	**26,598**	**20,311**	**22,219**	**26,500**

E: MOFSL Estimates

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