

Black Box | BUY

Guidance lowered but demand intact

Black Box reported a largely in-line quarter, with revenue slightly ahead at +11% YoY (vs JMFe: +9%), while EBITDA margin (ex-FX) was broadly in-line at 9.1% (JMFe: 9.2%). Adjusted PAT (ex-labour code impact) came in below estimates at INR 552mn (JMFe: INR 657mn). Management cut FY26E revenue, EBITDA and PAT guidance, citing supply-chain bottlenecks amid intense demand for fibre, cabling and related accessories, with USD 40–45mn revenue deferred to FY27. However, bookings guidance remains intact at USD 1bn for FY26, and exit backlog guidance was raised to USD 800mn (mid-point) from USD 700mn earlier, implying large deal wins ahead and strong visibility for FY27. While management reiterated its USD 2bn revenue ambition by FY29, weak FY26 has made it more challenging. The renewed GTM model has to take bookings run-rate to USD 300–350mn levels and these have to ramp-up in a timely manner. We remain constructive, given growing traction in data centre space and BBOX's positioning to participate in large-scale global and India DC build-outs. Maintain BUY.

- **Q3FY26- largely in-line quarter:** Black Box reported an in-line quarter, with revenue slightly ahead of estimates but profits soft. Revenues grew 11% YoY (+5% QoQ) to INR 16.6bn (beating JMFe: 8.6% YoY), driven by higher order execution in infra and data centre projects. However, supply chain delays in fibre, cabling and related accessories impacted execution timelines, leading to revenue deferral into subsequent quarters. EBITDA margin (excl. FX) improved 30bps YoY (10bps QoQ) to 9.1%, supported by operating leverage and efficiency gains, partly offset by higher investment in GTM talent. Adjusted PAT (ex-labor code impact) declined 2% YoY/1% QoQ to INR 552mn, below estimates, and was impacted by FX losses. The company also announced the acquisition of 2S Technological Innovations (Brazil) for a consideration of INR 2.75bn (additional INR 1bn contingent payout), this is expected to add INR 5bn revenue in FY27 at 10% EBITDA margin and c.20% growth run-rate. The acquisition strengthens BBOX's LATAM presence, deepens its networking and cloud capabilities, enhances managed services exposure, and supports its medium-term inorganic growth ambitions.
- **Outlook – Guidance lowered, bookings momentum to continue:** Management lowered FY26 revenue guidance to INR 63.25–63.75bn (6–7% YoY) from INR 67.5–70bn, EBITDA to INR 5.55–5.75bn (5–8% YoY) from INR 6.05–6.45bn, and PAT to INR 2.20–2.30bn (7–12% YoY) from INR 2.65–2.85bn, guidance was lowered due to supply-chain-led delays in fiber, cabling and accessories in large infra projects. Management stated that USD 40–45mn revenue was deferred to FY27. FY26 bookings guidance was reiterated at c.USD 1bn and exit backlog guidance was raised to USD 775–825mn (vs USD 700mn earlier), signalling strong bookings in 4Q and strengthening FY27 visibility. Management expect bookings to reach USD 300–350 mn in subsequent quarters. Management reiterated its c.USD 2bn revenue ambition by FY29, driven by double-digit organic growth from AI-led data center builds, airport and public infra projects, geographic expansion into Europe/India and improved conversion under the renewed GTM model. USD 700–800mn inorganic addition is expected and acquisitions will remain ROE/ROCE-accretive, and funded through a mix of internal accruals and debt. EBITDA margins are expected to reach c.10% in the medium term, supported by operating leverage and cost discipline.
- **EPS cut by 6-13%; Maintain BUY:** We cut revenue/EBITDA/PAT estimates for BBOX over FY26–28E given inline performance in the quarter and cuts to FY26E guidance. EPS estimates sees cuts of 6-13%. However, we raise our target multiple to 28.5x from 25x before given increased traction in the Data centre space and large DC build outs globally and in India.



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Recommendation and Price Target

Current Reco.	BUY
Previous Reco.	BUY
Current Price Target (12M)	670
Upside/(Downside)	15.1%
Previous Price Target	640
Change	4.7%

Key Data – BBOX IN

Current Market Price	INR582
Market cap (bn)	INR99.2/US\$1.1
Free Float	25%
Shares in issue (mn)	169.1
Diluted share (mn)	171.3
3-mon avg daily val (mn)	INR207.5/US\$2.3
52-week range	615/321
Sensex/Nifty	83,675/25,807
INR/US\$	90.6

Price Performance

%	1M	6M	12M
Absolute	13.9	16.5	19.9
Relative*	13.0	11.5	8.6

* To the BSE Sensex

JM Financial Research is also available on: Bloomberg - JMFR <GO>, FactSet, LSEG and S&P Capital IQ.

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

Financial Summary

(INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	62,816	59,669	63,315	76,858	90,292
Sales Growth (%)	-0.1	-5.0	6.1	21.4	17.5
EBITDA	4,262	5,374	5,532	7,091	8,600
EBITDA Margin (%)	6.8	9.0	8.7	9.2	9.5
Adjusted Net Profit	1,377	2,048	2,164	3,046	4,405
Diluted EPS (INR)	8.2	12.1	12.6	17.7	25.6
Diluted EPS Growth (%)	478.9	48.0	4.3	40.3	44.6
ROIC (%)	52.3	45.6	31.2	35.9	40.2
ROE (%)	35.4	33.0	24.3	25.9	28.5
P/E (x)	71.1	48.1	46.1	32.8	22.7
P/B (x)	20.4	13.0	9.7	7.5	5.7
EV/EBITDA (x)	23.5	19.1	18.6	14.2	11.3
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0

Source: Company data, JM Financial. Note: Valuations as of 11/Feb/2026

Key highlights from the call

- **Demand:** Management indicated that the demand environment remains resilient; particularly across AI-led data center infrastructure, hyperscalers, airports and enterprise connectivity, though near-term revenue realization was impacted by supply-side constraints. 3QFY26 revenue grew +11% YoY, +5% QoQ, driven by higher order execution versus last year. However, execution timelines in large data center programs were extended due to industry-wide shortages in optical fiber, cables, racks, GPUs and power infrastructure. Approximately USD 40-45mn of revenue originally expected in FY26 has shifted into FY27 due to these constraints. Management emphasized that this is a timing issue rather than demand weakness, with customer commitments intact and order book unaffected. North America remains the key growth engine, supported by hyperscaler engagements and institutional infrastructure projects.
- **Margins:** 3QFY26 EBITDA margins (incl. FX) stood at 8.9%, broadly stable sequentially. Margins were supported by better fixed-cost absorption and balanced business mix, partially offset by higher employee costs due to continued investment in go-to-market talent. PAT was impacted by a one-time INR 6cr charge relating to labour code implementation; excluding this, underlying profitability trends remain stable. Management indicated that operating leverage benefits are beginning to reflect as scale improves, though supply-driven execution delays limited full absorption in the quarter.
- **Guidance:** Management revised FY26 revenue guidance to INR 63,250–63,750mn (earlier INR 67,500–70,000mn) to factor in execution delays arising from supply chain bottlenecks. Correspondingly, EBITDA guidance was revised to INR 5,550–5,750mn and PAT guidance to INR 2,200–2,300cr. The downward revision is attributable to deferred execution of ~USD 40–45mn of projects into FY27 and not due to any demand slowdown. Importantly, order booking guidance of ~USD 1bn for FY26 remains unchanged. Exit backlog is now expected at ~USD 800mn (vs earlier ~USD 700mn), implying ~60% YoY growth and providing stronger revenue visibility entering FY27.
- **Outlook:** Management reiterated its aspiration to scale revenue to USD 2bn by FY29, supported by structural tailwinds in AI-led data centre capex, strengthening hyperscaler relationships, and a more focused go-to-market model. They indicated organic growth potential of mid-double digits, supported by the higher opening backlog and improving order momentum, with potential upside depending on execution normalization. Data centre participation is expected to scale meaningfully, while enterprise and managed services businesses continue to provide stable annuity streams. Management highlighted a clear organic plus inorganic pathway to achieve its medium-term ambitions, targeting a blended CAGR of 30%+ including acquisitions.
- **Margin outlook:** Management reiterated its medium-term EBITDA margin target of ~10% (vs 8.9% currently). Margin expansion is expected to be driven by operating leverage from scale, improved mix toward higher-value infrastructure programs, and incremental annuity revenue from managed services (10–15% pull-through from DC projects), disciplined cost management, and improved EBITDA-to-PAT conversion as scale improves. Management indicated PAT CAGR should exceed revenue CAGR over the medium term as leverage benefits materialize.
- **Bookings and orderbook:** Order bookings remained strong at USD 232mn in 3Q, taking 9M bookings to USD 626mn. Backlog stood at USD 601mn as of December 2025 and is expected to exceed USD 800mn by March 2026. Management reiterated confidence in achieving its USD 1bn FY26 booking guidance, implying a strong 4Q for bookings. Advanced-stage discussions are underway for large hyperscaler data center projects, airport infrastructure programs and public sector deals. Management indicated that quarterly booking run-rate could trend toward USD 300–350mn levels as data center participation scales, providing stronger revenue underpinning for FY27.
- **Acquisition:** The company announced the acquisition of 2S Innovation technologies (Brazil), a IT infrastructure and cybersecurity integrator. The business is expected to add ~INR 500cr of revenue in FY27, with EBITDA run-rate of ~INR 50cr post integration and synergies. The upfront consideration is INR 2,750mn (subject to working capital adjustments), implying ~5–5.5x EBITDA at closing, with additional deferred/earnout payments of up to ~INR 1,000mn over two years linked to performance. The transaction will be funded through a mix of internal accruals and debt, with management maintaining ROE/ROCE discipline (25–30% target range). Integration is expected within 90 days of closing. The acquisition strengthens presence in Brazil/LATAM, enhances Cisco positioning, and offers cross-sell opportunities across enterprise networking and digital infrastructure.

Exhibit 1. 3QFY26 result summary

	3Q26A	3Q25A	Change (YoY)	2Q26A	Change (QoQ)	Estimate (JMFfe)	Variance (vs. JMFfe)	JMFfe - YoY
USD-INR*	89.3	84.86	5%	87.50	4%	2%	0.1%	5.1%
CC Revenue Growth (YoY)	5.0%	-11.1%	1606bp	1.3%	736bp	368bp	175bp	1432bp
Revenue (USD mn)*	186	177	5%	181	1%	3%	2%	3.3%
Revenue (INR mn)	16,596	15,017	11%	15,846	6%	5%	2%	8.6%
EBITDA (INR mn) –ex FX	1,514	1,330	14%	1,430	8%	6%	1%	12.8%
EBITDA margin	9.1%	8.9%	27bp	9.0%	19bp	10bp	-8bp	34bp
EBIT (INR mn)	1,215	1,121	8%	1,143	10%	6%	1%	7.8%
EBIT margin	7.3%	7.5%	-14bp	7.2%	25bp	11bp	-9bp	-5bp
Adj. PAT (INR mn)	552	561	-2%	556	9%	-1%	-16%	17.1%
EPS (INR)	3.21	3.28	-2%	3.25	7%	-1%	-16%	16.9%

Note: PAT/EPS are adjusted for impact from new labour codes, *USD/INR rate estimated based on averages. USD revenues calculated from estimated conversion rates. Source: Company, JM Financial estimates

Exhibit 2. Revenue/EBITDA/PAT guidance lowered

	FY25 actual	FY26 guidance	
		Earlier	Revised
Revenue - INRmn	59,670	67,500-70,000	63,250-63,750
-YoY growth		13.1%-17.3%	6.0%-6.8%
EBITDA - INRmn	5,310	6,050-6,450	5,550-5,750
-YoY growth		13.9%-21.4%	4.5%-8.3%
EBITDA margin	8.90%	9.0%-9.2%	8.8%-9.0%
-YoY change		10bps - 30 bps	(10bps) - 10 bps
PAT - INRmn	2,050	2,650-2,850	2,220-2,300
-YoY growth		29.3%-39.0%	7%-12%
PAT margin	3.40%	3.8%-4.1%	3.5%-3.6%
-YoY change		40bps - 70 bps	10bps - 20 bps

Source: Company, JM Financial

Revenue, EBITDA and PAT guidance for the year were lowered. Supply chain disruptions delaying project execution lead to the cut. Management maintains that they will be able to book the delayed revenues in future periods.

3QFY26 result review

Exhibit 3. Key financials

INR mn	3Q25	4Q25	FY25	1Q26	2Q26	3Q26
USD/INR*	84.86	86.38	84.60	85.40	87.50	89.20
Revenue from operations (USD mn)*	177	179	705	162	181	186
Growth YoY	-11.1%	0.5%	-7.0%	-4.8%	1.3%	5.1%
Revenue from Operations	15,017	15,446	59,669	13,867	15,846	16,596
Growth YoY	-9.3%	4.3%	-5.0%	-2.6%	5.8%	10.5%
Gross profit	4,480	4,550	17,940	4,280	4,780	5,070
Gross profit margin	29.8%	29.5%	30.1%	30.9%	30.2%	30.5%
Gain on foreign currency translation	-100	40	-70	110	0	0
Total other expenses	3,050	3,120	12,560	3,230	3,350	3,600
Reported EBITDA	1,330	1,470	5,310	1,160	1,430	1,470
Reported EBITDA margin	8.9%	9.5%	8.9%	8.4%	9.0%	8.9%
EBITDA ex-FX transaction	1,433	1,428	5,374	1,048	1,433	1,514
EBITDA margin	9.5%	9.2%	9.0%	7.6%	9.0%	9.1%
Depreciation and amortization	312	275	1,133	266	290	298
EBIT	1,121	1,153	4,242	782	1,143	1,215
EBIT margin	7.5%	7.5%	7.1%	5.6%	7.2%	7.3%
Finance cost	313	472	1,447	336	395	396
Other income	14	15	50	17	9	12
PBT	823	696	2,845	464	758	831
PBT margin	5.5%	4.5%	4.8%	3.3%	4.8%	5.0%
Share of net profit from associate	1	4	7	0	0	0
Gain/ (loss) on foreign currency translation	-98	41	-77	115	-6	-45
Exceptional items	-134	-163	-657	-126	-141	-219
Total tax expense	32	-27	71	-22	54	71
PAT	561	605	2,048	474	556	497
PAT margin	3.7%	3.9%	3.4%	3.4%	3.5%	3.0%
Growth YoY	37.2%	47.8%	48.7%	27.9%	8.8%	-11.4%
Basic EPS	3.33	3.57	12.16	2.80	3.28	2.92
Diluted EPS	3.28	3.54	12.11	2.79	3.25	2.89

Note: *USD/INR rate assumed. Source: Company, JM Financial

PAT excluding the impact of new labour codes came in at c.INR 55mn

Exhibit 4. Order backlog details

USDmn	3Q25	4Q25	1Q26	2Q26	3Q26
Order backlog					
Managed services + T&M	170	180	190	210	220
Maintenance contract	134	185	157	165	162
Projects	141	121	150	158	195
Products	20	18	20	22	24
Total	465	504	517	555	601
% share					
Managed services + T&M	37%	36%	37%	38%	37%
Maintenance contract	29%	37%	30%	30%	27%
Projects	30%	24%	29%	28%	32%
Products	4%	4%	4%	4%	4%
Total	100%	100%	100%	100%	100%
Net New Order					
Opening Order	455	465	504	504	504
Less: Consumed	-177	-179	-162	-181	-186
Ending Order book	465	504	517	555	601
Net New Order	187	218	175	219	232

Source: Company, JM Financial

Exhibit 5. Revenue by Geography

	3Q25	4Q25	1Q26	2Q26	3Q26
Geographies					
North America	68%	62%	65%	69%	66%
India	6%	10%	6%	8%	7%
Europe	8%	12%	10%	10%	10%
MEA	2%	2%	4%	2%	3%
APAC	14%	12%	12%	8%	10%
Latin America	2%	2%	3%	3%	3%
Total	100%	100%	100%	100%	100%
Geographies - Revenue (INRmn)					
North America	10,223	9,603	9,062	10,950	11,016
India	901	1,536	824	1,239	1,184
Europe	1,201	1,845	1,373	1,569	1,691
MEA	300	309	549	330	507
APAC	2,091	1,845	1,648	1,288	1,691
Latin America	300	309	412	471	507
Total	15,017	15,446	13,867	15,846	16,596
Geographies - Revenue (YoY)					
North America	-15.5%	-22.3%	-17.3%	-4.4%	7.8%
India	-9.3%	72.9%	-3.5%	38.8%	31.4%
Europe	-39.1%	742.4%	20.6%	31.9%	40.7%
MEA	-39.5%	-30.4%	92.9%	10.9%	68.9%
APAC	152.6%	149.2%	131.5%	73.1%	-19.1%
Latin America	81.4%	108.7%	44.7%	58.2%	68.9%
Total	-9.3%	4.3%	-2.6%	6.5%	10.5%

Source: Company, JM Financial

Exhibit 6. Revenue by client cohort

	3Q25	4Q25	1Q26	2Q26	3Q26
Top client cohorts - Share %					
Top 10	49%	49%	47%	46%	46%
Top 11-20	8%	7%	9%	10%	9%
Top 21-30	4%	5%	5%	4%	5%
Top 31-50	6%	5%	7%	7%	6%
Top 51-100	7%	8%	8%	8%	9%
Top 101-200	5%	8%	5%	8%	8%
Non-Top 200	21%	18%	19%	17%	17%
Top client cohorts - Revenue (INRmn)					
Top 10	7,358	7,260	6,518	7,289	7,634
Top 11-20	1,051	1,390	1,248	1,585	1,494
Top 21-30	751	772	693	634	830
Top 31-50	751	1,081	971	1,109	996
Top 51-100	1,201	1,236	1,109	1,268	1,494
Top 101-200	1,201	772	693	1,268	1,328
Non-Top 200	2,703	2,935	2,635	2,694	2,821
Top client cohorts - Revenue (YoY)					
Top 10	-5.4%	4.3%	-10.2%	-0.6%	3.7%
Top 11-20	-9.3%	34.1%	25.3%	32.3%	42.1%
Top 21-30	-9.3%	4.3%	21.8%	5.8%	10.5%
Top 31-50	-24.4%	21.7%	36.4%	23.5%	32.6%
Top 51-100	-19.4%	19.2%	-2.6%	21.0%	24.3%
Top 101-200	-9.3%	-34.8%	-39.1%	69.3%	10.5%
Non-Top 200	-9.3%	-0.9%	8.9%	-14.3%	4.4%

Source: Company, JM Financial

Exhibit 7. Verticals share

	FY25	1QFY26	1HFY26	9MFY26
Verticals				
Technology	28%	22%	24%	25%
Financial services	22%	22%	23%	22%
Healthcare	10%	10%	9%	9%
Consumer and public services	12%	22%	20%	20%
Commercial and Industrial	18%	12%	12%	12%
Distribution and others	10%	12%	13%	12%

Source: Company, JM Financial

Maintain BUY with a revised TP of 670

We have lowered our revenue estimates by 0.6%-1.2% over FY26-28E. We estimate revenue of INR 63.3mn in FY26, towards the lower end of the FY26 guidance. We have largely maintained revenue for FY27, given booking of deferred revenue in FY27. Margin estimates sees cuts in-line with cut in guidance, we estimate EBITDA margin at the lower end of guidance at 8.8%. PAT estimates are lowered 6-13% over FY26-28E. FY26 PAT sees impact from FX and labour costs, higher finance cost assumptions drives larger cuts to PAT in FY27-28E. We revise our target multiple to 28.5x 24M fwd EPS from 25x before, given increased traction in the Data centre space and potential for Black Box to cater to data centre build outs in India and Europe.

Exhibit 8. What has changed

	Old			New			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Exchange rate (INR/USD)*	88.02	89.50	90.00	88.12	90.00	90.00	0.1%	0.6%	0.0%
Consolidated revenue (USD mn)*	727	864	1,015	718	854	1,003	-1.2%	-1.1%	-1.2%
Growth in USD revenues (YoY)	3.1%	18.8%	17.5%	1.9%	18.9%	17.5%	-120bp	3bp	-4bp
Consolidated revenue (INR mn)	63,981	77,308	91,356	63,315	76,858	90,292	-1.0%	-0.6%	-1.2%
Growth in INR revenues (YoY)	7.2%	20.8%	18.2%	6.1%	21.4%	17.5%	-112bp	56bp	-69bp
Gross profit (INRmn)	19,340	23,192	27,407	19,325	23,057	27,088	-0.1%	-0.6%	-1.2%
Gross profit margin -%	30.2%	30.0%	30.0%	30.5%	30.0%	30.0%	29bp	0bp	0bp
EBITDA INR mn	5,688	7,292	9,070	5,577	7,091	8,600	-2.0%	-2.7%	-5.2%
EBITDA margin	8.9%	9.4%	9.9%	8.8%	9.2%	9.5%	-8bp	-21bp	-40bp
EBIT (INR Mn)	4,545	6,026	7,692	4,419	5,826	7,222	-2.8%	-3.3%	-6.1%
EBIT margin	7.1%	7.8%	8.4%	7.0%	7.6%	8.0%	-12bp	-21bp	-42bp
PAT (INR mn)	2,528	3,195	4,695	2,209	3,046	4,405	-12.6%	-4.7%	-6.2%
Diluted EPS	14.9	18.8	27.6	12.9	17.7	25.6	-13.2%	-5.8%	-7.0%

Note: USD/INR rate assumed based on averages. Source: JM Financial estimates

Financial Tables (Consolidated)

Income Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	62,816	59,669	63,315	76,858	90,292
Sales Growth	-0.1%	-5.0%	6.1%	21.4%	17.5%
Other Operating Income	0	0	0	0	0
Total Revenue	62,816	59,669	63,315	76,858	90,292
Cost of Goods Sold/Op. Exp	17,993	18,391	43,990	53,800	63,204
Personnel Cost	25,007	22,792	0	0	0
Other Expenses	15,555	13,112	13,794	15,966	18,488
EBITDA	4,262	5,374	5,532	7,091	8,600
EBITDA Margin	6.8%	9.0%	8.7%	9.2%	9.5%
EBITDA Growth	56.0%	26.1%	2.9%	28.2%	21.3%
Depn. & Amort.	1,143	1,133	1,158	1,265	1,378
EBIT	3,119	4,242	4,374	5,826	7,222
Other Income	192	50	42	15	19
Finance Cost	1,413	1,447	1,508	2,066	2,219
PBT before Excep. & Forex	1,898	2,845	2,908	3,775	5,022
Excep. & Forex Inc/Loss(-)	-334	-726	-564	-389	0
PBT	1,564	2,119	2,343	3,386	5,022
Taxes	187	71	179	340	618
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	0	0	0	0	0
Reported Net Profit	1,377	2,048	2,164	3,046	4,405
Adjusted Net Profit	1,377	2,048	2,164	3,046	4,405
Net Margin	2.2%	3.4%	3.4%	4.0%	4.9%
Diluted Share Cap. (mn)	168.3	169.1	171.3	171.8	171.8
Diluted EPS (INR)	8.2	12.1	12.6	17.7	25.6
Diluted EPS Growth	478.9%	48.0%	4.3%	40.3%	44.6%
Total Dividend + Tax	0	0	0	0	0
Dividend Per Share (INR)	0.0	0.0	0.0	0.0	0.0

Source: Company, JM Financial

Cash Flow Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	1,564	2,119	2,953	3,776	5,024
Depn. & Amort.	1,143	1,133	1,158	1,265	1,378
Net Interest Exp. / Inc. (-)	1,164	1,197	1,508	2,066	2,219
Inc (-) / Dec in WCap.	-3,014	-5,509	-3,797	-1,321	-2,089
Others	201	209	-606	-405	-21
Taxes Paid	235	-24	-179	-340	-618
Operating Cash Flow	1,295	-876	1,037	5,041	5,893
Capex	47	-411	-631	-700	-800
Free Cash Flow	1,341	-1,287	406	4,341	5,093
Inc (-) / Dec in Investments	14	-55	0	0	0
Others	-54	0	-240	16	21
Investing Cash Flow	7	-466	-871	-684	-779
Inc / Dec (-) in Capital	3	1,346	1	0	0
Dividend + Tax thereon	0	0	0	0	0
Inc / Dec (-) in Loans	453	2,564	793	0	0
Others	-2,006	-1,988	42	-2,066	-2,219
Financing Cash Flow	-1,550	1,922	837	-2,066	-2,219
Inc / Dec (-) in Cash	-249	580	1,003	2,291	2,896
Opening Cash Balance	1,999	2,141	2,138	3,004	5,295
Closing Cash Balance	2,141	2,138	3,004	5,295	8,191

Source: Company, JM Financial

Balance Sheet (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	4,809	7,587	10,228	13,275	17,681
Share Capital	336	339	340	340	340
Reserves & Surplus	4,473	7,249	9,887	12,935	17,341
Preference Share Capital	0	0	0	0	0
Minority Interest	0	0	0	0	0
Total Loans	3,973	6,537	7,330	7,330	7,330
Def. Tax Liab. / Assets (-)	-246	-231	-384	-384	-384
Total - Equity & Liab.	8,537	13,893	17,174	20,221	24,628
Net Fixed Assets	8,082	7,685	7,900	7,335	6,757
Gross Fixed Assets	7,895	8,339	8,939	9,639	10,439
Intangible Assets	3,341	3,354	3,580	3,580	3,580
Less: Depn. & Amort.	3,154	4,007	4,619	5,884	7,262
Capital WIP	0	0	0	0	0
Investments	321	328	327	327	327
Current Assets	19,356	22,477	26,869	33,020	39,803
Inventories	2,464	2,097	3,469	2,737	3,216
Sundry Debtors	3,863	5,671	6,071	7,370	7,916
Cash & Bank Balances	2,141	2,138	3,004	5,295	8,191
Loans & Advances	0	0	0	0	0
Other Current Assets	10,888	12,572	14,325	17,618	20,481
Current Liab. & Prov.	19,222	16,597	17,923	20,461	22,260
Current Liabilities	11,035	8,748	9,909	11,233	11,879
Provisions & Others	8,188	7,850	8,014	9,228	10,381
Net Current Assets	134	5,880	8,947	12,559	17,544
Total - Assets	8,537	13,893	17,174	20,221	24,628

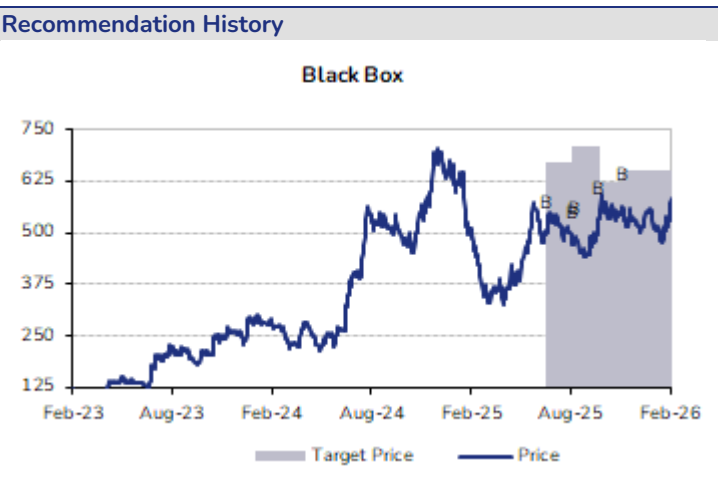
Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	2.2%	3.4%	3.4%	4.0%	4.9%
Asset Turnover (x)	5.5	4.0	3.2	3.2	3.3
Leverage Factor (x)	2.9	2.4	2.2	2.0	1.8
RoE	35.4%	33.0%	24.3%	25.9%	28.5%

Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	28.6	44.9	59.7	77.2	102.9
ROIC	52.3%	45.6%	31.2%	35.9%	40.2%
ROE	35.4%	33.0%	24.3%	25.9%	28.5%
Net Debt/Equity (x)	0.4	0.6	0.4	0.2	0.0
P/E (x)	71.1	48.1	46.1	32.8	22.7
P/B (x)	20.4	13.0	9.7	7.5	5.7
EV/EBITDA (x)	23.5	19.1	18.6	14.2	11.3
EV/Sales (x)	1.6	1.7	1.6	1.3	1.1
Debtor days	22	35	35	35	32
Inventory days	14	13	20	13	13
Creditor days	45	37	33	34	32

Source: Company, JM Financial

History of Recommendation and Target Price			
Date	Recommendation	Target Price	% Chg.
27-Jun-25	Buy	670	
15-Aug-25	Buy	710	6.0
18-Aug-25	Buy	710	0.0
1-Oct-25	Buy	620	-12.7
13-Nov-25	Buy	650	4.8



APPENDIX I

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

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Rating	Meaning
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SELL	Expected return $<$ -10% over the next twelve months.

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