

**ABSLAMC delivered a largely stable performance in Q4FY26, with MF QAAUM growing by ~14% YoY to Rs4.36trn, while monthly SIP contribution increased to Rs12bn, led by 16% QoQ growth in SIP registrations to 0.6mn. While revenue yields remained largely stable at 42.6bps, revenue at Rs4.58bn was largely in line with our estimates. PAT at Rs1.87bn was impacted by lower other income, but lower tax rate resulted in PAT coming largely in line with our estimates. While the gross impact of the TER regulation changes is estimated at 3-4bps, management plans to restructure commissions and other expenses, which is expected to result in a marginal to neutral impact on profitability. Further, improvement in investment performance has resulted in consistent flows across multiple 'focus' equity and hybrid products. Factoring in Q4 developments, we have made minor tweaks to our estimates, resulting in ~1-2% cut in FY27-28E PAT. We introduce FY29 estimates and maintain ADD with an unchanged Mar-27E TP of Rs1,150, implying FY28E P/E of ~26x.**

#### Yields remain largely stable, market share loss continues

ABSLAMC's MF QAAUM grew by ~14% YoY (-2% QoQ) to Rs4.36trn, with equity AUM contributing to ~45%. MF QAAUM market share declined by 13bps QoQ to 5.3%, however, the company's pace of market share erosion has reduced in recent quarters, driven by improvement in fund performance and consistent flows. Revenue from operations for Q4 stood at Rs4.58bn, declining ~4% YoY, and was largely in line with our estimates. Revenue yields remained broadly stable at 42.6bps during Q4FY26 vs 42.8bps in Q3FY26. EBITDA margin at 58.1% dipped by 190bps QoQ, led by a decline in revenue and higher other operating expenses. During Q4FY26, PAT at Rs1.87bn (-31% QoQ) was largely in line with our estimate of Rs1.9bn on account of lower-than-expected other income being offset by a lower tax rate during the quarter.

#### Marginal impact of regulatory change in TER

The change in TER regulation is likely to have a gross impact of 3-4bps on overall revenue, however, management plans to mitigate this through restructuring commissions and other expenses, resulting in a marginal to neutral impact on profitability. Management indicated that flow market share is broadly in line with book market share. Further, improved investment performance has driven consistent flows across flexi cap, balanced advantage, multi-asset allocation, mid-cap, and small-cap funds. With a focus on deepening its presence, the company plans to add several locations in FY27, thus strengthening its distribution network.

#### We maintain ADD, with an unchanged Mar-27E TP of Rs1,150

Factoring in Q4 developments, we have made minor tweaks to our estimates, resulting in ~1-2% cut in PAT over FY27-28E. We introduce FY29 estimates. Going forward, consistent flows, led by sustained investment performance, are expected to drive market share stabilization. We maintain ADD and Mar-27E TP of Rs1,150, implying FY28E P/E of 26x.

Target Price – 12M	Mar-27
Change in TP (%)	-
Current Reco.	ADD
Previous Reco.	ADD
Upside/(Downside) (%)	9.8

Stock Data	ABSLAMC IN
52-week High (Rs)	1,082
52-week Low (Rs)	612
Shares outstanding (mn)	289.1
Market-cap (Rs bn)	303
Market-cap (USD mn)	3,218
Net-debt, FY27E (Rs mn)	(45,289.3)
ADTV-3M (mn shares)	0.4
ADTV-3M (Rs mn)	523.1
ADTV-3M (USD mn)	5.6
Free float (%)	24.8
Nifty-50	24,173.1
INR/USD	94.1

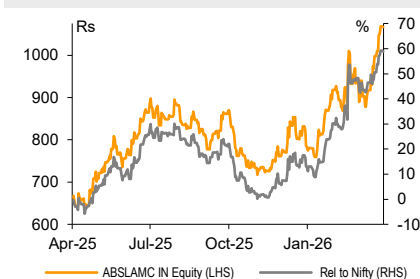
#### Shareholding, Mar-26

Promoters (%)	74.8
FPIs/MFs (%)	5.8/11.6

#### Price Performance

(%)	1M	3M	12M
Absolute	17.8	34.2	57.0
Rel. to Nifty	9.7	39.1	58.0

#### 1-Year share price trend (Rs)



#### Aditya Birla Sun Life AMC: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	16,848	18,450	20,511	22,827	25,154
EBITDA	9,890	11,019	12,237	13,607	14,922
Adj. PAT	9,306	9,751	11,546	12,597	13,686
Adj. EPS (Rs)	32.2	33.7	39.9	43.5	47.3
Core PAT	7,055	8,098	8,785	9,775	10,721
EBITDA margin (%)	58.7	59.7	59.7	59.6	59.3
EBITDA growth (%)	30.0	11.4	11.1	11.2	9.7
Adj. EPS growth (%)	19.1	4.7	18.4	9.1	8.6
RoE (%)	27.0	25.1	27.2	27.2	27.5
P/E (x)	32.5	31.0	26.2	24.0	22.1
EV/EBITDA (x)	26.7	23.7	21.0	18.6	16.7
P/B (x)	8.1	7.5	6.8	6.3	5.9
FCFF yield (%)	2.6	2.9	3.2	3.6	4.0

Source: Company, Emkay Research

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**Exhibit 1: Q4FY26 financial performance**

Rs mn	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY	QoQ	Q4FY26E	Var
Revenue from operations	4,288	4,474	4,613	4,781	4,582	7%	-4%	4,629	-1%
Other income	720	1,179	705	843	-329	-146%	-139%	100	-429%
<b>Total revenue</b>	<b>5,008</b>	<b>5,653</b>	<b>5,318</b>	<b>5,624</b>	<b>4,254</b>	<b>-15%</b>	<b>-24%</b>	<b>4,729</b>	<b>-10%</b>
Employee benefits expense	988	926	951	1,077	1,044	6%	-3%	1,099	-5%
Depreciation expense	97	103	108	117	130	34%	11%	123	5%
Fee and commission expense	122	135	145	161	156	28%	-3%	177	-12%
Other expenses	739	753	692	674	718	-3%	7%	717	0%
Finance costs	11	13	13	12	12	7%	-5%	13	-7%
EBITDA	2,439	2,660	2,825	2,869	2,664	9%	-7%	2,637	1%
EBITDA margin	56.9%	59.5%	61.2%	60.0%	58.1%	1.3ppt	-1.9ppt	57.0%	1.2ppt
<b>Total expense</b>	<b>1,957</b>	<b>1,930</b>	<b>1,909</b>	<b>2,041</b>	<b>2,060</b>	<b>5%</b>	<b>1%</b>	<b>2,129</b>	<b>-3%</b>
PBT	3,050	3,723	3,156	3,583	2,194	-28%	-39%	2,601	-16%
<b>PAT</b>	<b>2,281</b>	<b>2,771</b>	<b>2,413</b>	<b>2,695</b>	<b>1,871</b>	<b>-18%</b>	<b>-31%</b>	<b>1,891</b>	<b>-1%</b>
Tax Rate	25.2%	25.6%	23.5%	24.8%	14.7%	-10.5ppt	-10.1ppt	27.3%	-12.6ppt
<b>Core PAT</b>	<b>1,743</b>	<b>1,893</b>	<b>1,874</b>	<b>2,061</b>	<b>2,151</b>	<b>23%</b>	<b>4%</b>	<b>1,818</b>	<b>18%</b>
<b>AUM (Rs bn)</b>	<b>3,817</b>	<b>4,035</b>	<b>4,252</b>	<b>4,432</b>	<b>4,359</b>	<b>14%</b>	<b>-2%</b>	<b>4,359</b>	<b>0.0%</b>
<b>Key ratios (As bps of AUM)</b>	<b>Q4FY25</b>	<b>Q1FY26</b>	<b>Q2FY26</b>	<b>Q3FY26</b>	<b>Q4FY26</b>	<b>YoY (bps)</b>	<b>QoQ (bps)</b>	<b>Q4FY26E</b>	<b>Var (bps)</b>
Revenue Yield (bps)	45.6	44.5	43.0	42.8	42.6	-2.9	-0.2	43.1	-0.4
Opex	19.6	18.0	16.7	17.1	17.8	-1.8	0.7	18.5	-0.7
Operating profit	25.9	26.4	26.4	25.7	24.8	-1.1	-0.9	24.5	0.3
PAT	24.2	27.5	22.5	24.1	17.4	-6.8	-6.7	17.6	-0.2
<b>AUM</b>	<b>Q4FY25</b>	<b>Q1FY26</b>	<b>Q2FY26</b>	<b>Q3FY26</b>	<b>Q4FY26</b>	<b>YoY (ppt)</b>	<b>QoQ (ppt)</b>	<b>Q4FY26E</b>	<b>Var (ppt)</b>
<i>AUM mix (%)</i>									
Equity	44.0	44.3	44.9	44.6	44.8	0.8	0.2	44.8	0.0
Debt	31.5	31.5	32.2	32.2	30.9	-0.6	-1.3	30.9	0.0
Liquid	16.0	15.8	15.0	15.1	15.7	-0.3	0.6	15.7	0.0
Other	8.4	8.4	8.0	8.1	8.5	0.1	0.5	8.5	0.0

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)	186,597
Terminal value (Rs mn)	142,496
Fair value (Rs mn)	329,093
Number of shares (mn)	288.80
Mar-27E fair value (Rs)	1,140
Mar-27E target price (Rs)	1150
CMP (Rs)	1,047
Upside (%)	10

Source: Company, Emkay Research

**Exhibit 3: Implied valuation multiples for ABSL AMC**

<b>Valuation at target price</b>	<b>1150</b>
FY28E P/E (x)	26.4
FY28E P/B (x)	6.9
FY28E P/AUM (%)	5.9
<b>Valuation at current price</b>	<b>1047</b>
FY28E P/E (x)	24.0
FY28E P/B (x)	6.3
FY28E P/AUM (%)	5.4

Source: Company, Emkay Research

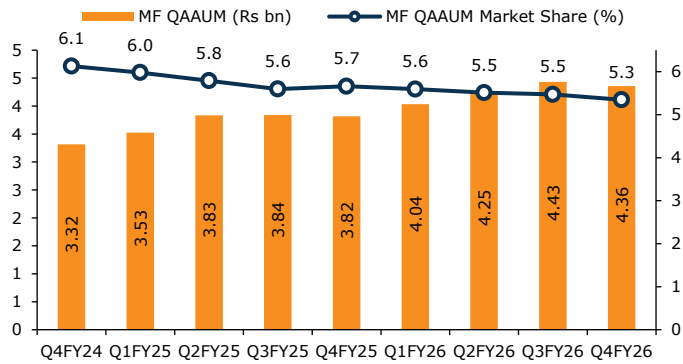
**Exhibit 4: Changes in estimates**

Rs mn	FY27E			FY28E			FY29E		
	Old	Revised	% change	Old	Revised	% change	Old	Revised	% change
Op. Revenue	20,555	20,511	0%	22,936	22,827	0%	NA	25,154	NM
EBITDA	12,243	12,237	0%	13,739	13,607	-1%	NA	14,922	NM
EBITDA Margin	59.6%	59.7%	0.0 ppt	59.9%	59.6%	0.0 ppt	NA	59.3%	NM
PAT	11,631	11,546	-1%	12,913	12,597	-2%	NA	13,686	NM
RoE %	27.6%	27.2%	-0.4 ppt	28.2%	27.2%	-1.0 ppt	NA	27.5%	NM

Source: Company, Emkay Research

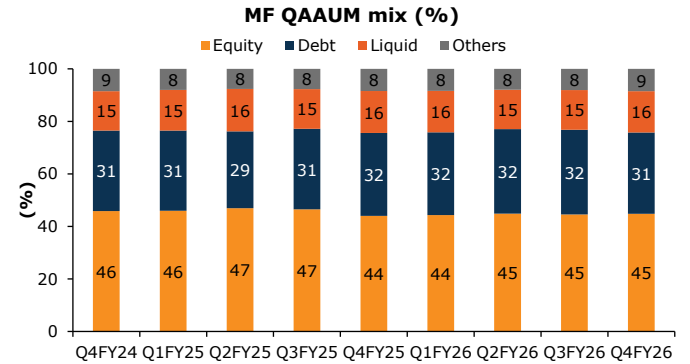
## Story in charts

**Exhibit 5: MF QAAUM declines ~2% QoQ to Rs4.36trn**



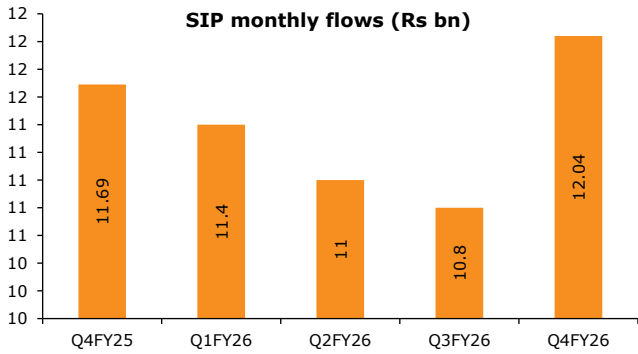
Source: Company, Emkay Research

**Exhibit 6: Equity segment share remains constant at 45%**



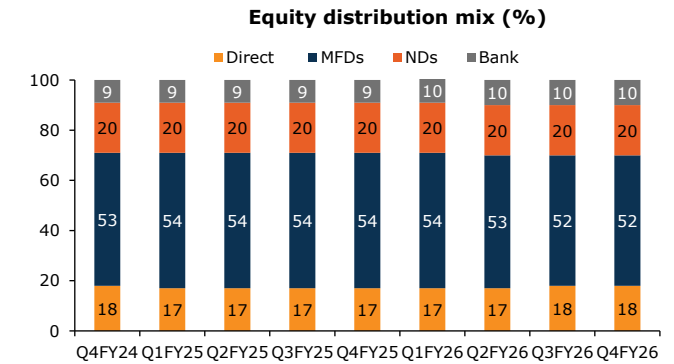
Source: Company, Emkay Research

**Exhibit 7: SIP monthly flows have increased on the back of higher SIP registrations**



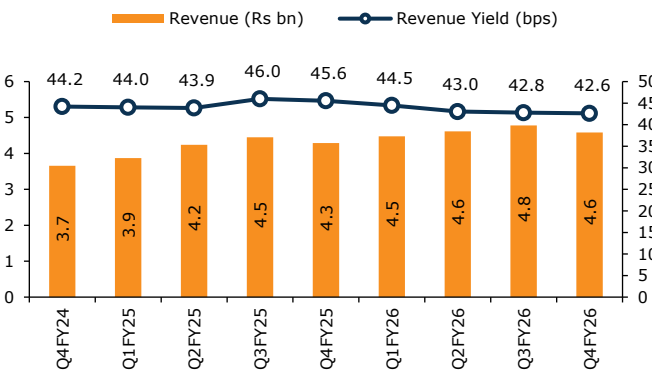
Source: Company, Emkay Research

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



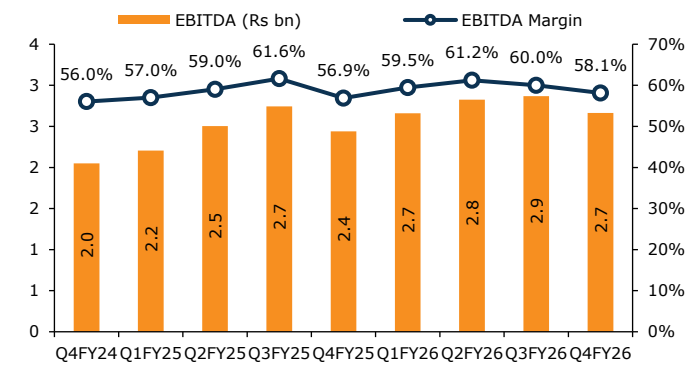
Source: Company, Emkay Research

**Exhibit 9: Revenue yields are broadly stable sequentially**



Source: Company, Emkay Research

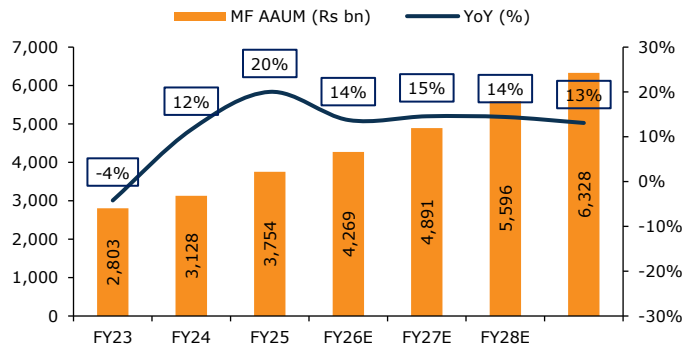
**Exhibit 10: EBITDA margin contracts sequentially**



Source: Company, Emkay Research

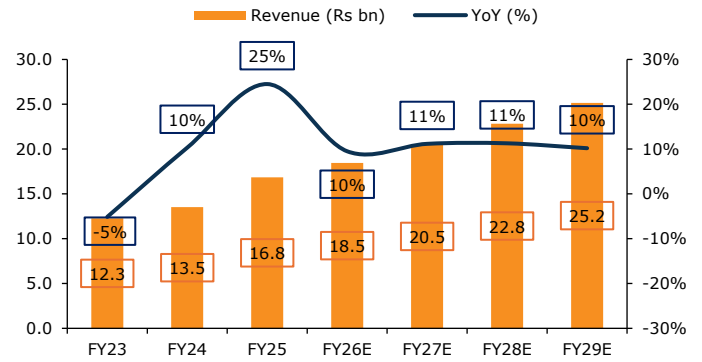
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**Exhibit 11: We expect ABSLAMC to deliver ~14% AUM CAGR over FY26-29E**



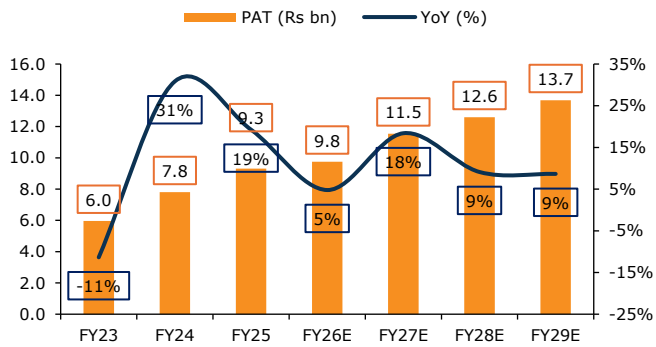
Source: Company, Emkay Research

**Exhibit 12: We expect revenue to grow ~11% in FY27E**



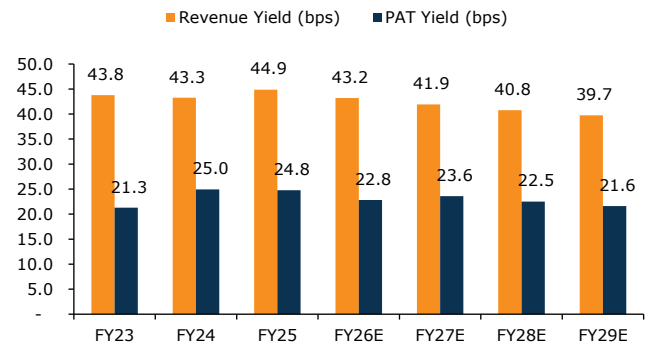
Source: Company, Emkay Research

**Exhibit 13: PAT is expected to grow at ~18% 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

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

**Exhibit 15: ABSLAMC – Financial summary**

<b>Income statement (Y/E Mar, Rs mn)</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27E</b>	<b>FY28E</b>	<b>FY29E</b>
Revenue from operations	16,848	18,450	20,511	22,827	25,154
Other income	3,010	2,145	3,666	3,747	3,938
<b>Total revenue</b>	<b>19,858</b>	<b>20,595</b>	<b>24,177</b>	<b>26,573</b>	<b>29,092</b>
Employee expenses	3,652	3,999	4,539	5,106	5,719
Depreciation and amortization	398	458	517	570	627
Other expenses	2,836	2,836	3,049	3,305	3,570
Total operating expenses	6,958	7,432	8,275	9,220	10,232
<b>EBITDA</b>	<b>9,890</b>	<b>11,019</b>	<b>12,237</b>	<b>13,607</b>	<b>14,922</b>
<b>Total opex</b>	<b>7,413</b>	<b>7,940</b>	<b>8,845</b>	<b>9,845</b>	<b>10,917</b>
Exceptional items					
<b>PBT</b>	<b>12,445</b>	<b>12,656</b>	<b>15,333</b>	<b>16,729</b>	<b>18,175</b>
Tax expense	3,139	2,905	3,787	4,132	4,489
<b>PAT</b>	<b>9,306</b>	<b>9,751</b>	<b>11,546</b>	<b>12,597</b>	<b>13,686</b>
<b>PAT (Adj)</b>	<b>9,306</b>	<b>9,751</b>	<b>11,546</b>	<b>12,597</b>	<b>13,686</b>
<b>Core PAT</b>	<b>7,055</b>	<b>8,098</b>	<b>8,785</b>	<b>9,775</b>	<b>10,721</b>
<b>Balance sheet (Rs mn)</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27E</b>	<b>FY28E</b>	<b>FY29E</b>
Share capital	1,442	1,444	1,444	1,444	1,444
Reserves and surplus	35,826	38,973	43,154	46,514	50,122
<b>Shareholders' equity</b>	<b>37,269</b>	<b>40,417</b>	<b>44,598</b>	<b>47,958</b>	<b>51,566</b>
Payables	681	704	782	871	959
Other liabilities	3,195	3,034	3,477	3,851	4,247
<b>Total equity and liabilities</b>	<b>41,144</b>	<b>44,154</b>	<b>48,857</b>	<b>52,679</b>	<b>56,772</b>
Cash and bank balances	437	584	567	675	497
Cash and bank balances	597	806	863	949	1,044
Investments	36,917	39,462	43,859	47,303	51,140
Receivables	579	546	674	750	827
Fixed assets	1,081	1,211	1,154	1,091	1,166
Other assets	1,534	1,546	1,740	1,912	2,099
<b>Total assets</b>	<b>41,144</b>	<b>44,154</b>	<b>48,857</b>	<b>52,679</b>	<b>56,772</b>

Source: Company, Emkay Research

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## Exhibit 16: AUM, key ratios, and DuPont analysis

Assets under management (Rs bn)	FY25	FY26	FY27E	FY28E	FY29E
<b>AAAUM</b>	<b>3,754</b>	<b>4,269</b>	<b>4,891</b>	<b>5,596</b>	<b>6,328</b>
Equity	1,722	1,906	2,218	2,572	2,956
Debt	1,144	1,354	1,490	1,657	1,816
Liquid	590	657	724	793	863
Other	299	352	460	574	693
<b>AAAUM YoY</b>	<b>20%</b>	<b>13.7%</b>	<b>14.6%</b>	<b>14.4%</b>	<b>13.1%</b>
Equity	28%	11%	16.4%	16.0%	14.9%
Debt	18%	18%	10%	11%	10%
Liquid	11%	11%	10%	10%	9%
Other	7%	18%	31%	25%	21%
<b>AAAUM mix (%)</b>					
Equity	46	44.6	45.3	46.0	46.7
Debt	30	31.7	30.5	29.6	28.7
Liquid	16	15.4	14.8	14.2	13.6
Passives/Others	8	8.2	9.4	10.3	11.0
<b>DuPont analysis (bps of AAUM)</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27E</b>	<b>FY28E</b>	<b>FY29E</b>
Revenue from operations	44.9	43.2	41.9	40.8	39.7
Other income	8.0	5.0	7.5	6.7	6.2
<b>Total revenue</b>	<b>52.9</b>	<b>48.2</b>	<b>49.4</b>	<b>47.5</b>	<b>46.0</b>
Employee expenses	9.7	9.4	9.3	9.1	9.0
Depreciation and amortization	1.1	1.1	1.1	1.0	1.0
Other expenses	7.6	6.6	6.2	5.9	5.6
<b>Total opex</b>	<b>19.7</b>	<b>18.6</b>	<b>18.1</b>	<b>17.6</b>	<b>17.3</b>
Exceptional items	-	-	-	-	-
<b>PBT</b>	<b>33.2</b>	<b>29.6</b>	<b>31.3</b>	<b>29.9</b>	<b>28.7</b>
Tax expense	8.4	6.8	7.7	7.4	7.1
<b>PAT</b>	<b>24.8</b>	<b>22.8</b>	<b>23.6</b>	<b>22.5</b>	<b>21.6</b>
<b>PAT (Adj)</b>	<b>24.8</b>	<b>22.8</b>	<b>23.6</b>	<b>22.5</b>	<b>21.6</b>
<b>YoY growth (%)</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27E</b>	<b>FY28E</b>	<b>FY29E</b>
AAAUM	20.0	13.7	14.6	14.4	13.1
Revenue	21.0	3.7	17.4	9.9	9.5
Expenses	17.2	7.1	11.4	11.3	10.9
PAT (Adj)	19.3	4.8	18.4	9.1	8.6
EPS (Adj)	26.3	4.6	18.4	9.1	8.6
BVPS	17.5	8.3	10.3	7.5	7.5
<b>Key ratios (%)</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27E</b>	<b>FY28E</b>	<b>FY29E</b>
Total revenue/AAAUM (bps)	53	48	49	47	46
Cost-to-income ratio	41.3	40.3	40.3	40.4	40.7
Tax rate	25.2	23.0	24.7	24.7	24.7
Adj PAT/AAAUM (bps)	25	23	24	23	22
RoE (Adj)	27.0	25.1	27.2	27.2	27.5
Dividend payout ratio (%)					
<b>Per share data (Rs)</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27E</b>	<b>FY28E</b>	<b>FY29E</b>
EPS	32.26	33.76	39.97	43.61	47.38
Core EPS	24.46	28.04	30.42	33.85	37.12
BVPS	129.2	139.9	154.4	166.1	178.6
DPS	24.0	25.5	32.0	34.9	37.9

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
<b>Revenue</b>	<b>16,848</b>	<b>18,450</b>	<b>20,511</b>	<b>22,827</b>	<b>25,154</b>
Revenue growth (%)	24.5	9.5	11.2	11.3	10.2
<b>EBITDA</b>	<b>9,890</b>	<b>11,019</b>	<b>12,237</b>	<b>13,607</b>	<b>14,922</b>
EBITDA growth (%)	30.0	11.4	11.1	11.2	9.7
Depreciation & Amortization	398	458	517	570	627
<b>EBIT</b>	<b>9,492</b>	<b>10,561</b>	<b>11,719</b>	<b>13,037</b>	<b>14,295</b>
EBIT growth (%)	30.7	11.3	11.0	11.2	9.7
Other operating income	-	-	-	-	-
Other income	3,010	2,145	3,666	3,747	3,938
Financial expense	57	50	53	55	58
<b>PBT</b>	<b>12,445</b>	<b>12,656</b>	<b>15,333</b>	<b>16,729</b>	<b>18,175</b>
Extraordinary items	0	0	0	0	0
Taxes	3,139	2,905	3,787	4,132	4,489
Minority interest	-	-	-	-	-
Income from JV/Associates	-	-	-	-	-
<b>Reported PAT</b>	<b>9,306</b>	<b>9,751</b>	<b>11,546</b>	<b>12,597</b>	<b>13,686</b>
PAT growth (%)	19.3	4.8	18.4	9.1	8.6
<b>Adjusted PAT</b>	<b>9,306</b>	<b>9,751</b>	<b>11,546</b>	<b>12,597</b>	<b>13,686</b>
<b>Diluted EPS (Rs)</b>	<b>32.2</b>	<b>33.7</b>	<b>39.9</b>	<b>43.5</b>	<b>47.3</b>
Diluted EPS growth (%)	19.1	4.7	18.4	9.1	8.6
<b>DPS (Rs)</b>	<b>23.9</b>	<b>25.4</b>	<b>31.9</b>	<b>34.8</b>	<b>37.8</b>
<b>Dividend payout (%)</b>	<b>74.2</b>	<b>75.3</b>	<b>79.8</b>	<b>79.8</b>	<b>79.8</b>
EBITDA margin (%)	58.7	59.7	59.7	59.6	59.3
EBIT margin (%)	56.3	57.2	57.1	57.1	56.8
Effective tax rate (%)	25.2	23.0	24.7	24.7	24.7
<b>NOPLAT (pre-IndAS)</b>	<b>7,097</b>	<b>8,137</b>	<b>8,825</b>	<b>9,817</b>	<b>10,764</b>
Shares outstanding (mn)	289	290	290	290	290

Source: Company, Emkay Research

Cash flows					
Y/E Mar (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	12,445	12,656	15,333	16,729	18,175
Others (non-cash items)	(2,902)	(1,919)	(3,666)	(3,747)	(3,938)
Taxes paid	(2,947)	(2,905)	(3,787)	(4,132)	(4,489)
Change in NWC	365	(74)	155	166	170
<b>Operating cash flow</b>	<b>7,085</b>	<b>8,119</b>	<b>8,604</b>	<b>9,641</b>	<b>10,602</b>
Capital expenditure	(303)	(460)	(460)	(507)	(702)
Acquisition of business	-	-	-	-	-
Interest & dividend income	363	589	3,666	3,747	3,938
<b>Investing cash flow</b>	<b>(3,050)</b>	<b>(946)</b>	<b>(1,248)</b>	<b>(290)</b>	<b>(696)</b>
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)	(9,237)	(10,077)
Others	-	-	-	-	-
<b>Financing cash flow</b>	<b>(3,990)</b>	<b>(7,026)</b>	<b>(7,372)</b>	<b>(9,244)</b>	<b>(10,084)</b>
Net chg in Cash	46	147	(17)	107	(178)
OCF	7,085	8,119	8,604	9,641	10,602
Adj. OCF (w/o NWC chg.)	6,721	8,193	8,449	9,475	10,433
FCFF	6,783	7,659	8,144	9,134	9,901
FCFE	7,089	8,198	11,757	12,826	13,781
OCF/EBITDA (%)	71.6	73.7	70.3	70.9	71.1
FCFE/PAT (%)	76.2	84.1	101.8	101.8	100.7
<b>FCFF/NOPLAT (%)</b>	<b>95.6</b>	<b>94.1</b>	<b>92.3</b>	<b>93.0</b>	<b>92.0</b>

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	43,154	46,514	50,122
<b>Net worth</b>	<b>37,269</b>	<b>40,417</b>	<b>44,598</b>	<b>47,958</b>	<b>51,566</b>
Minority interests	-	-	-	-	-
Non-current liab. and prov.	807	510	665	726	789
<b>Total debt</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total liabilities &amp; equity</b>	<b>38,757</b>	<b>41,564</b>	<b>45,945</b>	<b>49,414</b>	<b>53,136</b>
Net tangible fixed assets	340	392	371	357	374
Net intangible assets	147	238	227	210	264
Net ROU assets	580	533	509	477	481
Capital WIP	14	47	47	47	47
Goodwill	-	-	-	-	-
Investments [JV/Associates]	-	-	-	-	-
<b>Cash &amp; equivalents</b>	<b>37,951</b>	<b>40,852</b>	<b>45,289</b>	<b>48,927</b>	<b>52,681</b>
Current assets (ex-cash)	2,112	2,092	2,414	2,662	2,926
Current Liab. and Prov.	2,388	2,590	2,912	3,266	3,637
<b>NWC (ex-cash)</b>	<b>(276)</b>	<b>(498)</b>	<b>(498)</b>	<b>(604)</b>	<b>(711)</b>
<b>Total assets</b>	<b>38,757</b>	<b>41,564</b>	<b>45,945</b>	<b>49,414</b>	<b>53,136</b>
Net debt	(37,951)	(40,852)	(45,289)	(48,927)	(52,681)
Capital employed	38,757	41,564	45,945	49,414	53,136
BVPS (Rs)	128.9	139.6	154.0	165.7	178.1
Net Debt/Equity (x)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)
Net Debt/EBITDA (x)	(3.8)	(3.7)	(3.7)	(3.6)	(3.5)
Interest coverage (x)	220.9	253.6	292.5	303.9	314.4
<b>RoCE (%)</b>	<b>36.3</b>	<b>32.7</b>	<b>36.2</b>	<b>36.3</b>	<b>36.6</b>

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	32.5	31.0	26.2	24.0	22.1
EV/CE(x)	7.1	6.5	5.8	5.3	4.8
P/B (x)	8.1	7.5	6.8	6.3	5.9
EV/Sales (x)	15.7	14.2	12.5	11.1	9.9
EV/EBITDA (x)	26.7	23.7	21.0	18.6	16.7
EV/EBIT(x)	27.8	24.8	21.9	19.5	17.5
EV/IC (x)	-	-	-	-	-
FCFF yield (%)	2.6	2.9	3.2	3.6	4.0
FCFE yield (%)	2.3	2.7	3.9	4.2	4.6
Dividend yield (%)	2.3	2.4	3.0	3.3	3.6
<b>DuPont-RoE split</b>					
Net profit margin (%)	55.2	52.8	56.3	55.2	54.4
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
<b>RoE (%)</b>	<b>27.0</b>	<b>25.1</b>	<b>27.2</b>	<b>27.2</b>	<b>27.5</b>
<b>DuPont-RoIC</b>					
NOPLAT margin (%)	42.1	44.1	43.0	43.0	42.8
IC turnover (x)	65.5	107.3	176.6	720.2	(459.4)
<b>Operating metrics</b>					
Core NWC days	(6.0)	(9.9)	(8.9)	(9.7)	(10.3)
<b>Total NWC days</b>	<b>(6.0)</b>	<b>(9.9)</b>	<b>(8.9)</b>	<b>(9.7)</b>	<b>(10.3)</b>
Fixed asset turnover	-	-	-	-	-
Opex-to-revenue (%)	41.3	40.3	40.3	40.4	40.7

Source: Company, Emkay Research

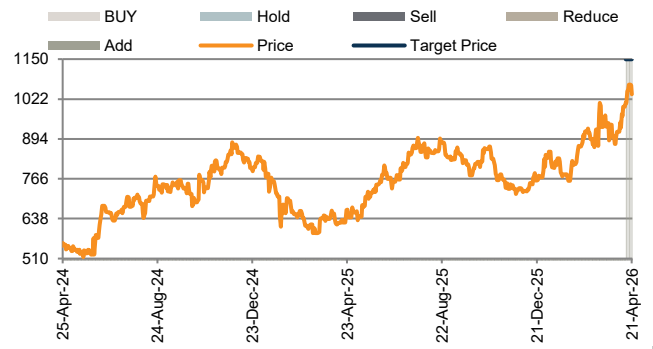
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**RECOMMENDATION HISTORY - DETAILS**

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
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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<b>SELL</b>	>15% downside

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