

Havells India | BUY

In a weak quarter, cables and wires to the rescue

1Q was a weak quarter for Havells. Revenue from Lloyd Consumer and ECD businesses saw a revenue decline of 34% and 14% respectively. From the concall we note that despite a weak performance in these segments, Havells has held onto its #3 position in ACs and maintained market share in ECD, especially fans. Incrementally on an overall basis, a 27% YoY revenue growth and a 130bps EBIT margin expansion in cables and wires came to the rescue, restricting 1Q revenue and PAT degrowth to 6% and 14% respectively. We cut our FY26/27E estimates by 10%/9%. However, we roll forward to Jun'27E (from Mar'27E earlier) and maintain BUY with a revised target price of INR 1,780, set at 50x Jun'27E EPS.

- **Weak ECD and Lloyd performance drive 1Q miss:** Havells' 1Q revenue at INR 54.4bn, -6% YoY missed JM and consensus estimates by 7% and 10% respectively. Absolute EBITDA at INR 5.2bn declined 10% YoY. Margin at 9.6% contracted 30 bps YoY, lower than expected operating expenses arresting the margin decline. As compared to JM and street estimates, 1Q EBITDA was a 7% and 5% miss respectively. Havells' 1Q PAT at INR 3.5bn, came in 14% lower YoY, missing JM and consensus estimates by 7% and 8% respectively.
- **ECD and Lloyd a dampener; C&W outshines:** As far as the segmental performance is concerned, negative highlights included (1) 34% YoY revenue decline in Lloyd Consumer (unseasonal rains impacting AC sales) and a -1.6% EBIT margin (vs. +3.5% YoY); (2) 14% YoY decline in the ECD business (unfavourable weather impacting fan and cooler sales) with EBIT margin at 8.7%, -220bps YoY; and (3) a 3% YoY revenue decline and 400bps EBIT margin contraction (12.4% vs. 16.3% YoY) in the lighting business, owing to price erosion in LED lights. Positive highlights included strong performance in the cables and wires business, revenue growing 27% YoY supported by new capacities and industry tailwinds. Here, EBIT margins expanded 130bps YoY to 12.6%. Besides this, the switchgears business registered a 9% YoY revenue growth, EBIT margins declining 120bps YoY to 23.4%.
- **Retains #3 position in Lloyd; future strategy clear:** Havells has maintained its #3 position in the Indian RAC market, and amidst weak industry performance, has not seen any drop in market share. Further, it remains clear with its strategy of not resorting to heavy discounting to drive volume growth. In the concall, we further noted that channel inventory is yet not at normalized levels, both for the industry and Havells, and it is likely to take a few months to reach normalized levels.
- **Volume growth strong in C&W; new capacities to aid growth in MV segment:** The C&W segment registered a YoY revenue growth of 27%, wherein volume growth was at 20-21%. While Havells is currently heavy on LV (low-voltage) cables, new capacities are expected in the MV (medium-voltage) segment. Further, the newly commissioned Tumkur facility has also started contributing. Havells is targeting to double capacities in underground cables through FY24-27.

Financial Summary					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	1,85,499	2,17,458	2,45,712	2,83,973	3,23,975
Sales Growth (%)	10.0	17.2	13.0	15.6	14.1
EBITDA	18,453	21,486	24,364	30,378	36,246
EBITDA Margin (%)	9.9	9.9	9.9	10.7	11.2
Adjusted Net Profit	12,732	14,872	16,901	21,259	25,912
Diluted EPS (INR)	20.3	23.7	26.9	33.9	41.3
Diluted EPS Growth (%)	18.4	16.8	13.5	25.8	21.9
ROIC (%)	24.0	26.1	26.9	30.8	34.6
ROE (%)	18.1	18.9	19.1	21.1	22.3
P/E (x)	75.4	64.5	56.9	45.2	37.1
P/B (x)	12.9	11.5	10.2	8.9	7.7
EV/EBITDA (x)	50.6	43.3	38.3	30.4	25.2
Dividend Yield (%)	0.6	0.7	0.7	0.8	0.9

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



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Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	1,780
Upside/(Downside)	16.2%
Previous Price Target	1,900
Change	-6.3%

Key Data – HAVL IN

Current Market Price	INR1,532
Market cap (bn)	INR960.6/US\$11.1
Free Float	35%
Shares in issue (mn)	626.5
Diluted share (mn)	627.2
3-mon avg daily val (mn)	INR1,635.5/US\$19.0
52-week range	2,106/1,360
Sensex/Nifty	82,200/25,091
INR/US\$	86.3

Price Performance

%	1M	6M	12M
Absolute	-0.1	-2.9	-13.4
Relative*	0.1	-9.7	-15.2

* To the BSE Sensex

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.

Key highlights from concall

Updates on Lloyd consumer: demand and the way ahead

- Confident of the medium to long term story w.r.t. Lloyd. Seeing further opportunities for margin expansion in this business.
- Channel inventory yet not at normalized level, both for the industry and Havells, which is not surprising given a sharp drop in 1Q. It is likely to take a few months to reach normalized levels.
- Lloyd continues to remain amongst the top 3 brands in air conditioners. Further, believe no market share loss has been seen in this segment.
- Remain fairly flexible with the supply chain, however, will not adhere to heavy discounting given that is not the strategy set for Lloyd and Havells as a whole.

ECD business

- Decline was primarily owing to fans and air coolers, the decline in coolers being steeper than the decline in fans. Likely to take 1-2 months for the excess inventory to get adjusted in the channel.
- Have invested heavily in building the premium, especially the BLDC portfolio in fans. Current scenario indicates no market loss in this segment.

Switchgear business

- Aspirational contribution margins range is 38-40%. Competitive intensity however, remains high, especially from incumbent players more than new entrants.
- Consumer demand overall has remained muted over the last several quarters. Expect demand to pick up in 2H.

Lighting business

- ASP declines in the lighting business are now plateauing after a long period of ASP declines. Continue to invest in the lighting business, and maintain a positive outlook on the business.
- How outdone the industry w.r.t maintaining profitability and currently enjoy industry-leading margins.

Strategy in the C&W business

- YoY revenue growth at 27%, wherein volume growth came in at 20-21%. Wires and cables both have seen good growth in 1Q. Expect the share of cables to increase gradually over time towards 40%.
- Cables revenue currently heavy on LV (low-voltage) cables, however new capacities are expected in the MV (medium-voltage) segment. Further, the newly commissioned Tumkur facility is also churning revenues. Havells is targeting to double capacities in underground cables through FY24-27
- Given an inflationary raw material scenario, did see some inventory build-up through the quarter, but not a cause for concern.

Goldi Solar acquisition and renewable aspirations: the way forward

- Expecting sizeable growth in the renewables business. FY25 revenue for this business stood at INR 5bn, and expect it to cross INR 15bn over the next couple of years.
- Revenue from this business drives growth in other segments as well. For instance, solar panel sales further drive sales of cables and switchgears.
- Besides solar panels, Goldi is backward integrating into solar cells and modules, execution of which should be seen over the next 18 months.

Other takeaways

- **Rural India:** Seeing good demand from rural India. Will keep adding categories and distribution in rural areas to capitalize on this opportunity

Exhibit 1. Havells – 1QFY26 results review

Y/E Mar31 (INR mn)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26	Q1FY26E
Net Revenue	48,237	38,912	44,006	54,343	1,85,499	57,981	45,330	48,825	65,322	2,17,458	54,378	58,476
YoY	14%	6%	7%	12%	10%	20%	16%	11%	20%	17%	-6%	1%
Raw Material Costs	(33,579)	(25,953)	(29,339)	(36,495)	(1,25,365)	(39,500)	(30,027)	(32,020)	(44,340)	(1,45,886)	(36,175)	(39,179)
Gross Profit	14,658	12,960	14,667	17,849	60,134	18,482	15,303	16,805	20,982	71,572	18,203	19,297
Gross Profit margin %	30.4%	33.3%	33.3%	32.8%	32.4%	31.9%	33.8%	34.4%	32.1%	32.9%	33.5%	33.0%
Employee Cost	(3,552)	(3,766)	(3,762)	(4,179)	(15,259)	(4,582)	(4,602)	(4,641)	(4,693)	(18,518)	(4,949)	(4,850)
% of sales	7.4%	9.7%	8.5%	7.7%	8.2%	7.9%	10.2%	9.5%	7.2%	8.5%	9.1%	8.3%
Other expenses	(7,082)	(5,459)	(6,579)	(7,302)	(26,422)	(8,138)	(6,901)	(7,847)	(8,681)	(31,568)	(8,055)	(8,850)
% of sales	14.7%	14.0%	14.9%	13.4%	14.2%	14.0%	15.2%	16.1%	13.3%	14.5%	14.8%	15.1%
EBITDA	4,024	3,735	4,326	6,368	18,453	5,762	3,800	4,317	7,607	21,486	5,199	5,597
YoY	11%	30%	2%	20%	15%	43%	2%	0%	19%	16%	-10%	-3%
EBITDA margin%	8.3%	9.6%	9.8%	11.7%	9.9%	9.9%	8.4%	8.8%	11.6%	9.9%	9.6%	9.6%
Total D&A Expense	(763)	(812)	(877)	(934)	(3,385)	(920)	(946)	(1,041)	(1,080)	(3,987)	(1,051)	(1,150)
EBIT	3,261	2,923	3,450	5,434	15,068	4,842	2,854	3,276	6,527	17,499	4,149	4,447
YoY	13%	36%	-1%	20%	15%	48%	-2%	-5%	20%	16%	-14%	-8%
EBIT margin%	6.8%	7.5%	7.8%	10.0%	8.1%	8.4%	6.3%	6.7%	10.0%	8.0%	7.6%	7.6%
Other Income	647	524	559	757	2,487	770	928	640	687	3,025	691	725
Finance Costs	(85)	(93)	(102)	(177)	(457)	(86)	(101)	(94)	(152)	(432)	(94)	(100)
PBT	3,823	3,354	3,907	6,014	17,098	5,527	3,681	3,822	7,062	20,091	4,746	5,072
YoY	17%	33%	2%	23%	18%	45%	10%	-2%	17%	18%	-14%	-8%
Income Tax Expense	(950)	(863)	(1,028)	(1,526)	(4,366)	(1,415)	(955)	(994)	(1,839)	(5,202)	(1,222)	(1,268)
Rate %	24.8%	25.7%	26.3%	25.4%	25.5%	25.6%	25.9%	26.0%	26.0%	25.9%	25.8%	25.0%
Net Profit	2,874	2,491	2,879	4,489	12,732	4,112	2,726	2,828	5,223	14,889	3,523	3,804
Margins	6.0%	6.4%	6.5%	8.3%	6.9%	7.1%	6.0%	5.8%	8.0%	6.8%	6.5%	6.5%
YoY	18.5%	33.3%	1.4%	24.1%	18.4%	43.1%	9.4%	-1.8%	16.4%	16.9%	-14.3%	-7.5%

Source: Company, JM Financial

Exhibit 2. Havells – 1QFY26 segmental results (revenue data)

Year End Mar31 (INR mn)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26
Segmental revenue split											
Havells (ex-Lloyd)	35,182	33,983	37,540	40,942	1,47,647	38,740	39,456	41,407	46,622	1,66,225	41,760
Switchgears	5,407	5,324	5,206	6,513	22,450	5,759	5,513	5,769	6,914	23,953	6,296
Cables	14,852	14,702	15,727	17,896	63,176	15,212	18,052	16,879	21,694	71,836	19,332
Lighting & Fixtures	3,670	3,965	4,299	4,334	16,268	3,856	3,909	4,409	4,358	16,532	3,735
ECD	8,770	7,331	9,613	9,104	34,818	10,549	8,564	11,043	9,959	40,115	9,059
Others	2,483	2,662	2,695	3,096	10,936	3,365	3,418	3,308	3,698	13,789	3,337
Lloyd Electric	13,055	4,930	6,467	13,401	37,852	19,241	5,874	7,418	18,700	51,233	12,619
YoY revenue growth											
Havells (ex-Lloyd)	12%	4%	7%	14%	9%	10%	16%	10%	14%	13%	8%
Switchgears	5%	9%	1%	8%	6%	6%	4%	11%	6%	7%	9%
Cables	24%	8%	11%	14%	14%	2%	23%	7%	21%	14%	27%
Lighting & Fixtures	-1%	0%	2%	5%	2%	5%	-1%	3%	1%	2%	-3%
ECD	5%	-5%	3%	21%	6%	20%	17%	15%	9%	15%	-14%
Others	9%	12%	16%	22%	15%	36%	28%	23%	19%	26%	-1%
Lloyd Electric	20%	19%	7%	6%	12%	47%	19%	15%	40%	35%	-34%
Revenue Mix											
Havells (ex-Lloyd)	73%	87%	85%	75%	80%	67%	87%	85%	71%	76%	77%
Switchgears	11%	14%	12%	12%	12%	10%	12%	12%	11%	11%	12%
Cables	31%	38%	36%	33%	34%	26%	40%	35%	33%	33%	36%
Lighting & Fixtures	8%	10%	10%	8%	9%	7%	9%	9%	7%	8%	7%
ECD	18%	19%	22%	17%	19%	18%	19%	23%	15%	18%	17%
Others	5%	7%	6%	6%	6%	6%	8%	7%	6%	6%	6%
Lloyd Electric	27%	13%	15%	25%	20%	33%	13%	15%	29%	24%	23%

Source: Company, JM Financial

Exhibit 3. Havells – 1QFY26 segmental results (contribution and contribution margin data)

Year End Mar31 (INR mn)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26
Segment Contribution											
Havells (ex-Lloyd)	7,893	7,701	8,452	9,510	33,557	8,797	8,178	9,038	10,503	36,515	9,342
Switchgears	2,185	2,108	2,067	2,677	9,036	2,229	2,106	2,077	2,662	9,073	2,342
Cables	2,198	2,279	2,280	2,720	9,477	2,221	2,220	2,532	3,189	10,162	3,093
Lighting & Fixtures	1,068	1,142	1,311	1,383	4,904	1,230	1,224	1,499	1,429	5,382	1,124
ECD	1,991	1,723	2,317	2,158	8,188	2,542	1,995	2,440	2,579	9,558	2,138
Others	452	450	477	573	1,952	575	632	490	644	2,341	644
Lloyd Electric	666	192	479	1,675	3,012	2,540	822	949	2,618	6,930	1,401
Segment Contribution margin %											
Havells (ex-Lloyd)	22.4%	22.7%	22.5%	23.2%	22.7%	22.7%	20.7%	21.8%	22.5%	22.0%	22.4%
Switchgears	40.4%	39.6%	39.7%	41.1%	40.3%	38.7%	38.2%	36.0%	38.5%	38.5%	37.2%
Cables	14.8%	15.5%	14.5%	15.2%	15.0%	14.6%	12.3%	15.0%	14.7%	14.7%	16.0%
Lighting & Fixtures	29.1%	28.8%	30.5%	31.9%	30.1%	31.9%	31.3%	34.0%	32.8%	32.8%	30.1%
ECD	22.7%	23.5%	24.1%	23.7%	23.5%	24.1%	23.3%	22.1%	25.9%	25.9%	23.6%
Others	18.2%	16.9%	17.7%	18.5%	17.8%	17.1%	18.5%	14.8%	17.4%	17.4%	19.3%
Lloyd Electric	5.1%	3.9%	7.4%	12.5%	8.0%	13.2%	14.0%	12.8%	14.0%	14.0%	11.1%

Source: Company, JM Financial

Exhibit 4. Havells – 1QFY26 segmental results (EBIT and EBIT margin data)

Year End Mar31 (INR mn)	Q1FY24	Q2FY24	Q3FY24	Q4FY24	FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	FY25	Q1FY26
Segment EBIT											
Havells (ex-Lloyd)	4,762	4,571	4,573	5,890	19,797	5,017	3,911	4,461	6,501	19,891	5,314
Switchgears	1,499	1,407	1,244	1,836	5,985	1,419	1,150	1,048	1,776	5,393	1,475
Cables	1,691	1,707	1,625	2,154	7,175	1,711	1,548	1,870	2,586	7,715	2,426
Lighting & Fixtures	529	569	605	787	2,489	630	505	655	747	2,537	462
ECD	957	848	1,062	1,025	3,893	1,147	643	955	1,249	3,994	789
Others	88	40	39	89	255	110	66	(67)	143	252	162
Lloyd Electric	(608)	(733)	(660)	372	(1,629)	674	(224)	(310)	1,167	1,308	(197)
EBIT margin											
Havells (ex-Lloyd)	13.5%	13.5%	12.2%	14.4%	13.4%	13.0%	9.9%	10.8%	13.9%	12.0%	12.7%
Switchgears	27.7%	26.4%	23.9%	28.2%	26.7%	24.6%	20.9%	18.2%	25.7%	22.5%	23.4%
Cables	11.4%	11.6%	10.3%	12.0%	11.4%	11.2%	8.6%	11.1%	11.9%	10.7%	12.6%
Lighting & Fixtures	14.4%	14.4%	14.1%	18.2%	15.3%	16.3%	12.9%	14.8%	17.1%	15.3%	12.4%
ECD	10.9%	11.6%	11.0%	11.3%	11.2%	10.9%	7.5%	8.6%	12.5%	10.0%	8.7%
Others	3.5%	1.5%	1.4%	2.9%	2.3%	3.3%	1.9%	-2.0%	3.9%	1.8%	4.8%
Lloyd Electric	-4.7%	-14.9%	-10.2%	2.8%	-4.3%	3.5%	-3.8%	-4.2%	6.2%	2.6%	-1.6%

Source: Company, JM Financial

Exhibit 5. Havells – EPS revision table

Year End Mar (INR mn)	FY26E	FY27E	FY28E
Revenues			
Old	2,51,064	2,87,733	NA
New	2,45,712	2,83,973	3,23,975
Change	-2.1%	-1.3%	NA
EBITDA			
Old	26,643	32,100	NA
New	24,364	30,378	36,246
Change	-8.6%	-5.4%	NA
EBITDA margins			
Old	10.6%	11.2%	NA
New	9.9%	10.7%	11.2%
Change	-70	-46	NA
Recurring PAT			
Old	18,835	23,395	NA
New	16,901	21,259	25,912
Change	-10.3%	-9.1%	NA
EPS			
Old	30.0	37.3	NA
New	26.9	33.9	41.3
Change	-10.3%	-9.1%	NA

Source: Company, JM Financial

Exhibit 6. Havells – 1-yr forward P/E band chart (last 5 years)



Source: JM Financial, Bloomberg

Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	1,85,499	2,17,458	2,45,712	2,83,973	3,23,975
Sales Growth	10.0%	17.2%	13.0%	15.6%	14.1%
Other Operating Income	0	0	0	0	0
Total Revenue	1,85,499	2,17,458	2,45,712	2,83,973	3,23,975
Cost of Goods Sold/Op. Exp	1,25,365	1,45,887	1,65,174	1,90,027	2,15,792
Personnel Cost	15,411	18,518	20,926	23,437	26,249
Other Expenses	26,270	31,568	35,248	40,130	45,688
EBITDA	18,453	21,486	24,364	30,378	36,246
EBITDA Margin	9.9%	9.9%	9.9%	10.7%	11.2%
EBITDA Growth	15.1%	16.4%	13.4%	24.7%	19.3%
Depn. & Amort.	3,385	4,004	4,080	4,620	5,160
EBIT	15,068	17,482	20,284	25,758	31,086
Other Income	2,487	3,025	2,586	2,832	3,719
Finance Cost	457	432	300	200	200
PBT before Excep. & Forex	17,098	20,074	22,570	28,391	34,604
Excep. & Forex Inc./Loss(-)	0	0	0	0	0
PBT	17,098	20,074	22,570	28,391	34,604
Taxes	4,366	5,203	5,670	7,132	8,693
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	0	0	0	0	0
Reported Net Profit	12,732	14,872	16,901	21,259	25,912
Adjusted Net Profit	12,732	14,872	16,901	21,259	25,912
Net Margin	6.9%	6.8%	6.9%	7.5%	8.0%
Diluted Share Cap. (mn)	626.5	626.5	627.2	627.2	627.2
Diluted EPS (INR)	20.3	23.7	26.9	33.9	41.3
Diluted EPS Growth	18.4%	16.8%	13.5%	25.8%	21.9%
Total Dividend + Tax	5,640	6,265	6,272	7,526	8,781
Dividend Per Share (INR)	9.0	10.0	10.0	12.0	14.0

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	17,098	20,074	22,570	28,391	34,604
Depn. & Amort.	3,385	4,004	4,080	4,620	5,160
Net Interest Exp. / Inc. (-)	-457	-432	-300	-200	-200
Inc (-) / Dec in WCap.	5,733	-1,289	-2,362	118	-1,645
Others	-3,909	-4,770	-5,370	-6,932	-8,493
Taxes Paid	-40	178	0	0	0
Operating Cash Flow	21,810	17,765	18,619	25,997	29,427
Capex	-8,362	-8,591	-10,318	-8,500	-9,000
Free Cash Flow	13,448	9,174	8,301	17,497	20,427
Inc (-) / Dec in Investments	2,753	-329	-6,000	0	0
Others	-974	336	0	0	0
Investing Cash Flow	-6,583	-8,584	-16,318	-8,500	-9,000
Inc / Dec (-) in Capital	0	0	0	0	0
Dividend + Tax thereon	-5,640	-6,265	-6,272	-7,526	-8,781
Inc / Dec (-) in Loans	801	154	0	0	0
Others	1,148	302	0	0	0
Financing Cash Flow	-3,692	-5,809	-6,272	-7,526	-8,781
Inc / Dec (-) in Cash	11,535	3,372	-3,971	9,970	11,646
Opening Cash Balance	18,619	30,154	33,526	29,554	39,525
Closing Cash Balance	30,154	33,526	29,554	39,525	51,171

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	74,385	83,310	93,939	1,07,671	1,24,802
Share Capital	627	627	627	627	627
Reserves & Surplus	73,758	82,683	93,312	1,07,044	1,24,175
Preference Share Capital	0	0	0	0	0
Minority Interest	0	0	0	0	0
Total Loans	3,032	3,185	3,185	3,185	3,185
Def. Tax Liab. / Assets (-)	3,575	3,753	3,753	3,753	3,753
Total - Equity & Liab.	80,991	90,249	1,00,877	1,14,610	1,31,740
Net Fixed Assets	42,848	47,451	53,690	57,570	61,410
Gross Fixed Assets	53,728	63,500	72,500	81,500	90,500
Intangible Assets	3,105	3,105	3,105	3,105	3,105
Less: Depn. & Amort.	16,954	20,335	24,415	29,035	34,195
Capital WIP	2,969	1,182	2,500	2,000	2,000
Investments	412	740	6,740	6,740	6,740
Current Assets	80,939	89,558	91,674	1,06,841	1,27,487
Inventories	34,085	40,074	44,365	47,329	53,996
Sundry Debtors	11,572	12,536	14,333	16,565	18,899
Cash & Bank Balances	30,154	33,526	29,554	39,525	51,171
Loans & Advances	0	0	0	0	0
Other Current Assets	5,128	3,422	3,422	3,422	3,422
Current Liab. & Prov.	43,207	47,501	51,227	56,541	63,897
Current Liabilities	27,059	30,524	34,250	39,564	46,920
Provisions & Others	16,148	16,977	16,977	16,977	16,977
Net Current Assets	37,732	42,057	40,447	50,300	63,590
Total - Assets	80,992	90,249	1,00,877	1,14,610	1,31,740

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	6.9%	6.8%	6.9%	7.5%	8.0%
Asset Turnover (x)	2.3	2.4	2.5	2.5	2.5
Leverage Factor (x)	1.1	1.1	1.1	1.1	1.1
RoE	18.1%	18.9%	19.1%	21.1%	22.3%

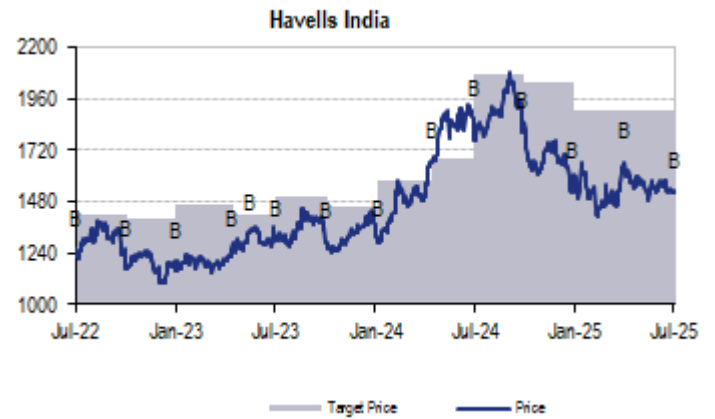
Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	118.7	133.0	149.8	171.7	199.0
ROIC	24.0%	26.1%	26.9%	30.8%	34.6%
ROE	18.1%	18.9%	19.1%	21.1%	22.3%
Net Debt/Equity (x)	-0.4	-0.4	-0.3	-0.3	-0.4
P/E (x)	75.4	64.5	56.9	45.2	37.1
P/B (x)	12.9	11.5	10.2	8.9	7.7
EV/EBITDA (x)	50.6	43.3	38.3	30.4	25.2
EV/Sales (x)	5.0	4.3	3.8	3.3	2.8
Debtor days	23	21	21	21	21
Inventory days	67	67	66	61	61
Creditor days	59	57	56	57	59

Source: Company, JM Financial

History of Recommendation and Target Price

Date	Recommendation	Target Price	% Chg.
21-Oct-21	Hold	1,270	
16-Nov-21	Hold	1,270	0.0
21-Jan-22	Hold	1,410	11.0
24-Feb-22	Hold	1,390	-1.4
5-May-22	Hold	1,410	1.4
27-Jun-22	Buy	1,330	-5.7
21-Jul-22	Buy	1,420	6.7
20-Oct-22	Buy	1,400	-1.4
19-Jan-23	Buy	1,470	5.0
4-May-23	Buy	1,420	-3.4
6-Jun-23	Buy	1,420	0.0
21-Jul-23	Buy	1,500	5.6
22-Oct-23	Buy	1,460	-2.7
24-Jan-24	Buy	1,580	8.2
2-May-24	Buy	1,680	6.3
18-Jul-24	Buy	2,070	23.2
17-Oct-24	Buy	2,031	-1.9
17-Jan-25	Buy	1,900	-6.4
22-Apr-25	Buy	1,900	0.0
21-Jul-25	Buy	1,780	-6.3

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

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

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

* REITs refers to Real Estate Investment Trusts.

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