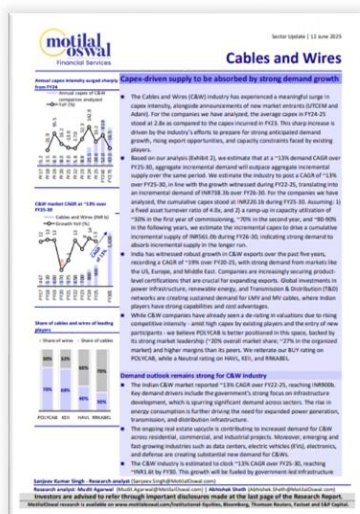


Cables and Wires



Steady demand outlook; pricing gains boost revenue growth

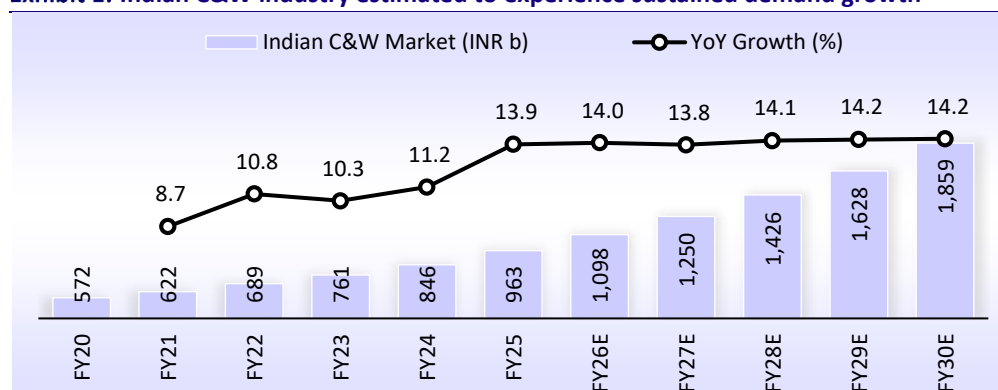
- Our recent conference and subsequent discussions with participants in the cables & wires (C&W) industry indicate a continued robust demand momentum. This growth is driven by the power sector, infrastructure investments, emerging segments such as EVs and data centers, and an improving real estate demand. While investors have expressed concerns about the sustainability of this momentum in recent quarters, we believe the inherent demand drivers remain intact. Key factors supporting this momentum include: 1) infrastructure development through investments in roads and railways; 2) expansion in the power sector, particularly renewable energy and T&D capex; and 3) growth in new avenues, such as data centers and electric vehicles, alongside ongoing traction in real estate and individual housing.
- Competitive intensity in the sector is unlikely to be as high as initially anticipated, despite entry announcements by new players such as UTCem and the Adani Group. UTCem has since clarified that it does not intend to accelerate its planned INR18b investment beyond what was announced in Feb'25 for its foray into the C&W sector. Similarly, no concrete plans have emerged from the Adani Group following the establishment of Praneetha Ecocables, a JV by its subsidiary Kutch Copper in Mar'25. As we highlighted in our note [\(Link\)](#) published on 12th Jun'25, the incremental supply is expected to be absorbed by strong demand growth in the sector.
- We believe that sustained raw material (RM) price increases, which are largely passed through to consumers, have supported revenue growth for C&W companies—a trend reflected in the sectoral performance over the past few years. Last month, copper/aluminum prices increased ~3%, with average prices in 2QFY26 (QTD) rising ~6%/9% QoQ and ~10%/14% YoY for copper/aluminum, respectively. We expect this to translate into price increases of ~3% for wires and ~4-5% for cables in the near term. The combination of rising RM prices and healthy volume growth is expected to sustain robust revenue growth in 2QFY26.

Rating upgrade to BUY for KEII, maintain on POLYCAB (BUY) and RRKABEL (Neutral)

- Considering a robust 2QFY26, we upgrade our EPS estimates POLYCAB, KEII, and RRKABEL by ~3-5% for FY26E and ~2-4% for FY27E/28E. Valuation seems reasonable at 37x FY27E EPS and 31-32x FY28E for POLYCAB/ KEII. RRKABEL trades at 30x/25x FY27/28E EPS.
- Considering continued growth momentum, lower-than-initially anticipated competitive intensity, reasonable valuations, and the stock's underperformance over the past year (triggered by concerns of increasing competition), we upgrade KEII to BUY from Neutral. We reiterate our BUY rating on POLYCAB and Neutral rating on RRKABEL. We continue to believe that the sector's demand tailwinds will persist for several more years.

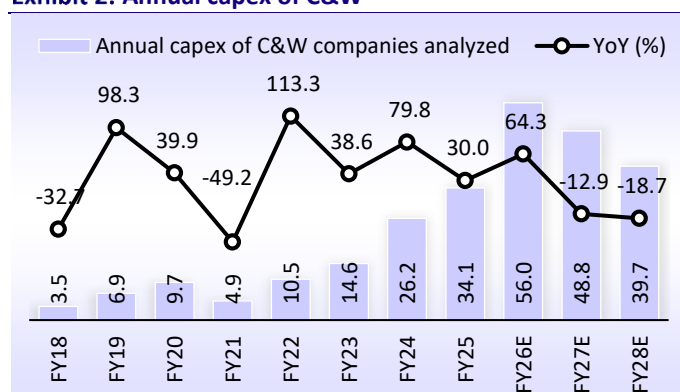
Story in charts

Exhibit 1: Indian C&W industry estimated to experience sustained demand growth



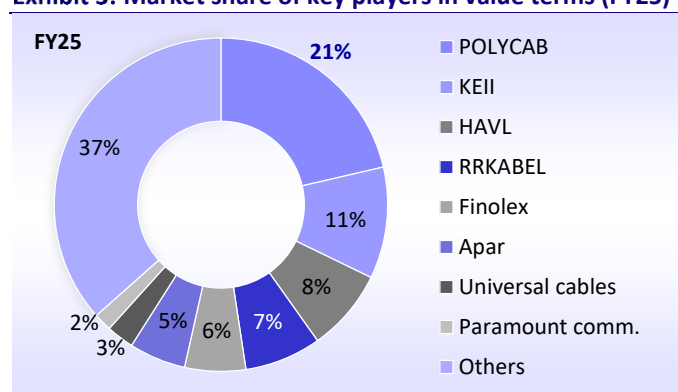
Source: MOFSL, Industry, Orient Cables DRHP

Exhibit 2: Annual capex of C&W



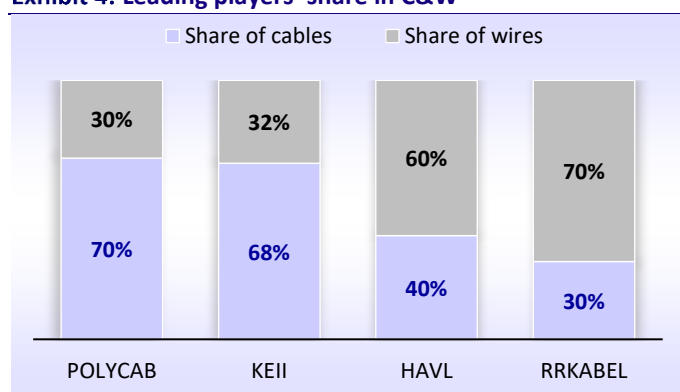
Source: MOFSL, Industry

Exhibit 3: Market share of key players in value terms (FY25)



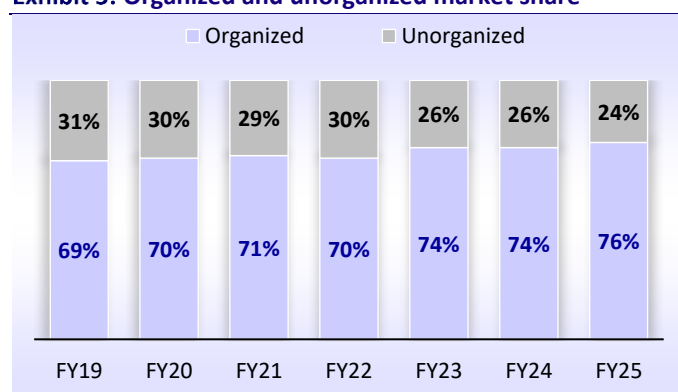
Source: MOFSL, Industry

Exhibit 4: Leading players' share in C&W



Source: MOFSL, Industry

Exhibit 5: Organized and unorganized market share

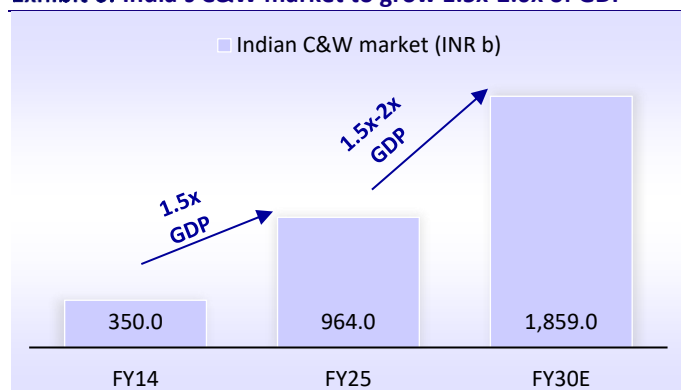


Source: MOFSL, Industry

Industry growth drivers

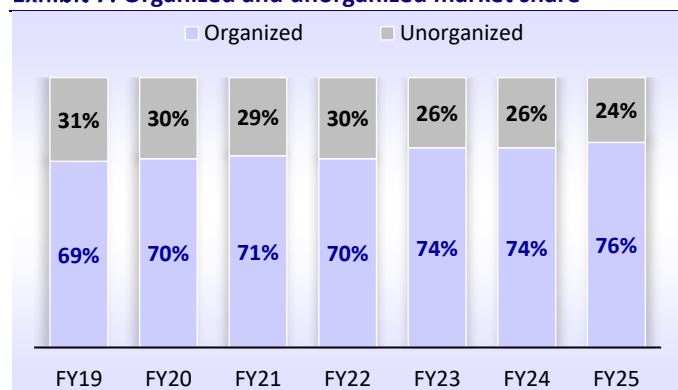
- The C&W industry in India is driven by several key growth drivers: 1) rising infrastructure investments, including roads and railways; 2) a strong focus on the power sector, especially renewable energy and transmission & distribution network; 3) new growth engines like data centers, defense, and EVs; and 4) the real estate growth cycle.
- According to industry estimates, the sector is expected to grow at 1.5-2x of real GDP in the near to mid-term. The Indian C&W market posted a ~9% CAGR over FY14-25, reaching INR900b (from INR350b in FY14). This growth was primarily driven by government-led infrastructure development and increased investments in the power and real estate sectors. Key demand drivers included the power sector, particularly the expansion of renewable energy, and a booming real estate market supported by record home sales. Additionally, steady private capital expenditure in sectors like cement, automobiles, and electronics, along with emerging areas like data centers and electric vehicles (EVs), has further contributed to the positive momentum
- Organized players have steadily gained market share in recent years, and their dominance is likely to expand further. The shift towards organized players is driven by a focus on safety, GST implementation, increasing complexity of C&W applications, and demand for higher voltage products.
- Exports from India have also risen in recent years, supported by global investments in renewables, data centers, infrastructure modernization, and the China+1 strategy. Demand for high-quality, compliant, and sustainable cables is growing across North America, Europe, the Middle East, and Asia Pacific. Developed economies are upgrading legacy grids, while emerging markets are building new infrastructure. The global clean energy transition is further boosting demand in the solar, wind, oil & gas, and green hydrogen sectors.

Exhibit 6: India's C&W market to grow 1.5x-2.0x of GDP



Source: MOFSL, Industry

Exhibit 7: Organized and unorganized market share



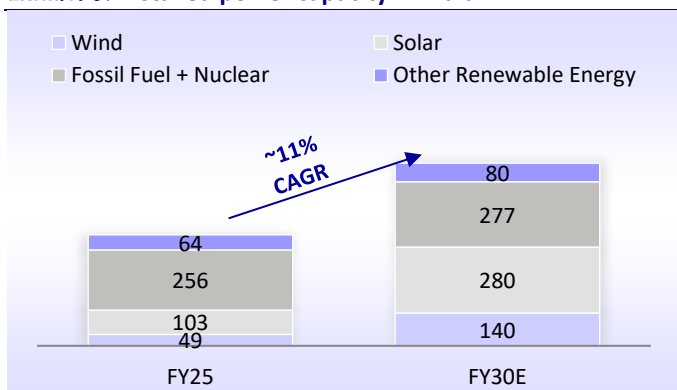
Source: MOFSL, Industry

Power sector investments

- Increasing power demand: India's per capita power consumption is set to rise from 1,395 units in FY23-24 to 2,984 units by FY39-40E, moving closer to the current global average of over 3,700 units.

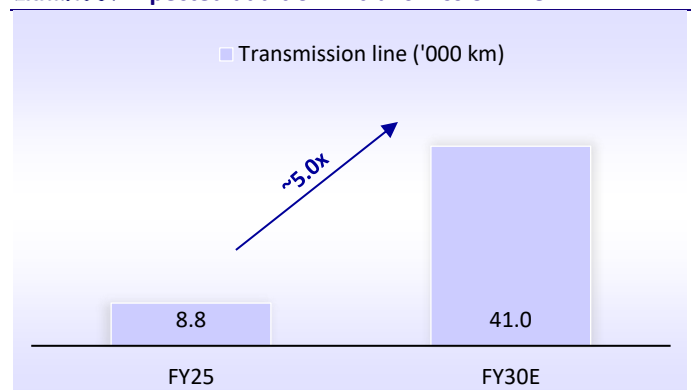
- Accelerated renewable energy expansion: India's renewable energy capacity is estimated to grow from 216 GW to ~500 GW by FY29-30, in line with its ambition of sourcing 50% of cumulative power capacity from non-fossil fuel sources by 2030.
- Strengthening power infrastructure: With rising demand for efficient power transmission, India is expected to focus on inter-regional grid projects to facilitate power transfer from surplus to deficit states, especially from RE power plants concentrated in the West and South of India. The transition from overhead power lines to underground cabling will continue, ensuring easier network expansion and improved weather resilience. Additionally, the renovation and modernization of grid and sub-transmission networks will support the shift towards higher capacity and improved efficiency.

Exhibit 8: Installed power capacity in India



Source: MOFSL, Industry

Exhibit 9: Expected addition in transmission line

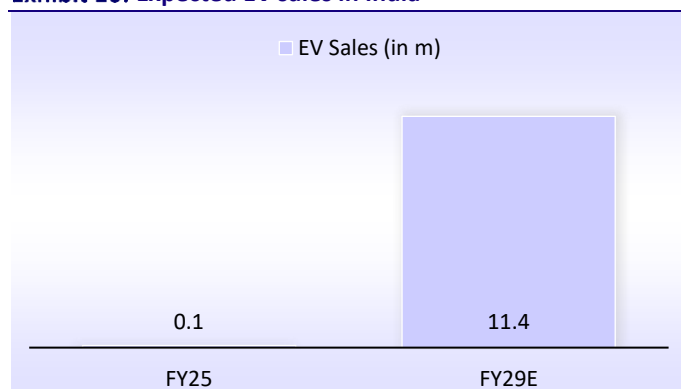


Source: MOFSL, Industry

Public capex and high-growth sectors:

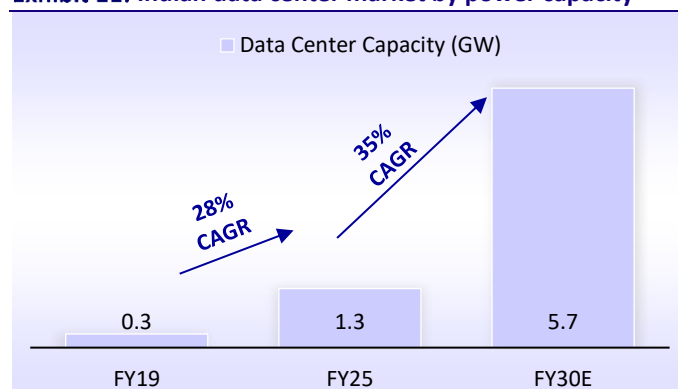
- Investments in roads, railways, and metros: The national highway network is set to grow from 146k km to 200k km by 2037. Since FY18, over 10,000 km of highways have been added annually, enhancing connectivity and logistics efficiency. Capital investment for railways is estimated at INR2.65t in FY26 (~95% funded by the Central government).
- According to industry estimates, India is expected to invest over INR7t over the next decade to add 50,000km of new tracks and upgrade existing railway infrastructure. ~1,000km of metro rail lines are currently under construction, with an additional 1,000km planned, aimed at enhancing urban mobility across key cities.
- Investment in airports: Under the Gati Shakti initiative, 200 new airports, heliports, and water aerodromes are planned. The AAI is expected to develop 50 new airports in tier II and tier III cities over the next five years to improve regional connectivity.
- Investments in data centers: India's data center capacity is set to grow from ~1.3 MW to over 4.7-5.7GW by FY30, with Mumbai, Chennai, Noida, Hyderabad, and Bengaluru emerging as key hubs for expansion.
- Rising EV adoption: The Government of India aims for 30% electrification of private cars and 70-80% of EV adoption in commercial vehicles, two-wheelers, and three-wheelers by 2030. Over 2m EV charging stations are expected to be in place by then, supporting this rapid transition.

Exhibit 10: Expected EV sales in India



Source: MOFSL, Industry, Orient Cables DRHP

Exhibit 11: Indian data center market by power capacity



Source: MOFSL, Industry, Orient Cables DRHP

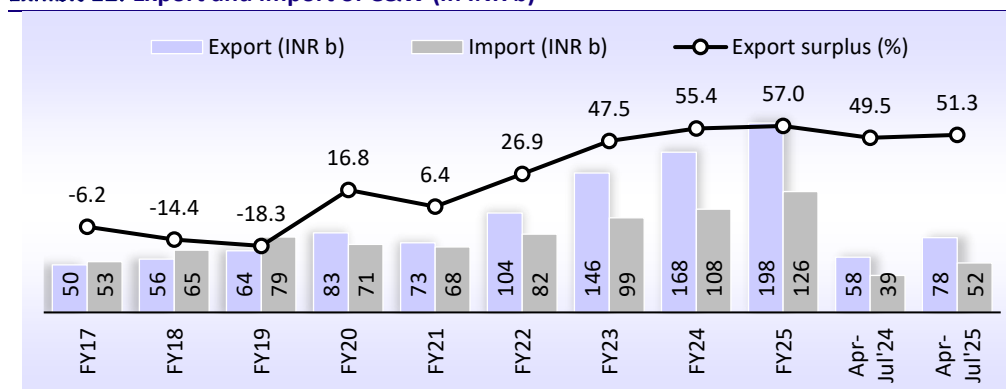
Other key growth drivers

- **China+1 strategy:** As global companies diversify their manufacturing bases beyond China, India has emerged as a favored alternative destination. This diversification is unlocking significant export potential for Indian cable manufacturers in key markets, including North America, Europe, and Southeast Asia, where demand for compliant, high specification cables continues to rise.
- **Electrification push:** With global electricity consumption projected to double by 2050, governments are intensifying investments in the energy transmission infrastructure. The European Union plans to allocate USD633b toward electricity grid modernization by 2030, while the US's Grid Resilience Investment Program (GRIP) has earmarked USD10.5b for grid upgrades. Together, these initiatives are driving substantial demand for high-voltage and specialty cables.
- **Clean energy investments:** The accelerating shift towards renewable energy sources is fueling extensive cabling requirements across the solar, wind, and hydrogen sectors. The EU's commitment of USD1.6t to clean energy and grid projects underscores the scale of opportunity, with offshore wind capacity anticipated to surge from 12 GW in 2024 to 300 GW by 2050.
- **Digital infrastructure and data centers:** The rapid adoption of artificial intelligence and cloud computing is catalyzing exponential growth in data centers globally. Investments in this space are projected to reach USD49b by 2030, driving continuous demand for fiber optic cables, structured cabling systems, and high-speed data transmission solutions.
- **EV and charging infrastructure expansion:** The electric and hybrid vehicle market is expected to comprise 55% of global vehicle sales by 2030. Correspondingly, public EV charging stations are estimated to expand from 4m in 2023 to approximately 15m by 2030, intensifying the need for robust, safe, and efficient EV cabling infrastructure.
- **Smart cities and urbanization:** Urban populations are set to reach 68% of the global total by 2050, accelerating demand for smart city infrastructure. Initiatives such as Saudi Arabia's USD1t Vision 2030 and the projected USD1.1t global smart cities market by 2028 are driving substantial demand for low-voltage, fire-retardant, and control cables, which are essential for modern buildings and infrastructure.

Export market

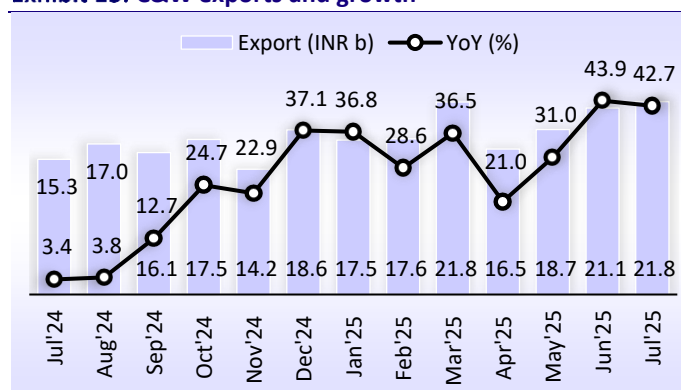
- C&W exports jumped ~44% YoY to INR21.1b in Jun'25, followed by ~43% YoY growth in Jul'25. Overall exports grew ~35% YoY during Apr-Jul'25, compared to ~5% YoY during Apr-Jul'24. Leading companies are expected to realize the most benefit from this strong rebound.
- Within key markets, the US witnessed the highest growth (~97%), followed by the UAE (~45%). The UK and Australian markets grew ~35% and ~3%, respectively, while exports to Saudi Arabia declined ~49%. India's C&W exports to the US recorded ~42% CAGR over FY17-25, reaching INR44.1b, with the US accounting for ~27% of total exports in Apr-Jul'25 vs ~19% in Apr-Jul'24.
- India has been a net exporter of C&W since FY20. Domestic companies are enhancing production capacities and expanding into new markets, supported by government strategies such as PLI schemes, component manufacturing ecosystems, import substitution, and the China+1 plan.
- The C&W export market posted ~19% CAGR over FY17-25. India's C&W exports are expanding steadily, offering a diverse range of products to global markets. Strong production capabilities, compliance with international standards, cost advantages, and competitive pricing have positioned India as a preferred supplier worldwide.
- Key global demand drivers include the expansion of renewable energy, growth of data centers, the shift to electric vehicles, modernization of power grids, rising energy consumption in emerging economies, and increased telecommunication, digitization, urbanization, and infrastructure development.

Exhibit 12: Export and import of C&W (in INR b)



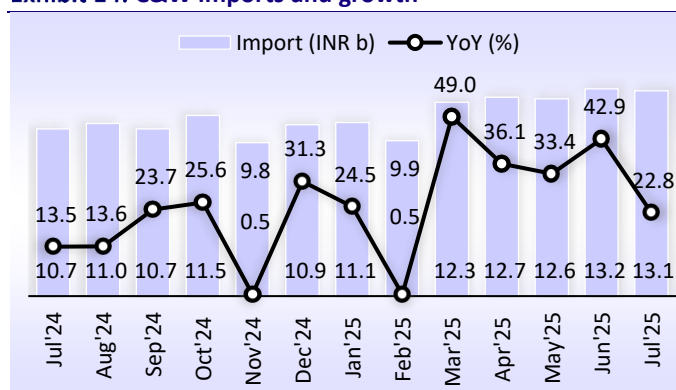
Source: MOFSL, Industry

Exhibit 13: C&W exports and growth



Source: MOFSL, Industry

Exhibit 14: C&W imports and growth

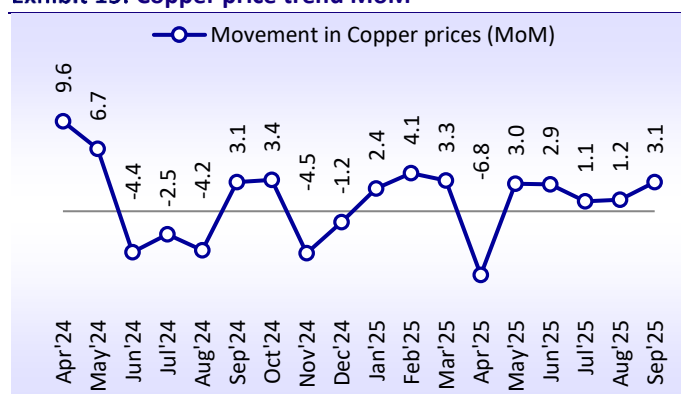


Source: MOFSL, Industry

RM tailwinds support revenue growth

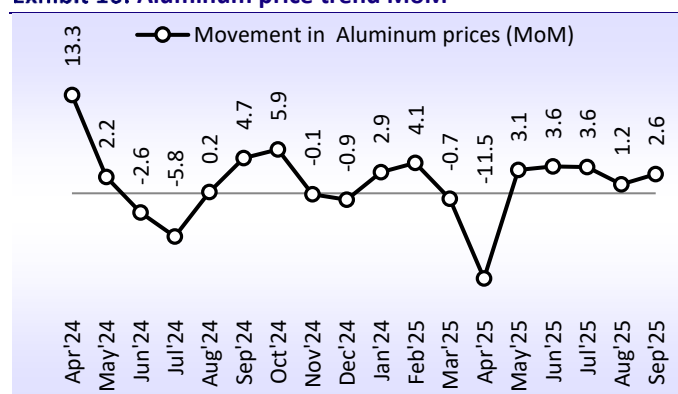
- We believe that sustained RM price increases, which are largely passed through to consumers, have supported revenue growth for C&W companies—a trend reflected in sectoral performance over the past few years.
- Over the last month, copper/aluminum prices rose ~3%, with average prices in 2QFY26 (QTD) rising ~6%/9% QoQ and ~10%/14% YoY for copper/aluminum, respectively. We expect this to translate into price increases of ~3% for wires and ~4-5% for cables in the near term. The combination of higher RM prices and healthy volume growth is expected to continue driving robust revenue growth in 2QFY26.

Exhibit 15: Copper price trend MoM



Source: Bloomberg, MOFSL, Note: Sep'25 data to date

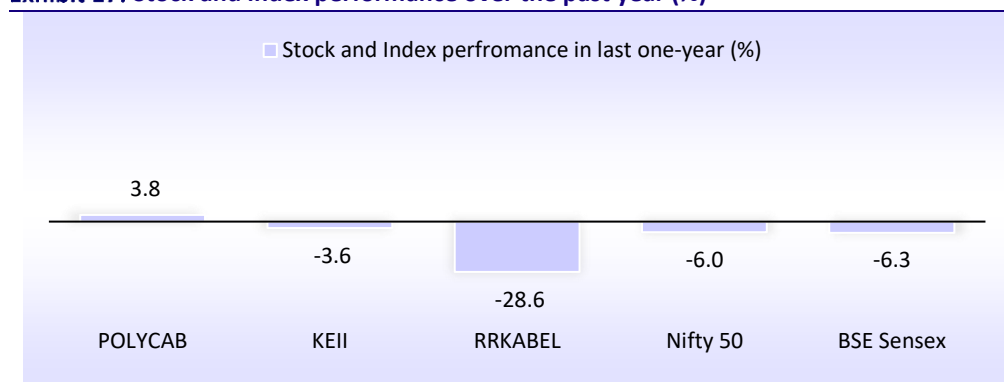
Exhibit 16: Aluminum price trend MoM



Source: Bloomberg, MOFSL; Note: Sep'25 data to date

Valuation and view

- Considering a robust 2QFY26, we upgrade our EPS estimates POLYCAB, KEII, and RRKABEL by ~3-5% for FY26E and ~2-4% for FY27E/28E. Valuation seems reasonable at 37x FY27E EPS and 31-32x FY28E for POLYCAB/ KEII. RRKABEL trades at 30x/25x FY27/28E EPS.
- Considering continued growth momentum, lower-than-initially anticipated competitive intensity, reasonable valuations, and the stock's underperformance over the past year (triggered by concerns of increasing competition), **we upgrade KEII to BUY from Neutral. We reiterate our BUY rating on POLYCAB and Neutral on RRKABEL.** We continue to believe that the sector's demand tailwinds will persist for several more years.

Exhibit 17: Stock and index performance over the past year (%)


Source: MOFSL, Industry

Exhibit 18: Valuation summary

Company	M-cap (INR b)	CMP (INR)	TP (INR)	Rating	EPS (INR)			EPS CAGR (FY25-28E)	P/E (x)			RoE (%)			RoIC (%)		
					FY26E	FY27E	FY28E		FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
HAVL	985	1,507	1,680	Neutral	26	32	39	28%	59	47	39	17.1	18.8	19.7	22.6	26.0	28.7
POLYCAB	1102	7,313	8,750	BUY	171	199	238	33%	43	37	31	21.7	21.2	21.1	28.3	27.9	28.8
VOLT	469	1,340	1,350	Neutral	23	32	38	23%	57	42	35	10.9	13.3	14.2	17.8	20.0	21.2
KEII	388	4,050	4,700	BUY	92	108	128	33%	44	37	32	14.2	14.6	15.0	18.5	18.9	19.1
RRKABEL	138	1,216	1,340	Neutral	37	41	48	32%	33	30	25	18.0	17.2	17.6	14.6	15.0	15.7

Source: MOFSL, Company

26 September 2025
Update | Sector: Cables and Wires

Polycab India

BSE SENSEX

80,426

S&P CNX

24,655

POLYCAB

IDEAS. CONNECTED.

Stock Info

Bloomberg	POLYCAB IN
Equity Shares (m)	151
M.Cap.(INRb)/(USDb)	1102.3 / 12.4
52-Week Range (INR)	7714 / 4555
1, 6, 12 Rel. Per (%)	4/37/14
12M Avg Val (INR M)	2911
Free float (%)	37.0

Financials Snapshot (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	267.6	314.8	370.3
EBITDA	38.0	44.5	53.2
Adj. PAT	25.8	30.0	35.8
EBITDA Margin (%)	14.2	14.1	14.4
Adj. EPS (INR)	171	199	238
EPS Gr. (%)	27.5	16.5	19.4
BV/Sh. (INR)	789	939	1,127

Ratios

Net D:E	(0.1)	(0.1)	(0.2)
RoE (%)	21.7	21.2	21.1
RoCE (%)	22.7	22.2	22.1
Payout (%)	20.4	25.1	21.0

Valuations

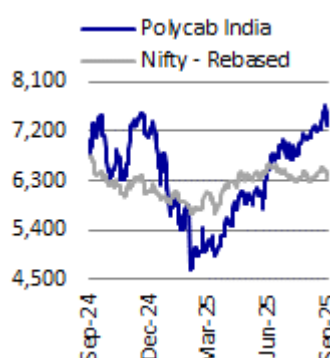
P/E (x)	42.8	36.7	30.8
P/BV (x)	9.3	7.8	6.5
EV/EBITDA(x)	28.7	24.4	20.2
Div. Yield (%)	0.5	0.7	0.7
FCF Yield (%)	0.9	1.2	1.7

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	63.0	63.0	65.0
DII	11.6	11.0	6.9
FII	11.4	11.1	13.6
Others	13.9	14.9	14.4

FII Includes depository receipts

Stock Performance (1-year)


CMP: INR7,313
TP: INR8,750 (+20%)
Buy

Leading the charge in C&W; FMEG turnaround positive

Market leadership in the C&W segment

Polycab India's (POLYCAB) market share in the domestic organized C&W segment stood at ~26-27%, up from ~18-19% in FY20. The company gained significant market share, backed by a diverse range of offerings (+9,600 SKUs), strong product quality, supply chain agility, deep market penetration (over 4,300 authorized dealers and distributors and presence in over 200k retail outlets across the country). Moreover, the company has consistently maintained a healthy segment margin of ~13-15%, aligning with its guidance of ~11-13%. Under its Project Spring, the company aims to grow its C&W business at 1.5x the industry growth rate, continue gaining market share, and maintain healthy margins of 11-13%.

FMEG delivers turnaround; aims for sustained outperformance

After a muted performance in recent years, the FMEG segment delivered a sharp turnaround with ~29% revenue growth in FY25 and achieved break-even in 4QFY25. This turnaround was driven by its strategic initiatives towards distribution expansion, portfolio enhancement, and brand building over the past four years. The company's strong performance highlights the growing momentum of its consumer franchise and its ability to adapt swiftly to evolving market dynamics. Under Project Spring, it targets to grow its FMEG revenue at 1.5x-2.0x the industry growth rate, while targeting an EBITDA margin of ~8-10%.

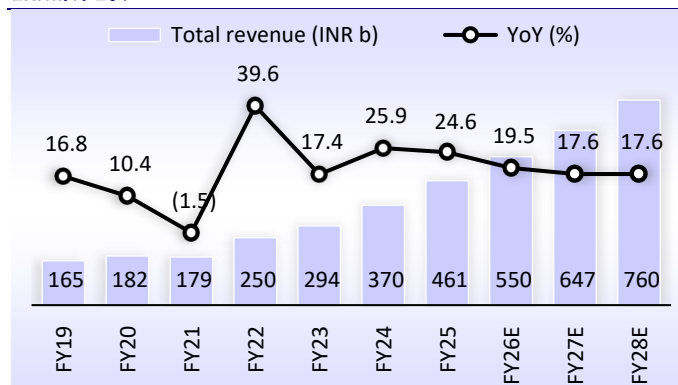
Future-ready with 2x capex commitment

POLYCAB has committed a capex of INR60-80b over the next five years (vs. INR30b over FY21-25) to support its long-term growth objectives and build a stronger, future-ready business. These investments are estimated to generate an asset turnover of 4x-5x and will be funded through internal accruals. The focus areas include capacity expansion across all major product lines within the C&W segment, selective expansion in FMEG, and strategic backward integration to enhance operational efficiencies.

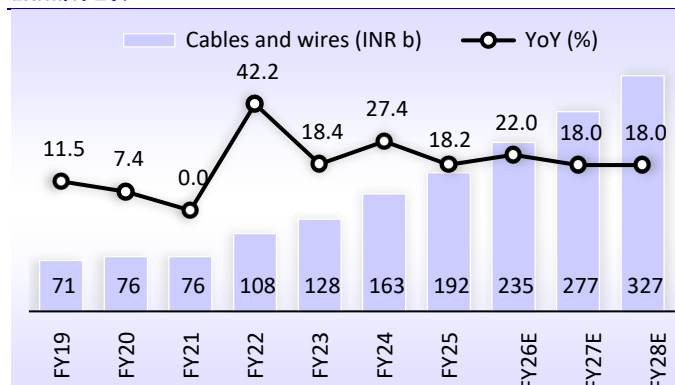
Valuation and view: Structurally positive, built for the long term

We estimate a CAGR of 18%/22%/21% in Revenue/EBITDA/EPS over FY25-28. POLYCAB has benefited from continuous capacity expansions and sustained a healthy margin (~13-15%) in the C&W segment. We project a stable margin of ~14% over FY26-28, given the company's operational strength, an increase in contribution from the EHV capacity (expected from FY27), and export growth. Cumulative FCF is expected to stand at INR42.4b over FY26-28, despite increased capex intensity. Net cash is likely to increase to INR47.3b by FY28 vs. INR31.0b as of Jun'25. We remain structurally positive on POLYCAB, given its leadership position in the C&W segment, positive sector outlook, robust balance sheet, and strong return ratios. We reiterate our BUY rating on POLYCAB with a TP of INR8,750 (based on 40x Sep'27E EPS).

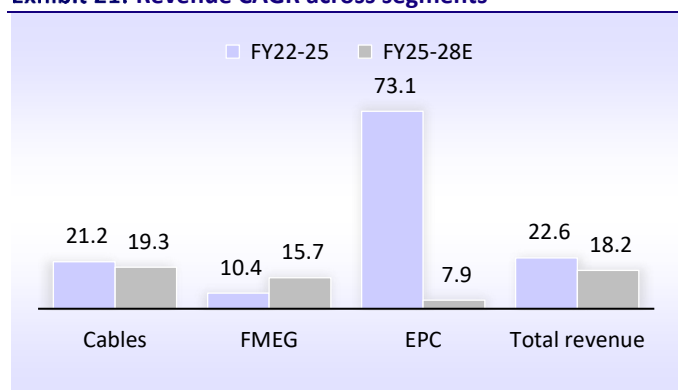
Story in charts

Exhibit 19: Estimate revenue CAGR of ~18% over FY25-28


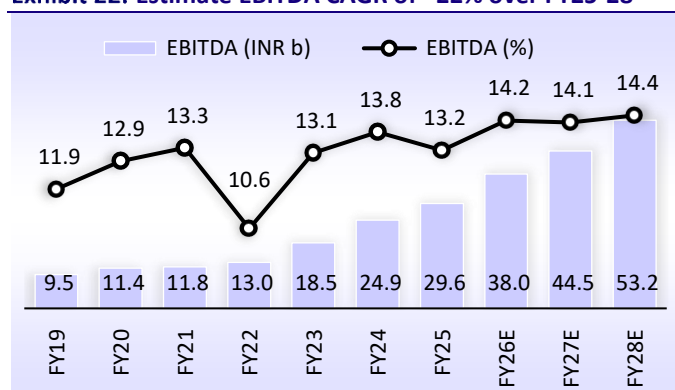
Source: MOFSL, Company

Exhibit 20: C&W to clock ~19% CAGR over FY25-28


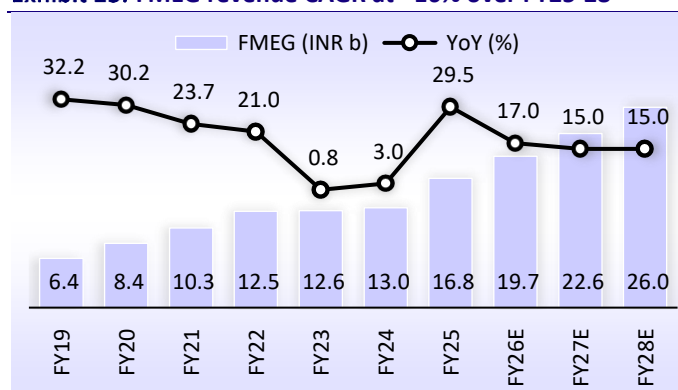
Source: MOFSL, Company

Exhibit 21: Revenue CAGR across segments


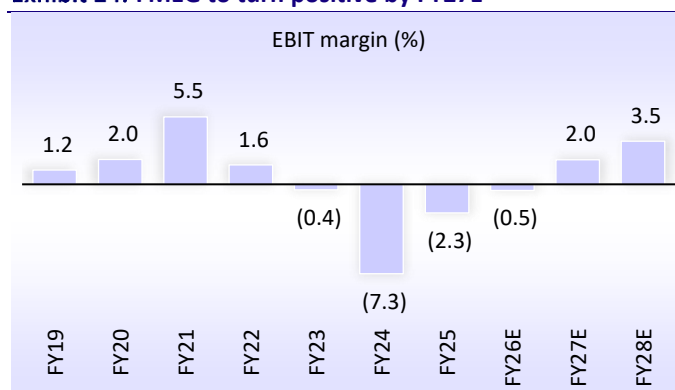
Source: MOFSL, Company

Exhibit 22: Estimate EBITDA CAGR of ~22% over FY25-28


Source: MOFSL, Company

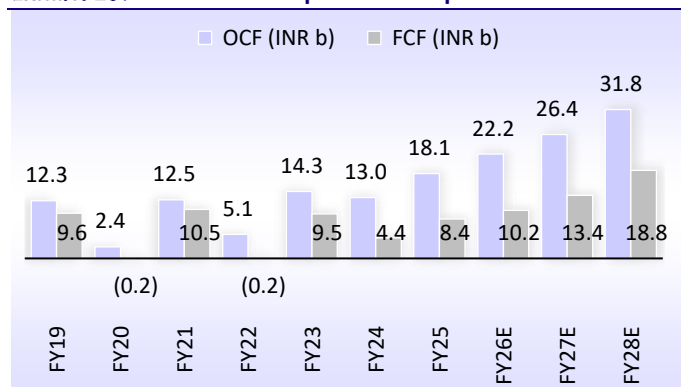
Exhibit 23: FMEG revenue CAGR at ~16% over FY25-28


Source: MOFSL, Company

Exhibit 24: FMEG to turn positive by FY27E


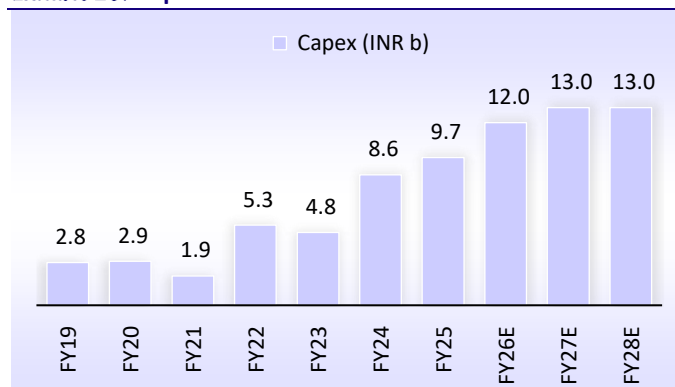
Source: MOFSL, Company

Exhibit 25: OCF and FCF expected to improve



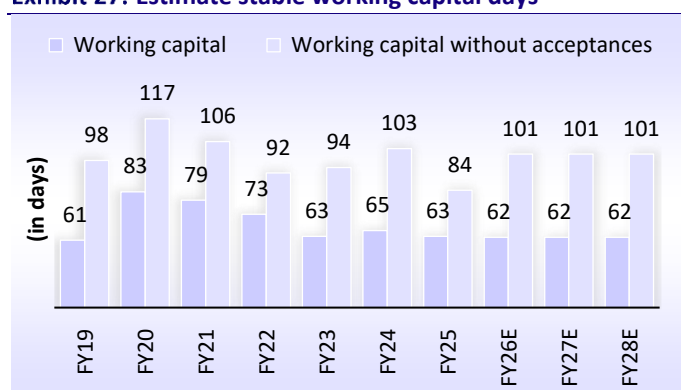
Source: MOFSL, Company

Exhibit 26: Capex raised for FY26-28 vs. historical



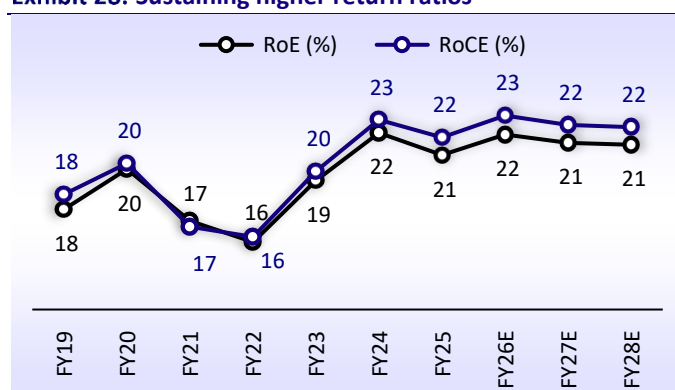
Source: MOFSL, Company

Exhibit 27: Estimate stable working capital days



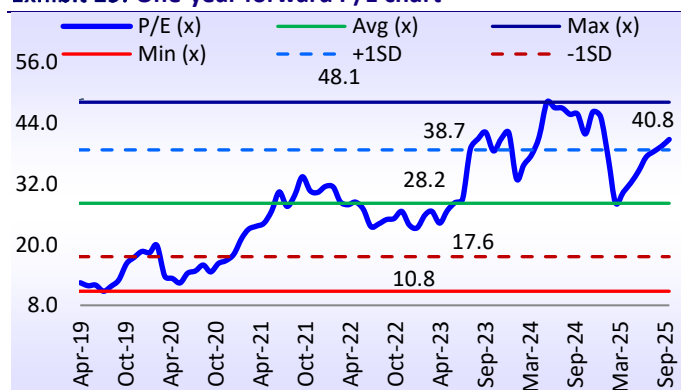
Source: MOFSL, Company

Exhibit 28: Sustaining higher return ratios



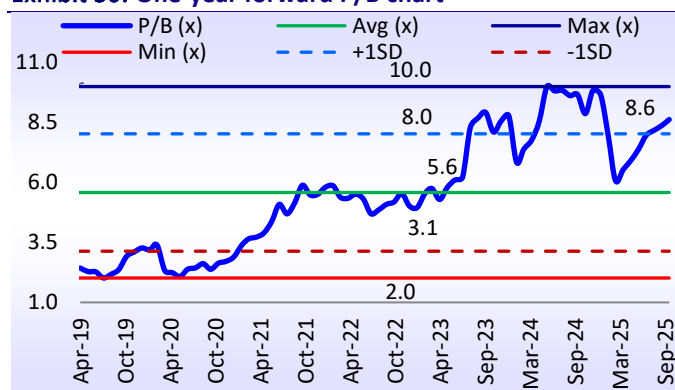
Source: MOFSL, Company

Exhibit 29: One-year forward P/E chart



Source: MOFSL, Company

Exhibit 30: One-year forward P/B chart



Source: MOFSL, Company

Financials and valuations (Consolidated)

Income Statement						(INR M)		
Y/E March	2021	2022	2023	2024	2025	2026E	2027E	2028E
Net Sales	88,585	1,22,398	1,41,078	1,80,394	2,24,083	2,67,623	3,14,807	3,70,335
Change (%)	0.3	38.2	15.3	27.9	24.2	19.4	17.6	17.6
Raw Materials	65,171	94,657	1,05,109	1,32,803	1,68,300	1,96,970	2,31,698	2,71,456
Staff Cost	3,537	4,066	4,568	6,095	7,367	8,841	10,609	12,731
Other Expenses	8,102	10,663	12,880	16,578	18,813	23,818	28,018	32,960
EBITDA	11,774	13,012	18,521	24,918	29,602	37,993	44,482	53,189
% of Net Sales	13.3	10.6	13.1	13.8	13.2	14.2	14.1	14.4
Depreciation	1,762	2,015	2,092	2,450	2,981	3,694	4,563	5,466
Interest	427	352	598	1,083	1,689	2,170	2,364	2,761
Other Income	1,193	899	1,333	2,209	2,076	2,492	2,741	3,097
Profit of share of associates/JVs	6	(26)	(93)	-	-	-	-	-
PBT	10,784	11,519	17,073	23,593	27,008	34,621	40,296	48,059
Tax	2,703	2,706	4,242	5,564	6,553	8,586	9,994	11,919
Rate (%)	25.1	23.5	24.8	23.6	24.3	24.8	24.8	24.8
MI	38	87	123	189	255	276	298	322
Extra-ordinary Inc.(net)	(1,000)	-	-	-	-	-	-	-
Reported PAT	7,042	8,725	12,708	17,841	20,200	25,759	30,005	35,819
Change (%)	(7.2)	23.9	45.6	40.4	13.2	27.5	16.5	19.4
Adjusted PAT	8,042	8,725	12,708	17,841	20,200	25,759	30,005	35,819
Change (%)	5.9	8.5	45.6	40.4	13.2	27.5	16.5	19.4

Balance Sheet (Consolidated)						(INR M)		
Y/E March	2021	2022	2023	2024	2025	2026E	2027E	2028E
Share Capital	1,491	1,494	1,498	1,502	1,504	1,504	1,504	1,504
Reserves	46,048	53,943	64,874	80,369	96,746	1,17,240	1,39,724	1,68,021
Net Worth	47,539	55,437	66,372	81,871	98,250	1,18,745	1,41,228	1,69,526
Loans	2,487	831	730	898	1,090	990	890	790
Deffered Tax Liability	418	272	409	415	785	785	785	785
Minority Interest	188	251	374	562	818	1,094	1,392	1,713
Capital Employed	50,633	56,791	67,885	83,746	1,00,943	1,21,613	1,44,294	1,72,814
Gross Fixed Assets	26,989	27,059	33,069	37,462	47,153	59,153	72,153	85,153
Less: Depreciation	8,293	10,308	12,400	14,850	17,831	21,525	26,088	31,554
Net Fixed Assets	18,696	16,751	20,669	22,612	29,321	37,627	46,064	53,598
Capital WIP	991	3,755	2,508	6,547	7,872	7,872	7,872	7,872
Investments	6,349	7,733	13,505	18,224	17,490	17,490	17,490	17,490
Curr. Assets	44,111	45,880	57,559	73,276	82,804	1,02,590	1,24,586	1,54,694
Inventory	19,879	21,996	29,514	36,751	36,613	43,727	51,436	60,509
Debtors	15,641	13,763	12,992	21,662	28,957	34,583	40,681	47,856
Cash & Bank Balance	5,313	4,071	6,952	4,024	7,706	12,901	19,084	30,583
Loans & Advances	123	127	103	106	111	133	156	183
Other Current Assets	3,155	5,922	7,997	10,733	9,416	11,246	13,228	15,562
Current Liab. & Prov.	19,514	17,328	26,356	36,914	36,544	43,966	51,718	60,841
Creditors	13,480	12,175	20,326	28,633	27,358	32,995	38,812	45,658
Other Liabilities	5,547	4,634	5,312	7,365	8,145	9,727	11,442	13,460
Provisions	487	518	717	916	1,042	1,245	1,464	1,722
Net Current Assets	24,597	28,552	31,203	36,362	46,259	58,624	72,868	93,853
Application of Funds	50,633	56,791	67,885	83,746	1,00,943	1,21,613	1,44,294	1,72,814

Financials and valuations (Consolidated)

Ratios

Y/E March	2021	2022	2023	2024	2025	2026E	2027E	2028E
Basic (INR)								
Adjusted EPS	53.9	58.4	84.9	118.8	134.3	171.2	199.5	238.1
Growth (%)	5.8	8.3	45.3	40.0	13.1	27.5	16.5	19.4
Cash EPS	65.7	71.9	98.8	135.1	154.1	195.8	229.8	274.5
Book Value	318.8	371.0	443.2	545.0	653.1	789.4	938.9	1,127.0
DPS	10.0	14.0	20.0	30.0	35.0	40.0	50.0	50.0
Payout (incl. Div. Tax.)	18.5	24.0	23.6	16.8	22.3	20.4	25.1	21.0
Valuation (x)								
P/Sales	12.3	8.9	7.8	6.1	4.9	4.1	3.5	3.0
P/E	135.8	125.4	86.3	61.7	54.5	42.8	36.7	30.8
Cash P/E	111.4	101.9	74.1	54.2	47.5	37.4	31.9	26.7
EV/EBITDA	92.5	83.9	58.9	44.0	37.0	28.7	24.4	20.2
EV/Sales	12.3	8.9	7.7	6.1	4.9	4.1	3.4	2.9
Price/Book Value	23.0	19.7	16.5	13.4	11.2	9.3	7.8	6.5
Dividend Yield (%)	0.1	0.2	0.3	0.4	0.5	0.5	0.7	0.7
Profitability Ratios (%)								
RoE	16.9	15.7	19.1	21.8	20.6	21.7	21.2	21.1
RoCE	16.6	16.0	19.7	22.5	21.5	22.7	22.2	22.1
RoIC	19.3	18.7	26.0	27.9	26.6	28.3	27.9	28.8
Turnover Ratios								
Debtors (Days)	64	41	34	44	47	47	47	47
Inventory (Days)	82	66	76	74	60	60	60	60
Creditors. (Days)	56	36	53	58	45	45	45	45
Asset Turnover (x)	1.7	2.2	2.1	2.2	2.2	2.2	2.2	2.1
Leverage Ratio								
Debt/Equity (x)	(0.1)	(0.1)	(0.1)	(0.0)	(0.1)	(0.1)	(0.1)	(0.2)

Cash Flow Statement

Y/E March	2021	2022	2023	2024	2025	2026E	2027E	2028E
(INR M)								
PBT before EO Items	10,122	11,519	17,073	23,593	27,008	34,621	40,296	48,059
Add : Depreciation	1,866	2,088	2,092	2,450	2,981	3,694	4,563	5,466
Interest	531	352	598	1,083	1,689	2,170	2,364	2,761
Less : Direct Taxes Paid	2,409	3,340	3,704	5,743	6,331	8,586	9,994	11,919
(Inc)/Dec in WC	(2,600)	4,974	1,058	8,090	6,099	7,169	8,061	9,487
Others	(325)	(529)	(725)	(331)	(1,162)	(2,492)	(2,741)	(3,097)
CF from Operations	12,385	5,116	14,275	12,962	18,085	22,238	26,428	31,784
(Inc)/Dec in FA	(1,935)	(5,267)	(4,795)	(8,585)	(9,706)	(12,000)	(13,000)	(13,000)
Free Cash Flow	10,450	(151)	9,481	4,377	8,379	10,238	13,428	18,784
(Pur)/Sale of Investments	(5,664)	997	(7,232)	1,066	(2,687)	2,492	2,741	3,097
Others								
CF from Investments	(7,599)	(4,270)	(12,026)	(7,519)	(12,393)	(9,508)	(10,259)	(9,903)
(Inc)/Dec in Net Worth	-	-	-	-	-	-	-	-
(Inc)/Dec in Debt	(1,217)	(168)	332	194	498	(100)	(100)	(100)
Less : Interest Paid	463	309	476	1,017	1,685	2,170	2,364	2,761
Dividend Paid	-	1,492	2,094	2,997	4,511	5,265	7,521	7,521
Others	(68)	(38)	(32)	(54)	(585)	-	-	-
CF from Fin. Activity	(1,748)	(2,007)	(2,271)	(3,874)	(6,283)	(7,534)	(9,985)	(10,382)
Inc/Dec of Cash	3,038	(1,160)	(22)	1,570	(591)	5,195	6,183	11,499
Add: Beginning Balance	4,658	5,231	6,974	2,454	8,297	7,706	12,901	19,084
Closing Balance	7,696	4,071	6,952	4,024	7,706	12,901	19,084	30,583

KEI Industries

BSE SENSEX

80,426

S&P CNX

24,655



Bloomberg	KEII IN
Equity Shares (m)	96
M.Cap.(INRb)/(USDb)	387.9 / 4.4
52-Week Range (INR)	4725 / 2424
1, 6, 12 Rel. Per (%)	5/39/3
12M Avg Val (INR M)	1729
Free Float (%)	65.0

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	116.3	136.2	159.7
EBITDA	12.1	14.8	17.7
Adj. PAT	8.8	10.4	12.3
EBITDA Margin (%)	10.4	10.9	11.1
Cons. Adj. EPS (INR)	91.9	108.5	128.4
EPS Gr. (%)	26.2	18.0	18.4
BV/Sh. (INR)	691	794	916

Ratios

Net D:E	(0.3)	(0.3)	(0.2)
RoE (%)	14.2	14.6	15.0
RoCE (%)	14.5	15.1	15.6
Payout (%)	6.5	5.5	4.7

Valuations

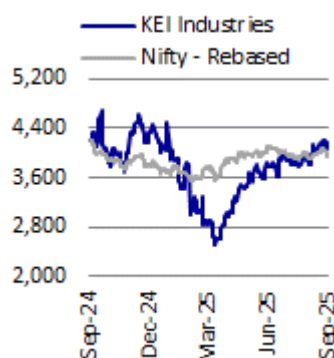
P/E (x)	44.2	37.4	31.6
P/BV (x)	5.9	5.1	4.4
EV/EBITDA (x)	30.5	24.9	20.7
Div Yield (%)	0.1	0.1	0.1
FCF Yield (%)	0.2	0.2	0.5

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	35.0	35.0	37.1
DII	25.6	23.5	16.6
FII	26.6	25.8	30.8
Others	12.8	15.6	15.6

FII includes depository receipts.

Stock Performance (1-year)


CMP: INR4,060 TP: INR4,700 (+16%) Upgrade to Buy

Strong growth positioning; capex well-funded

Capacity boost sets stage for sustained growth

KEI Industries (KEII) has embarked on a robust expansion trajectory to consolidate its position in both domestic and export markets. The company is setting up a greenfield facility at Sanand, Gujarat, with a total investment of ~INR18b. Phase-I is likely to be commissioned in Sep'25, with full expansion scheduled for completion by 1QFY27. Once operational, the Sanand plant is expected to add a capacity of INR55-60b, driving incremental revenue of ~INR6.0b in FY26 and INR20-25b in FY27, with growth of ~20% thereafter. Following the completion of the Sanand Project, the company is committed to an annual capex of INR7.0-8.0b for the next phase of expansion in low and medium-voltage cables, which will be funded through internal accruals. The company has acquired 18 acres of land at Salarpur, Rajasthan, for these expansions and is in the process of acquiring a sizeable land at Kheda, Nadiad, Gujarat. With these investments, the company targets ~19-20% revenue CAGR over the next five years.

Retail mix increases; expansion helps to scale exports

KEII has strengthened its retail division through promotional campaigns, outdoor marketing, and sponsorships, boosting brand visibility. The share of B2C sales in overall revenue grew from ~29% in FY20 to ~52% in FY25, improving cash flow and reducing receivable periods. With a PAN-India retail presence, its network includes 26 depots, 38 marketing offices across the country and four overseas offices in the UAE, South Africa, Nepal, and Gambia, and over 2,090 active dealers/distributors as of Jun'25. Its advertising and promotion spending increased 18% YoY to INR478m in FY25, and the company spent 0.5% of its revenues on ads in FY25. We estimate ad spending to be at 0.5% of revenues over FY25-28 (19% CAGR over FY25-28E). Additionally, exports are a key focus area for driving diversification and growth. The company is strengthening its capabilities to cater to high-value international markets through direct sales, enhanced capacities, and globally recognized product certifications. Its Sanand facility will play a critical role in meeting long-length export demand, particularly for EHV cables. In FY25, exports grew 15% YoY to INR12.7b, driven by a sharp 40% rise in cable exports. The company's export order book stood at INR7.0b as of Jun'25. Exports accounted for 13% of sales in FY25, and the company targets to increase this share to ~15-18% over the next three years.

Strong growth ahead; capex well-funded through healthy cash flows

We estimate revenue CAGR at ~18% over FY25-28, led by ~19% growth in the C&W segment and ~5% growth in the SSW segment. However, EPC revenue is likely to decline ~12% p.a. during the same period, as the company is selective and has recalibrated its EPC business. EBITDA is estimated to clock ~21% CAGR, with margins expanding ~90-100bp to ~11% by FY28. PAT is estimated

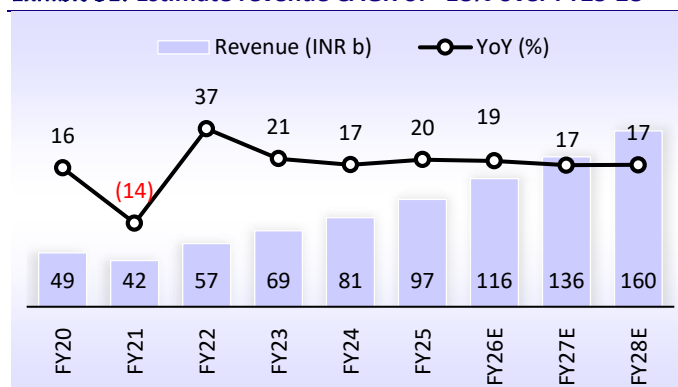
to post a 21% CAGR over FY25-28. We estimate a cumulative OCF of INR22.1b over FY26-28 vs. INR10.9b over FY23-25, backed by robust revenue growth and efficient working capital management, which also support its annual capex requirement of INR6-7b. Cumulative FCF is estimated at INR3.4b over FY26-28E vs a net cash outflow of INR1.0b over FY23-25. We estimate the company's net cash to improve to INR20.9b by FY28 vs. INR15.0b as of Jun'25.

Valuation and view

KEIL delivered strong performance in 1HCY25, with over 25% growth and stable margins supported by a robust demand environment, a diversified customer base, and a significant presence across domestic and international markets. Its growing focus on the retail segment and capacity expansion would continue to drive growth for the company. We value KEIL at 40x Sep'27E EPS to arrive at a revised TP of INR4,700 and upgrade the rating to BUY.

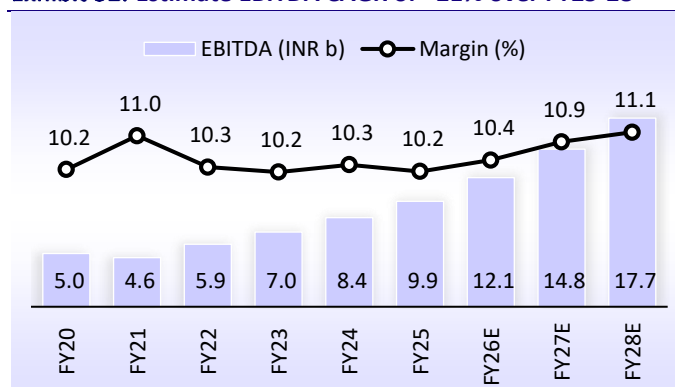
Story in charts

Exhibit 31: Estimate revenue CAGR of ~18% over FY25-28



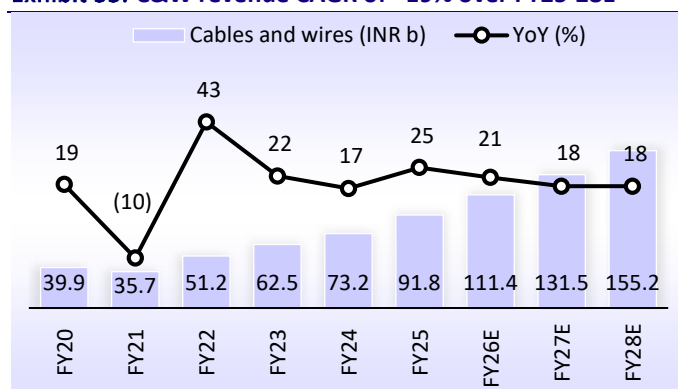
Source: MOFSL, Company

Exhibit 32: Estimate EBITDA CAGR of ~21% over FY25-28



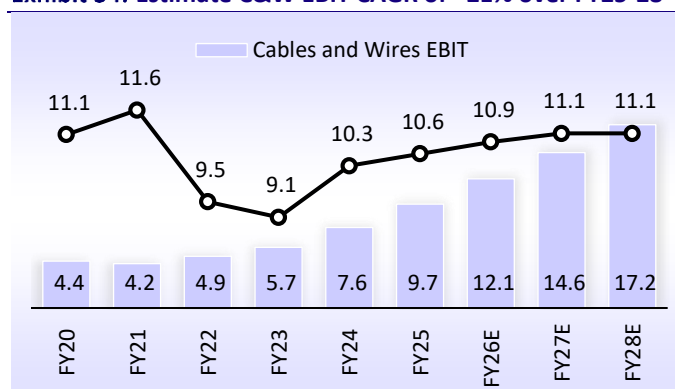
Source: MOFSL, Company

Exhibit 33: C&W revenue CAGR of ~19% over FY25-28E



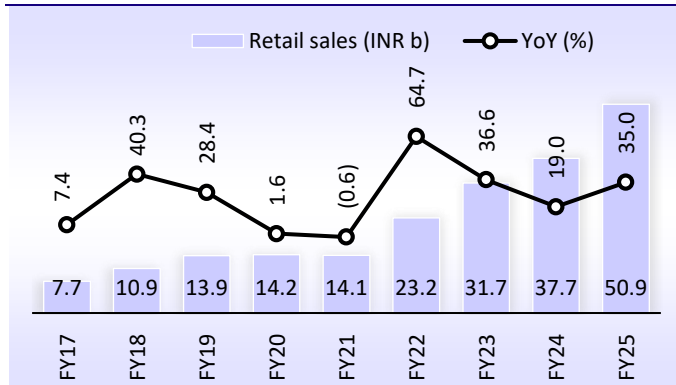
Source: MOFSL, Company

Exhibit 34: Estimate C&W EBIT CAGR of ~21% over FY25-28



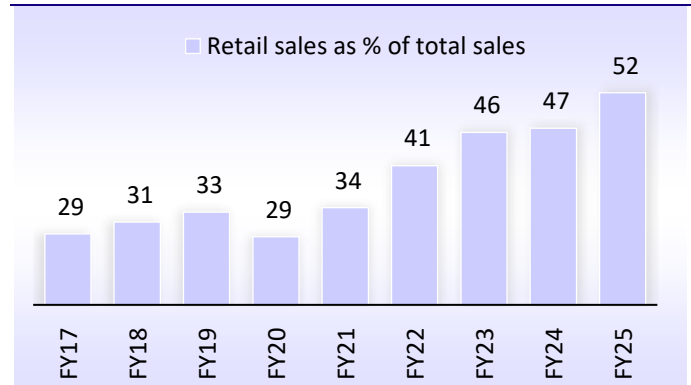
Source: MOFSL, Company

Exhibit 35: Revenue from the retail segment and growth



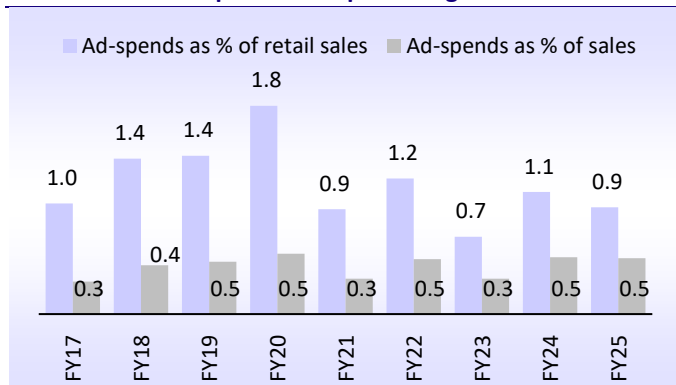
Source: MOFSL, Company

Exhibit 36: Retail segment's share in sales increasing YoY



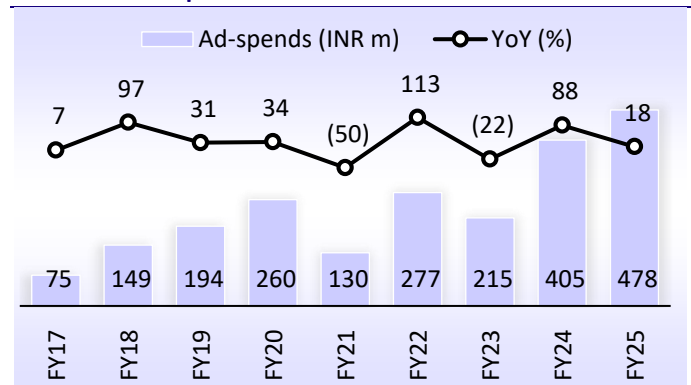
Source: MOFSL, Company

Exhibit 37: Adv. expenses as a percentage of sales



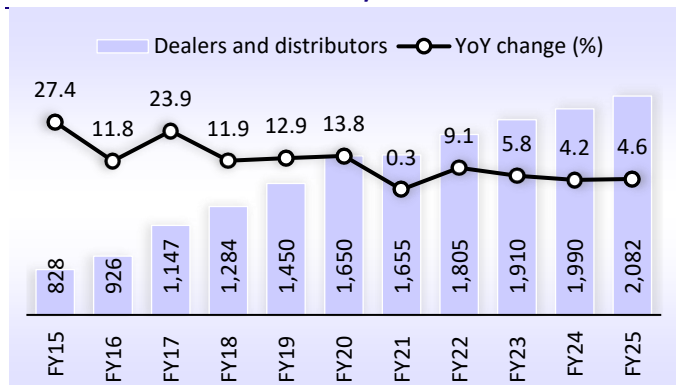
Source: MOFSL, Company

Exhibit 38: Ad spends increased 18% YoY



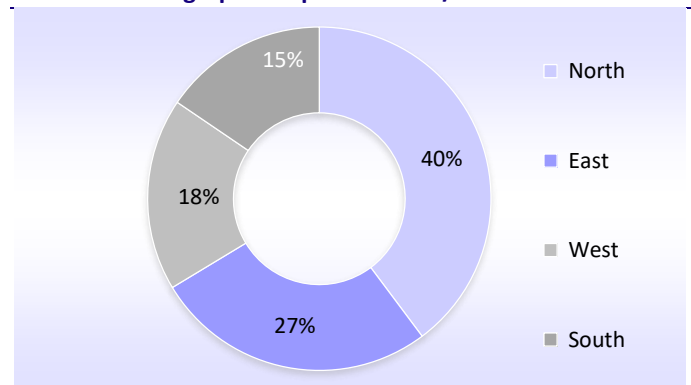
Source: MOFSL, Company

Exhibit 39: Growth in the dealer/distributor network



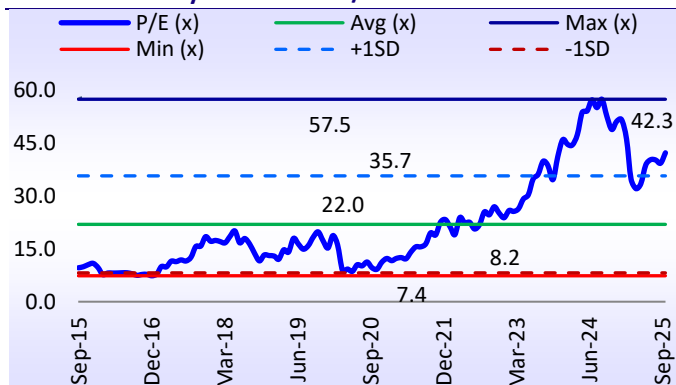
Source: MOFSL, Company

Exhibit 40: Geographical split of dealer/distributor



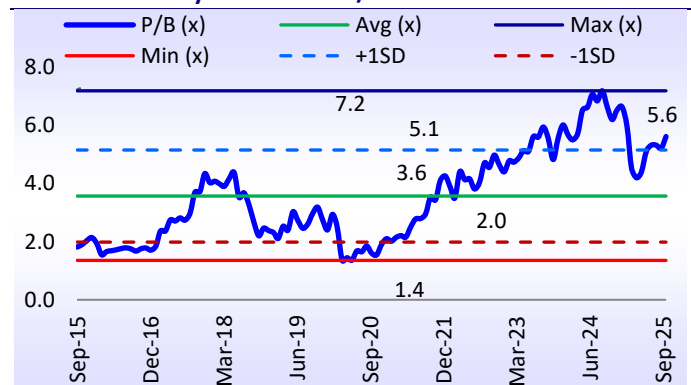
Source: MOFSL, Company

Exhibit 41: One-year forward P/E chart



Source: MOFSL, Company

Exhibit 42: One-year forward P/B chart



Source: MOFSL, Company

Financials and valuations (Consolidated)

Income Statement								(INR M)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Net Sales	41,815	57,270	69,082	81,041	97,359	1,16,264	1,36,153	1,59,708
Change (%)	(14.4)	37.0	20.6	17.3	20.1	19.4	17.1	17.3
EBITDA	4,605	5,887	7,020	8,375	9,910	12,141	14,802	17,727
% of Net Sales	11.0	10.3	10.2	10.3	10.2	10.4	10.9	11.1
Depreciation	578	555	571	614	701	1,047	1,425	1,789
Interest	573	404	347	439	556	603	814	871
Other Income	201	146	318	490	718	1,330	1,384	1,440
PBT	3,655	5,075	6,420	7,813	9,370	11,821	13,947	16,507
Tax	921	1,315	1,647	2,002	2,406	3,035	3,581	4,238
Rate (%)	25.2	25.9	25.7	25.6	25.7	25.7	25.7	25.7
Extra-ordinary Inc.(net)	-	-	-	2.1	-	-	-	-
Reported PAT	2,734	3,760	4,773	5,813	6,964	8,786	10,367	12,269
Change (%)	5.7	37.5	26.9	21.8	19.8	26.2	18.0	18.4
Adjusted PAT	2,734	3,760	4,773	5,811	6,964	8,786	10,367	12,269
Change (%)	5.7	37.5	26.9	21.7	19.9	26.2	18.0	18.4

Balance Sheet								(INR M)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Share Capital	180	180	180	180	191	191	191	191
Reserves	17,597	21,175	25,711	31,302	57,666	65,879	75,672	87,368
Net Worth	17,776	21,355	25,892	31,483	57,858	66,070	75,863	87,559
Loans	2,850	3,314	1,353	1,342	1,783	1,483	1,183	883
Deferred Tax Liability	296	294	266	273	304	304	304	304
Capital Employed	20,922	24,963	27,511	33,098	59,945	67,857	77,350	88,746
Gross Fixed Assets	6,631	7,733	8,668	11,312	14,240	20,671	26,816	32,816
Less: Depreciation	1,869	2,424	2,995	3,608	4,310	5,357	6,782	8,570
Net Fixed Assets	4,761	5,309	5,673	7,703	9,931	15,314	20,035	24,246
Capital WIP	71	165	146	1,224	3,855	4,000	4,000	4,000
Investments	9	20	13	16	17	17	17	17
Curr. Assets	25,295	29,776	31,870	37,636	58,543	66,029	74,542	85,401
Inventory	7,682	10,794	11,023	13,427	17,303	19,749	23,127	27,128
Debtors	13,496	13,955	13,878	15,179	17,972	21,660	25,366	29,754
Cash & Bank Balance	2,212	3,600	5,372	7,004	19,153	19,706	20,295	21,770
Loans & Advances	220	16	24	27	27	32	37	43
Other Current Assets	1,685	1,410	1,573	2,000	4,088	4,882	5,717	6,706
Current Liab. & Prov.	9,214	10,307	10,191	13,482	12,401	17,503	21,243	24,918
Creditors	7,414	7,626	7,482	10,079	7,792	12,104	14,921	17,502
Other Liabilities	1,658	2,538	2,469	3,106	4,223	4,937	5,782	6,782
Provisions	142	143	240	296	387	462	541	634
Net Current Assets	16,081	19,469	21,679	24,155	46,142	48,526	53,299	60,483
Application of Funds	20,922	24,963	27,511	33,098	59,945	67,857	77,350	88,746

Financials and valuations (Consolidated)

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic (INR)								
Adjusted EPS	30.4	41.7	52.9	64.4	72.9	91.9	108.5	128.4
Growth (%)	5.3	37.2	26.8	21.7	13.2	26.2	18.0	18.4
Cash EPS	36.9	47.9	59.3	71.2	80.2	102.9	123.4	147.1
Book Value	197.8	237.0	287.1	348.9	605.5	691.4	793.9	916.3
DPS	2.0	2.5	3.0	3.5	3.6	5.0	5.0	5.0
Payout (incl. Div. Tax.)	6.6	6.0	5.7	4.8	6.0	6.5	5.5	4.7
Valuation (x)								
P/Sales	8.7	6.4	5.3	4.5	4.0	3.3	2.8	2.4
P/E	133.5	97.3	76.7	63.1	55.7	44.2	37.4	31.6
Cash P/E	110.2	84.8	68.5	57.0	50.6	39.5	32.9	27.6
EV/EBITDA	79.4	62.1	51.6	43.1	37.4	30.5	24.9	20.7
EV/Sales	8.7	6.4	5.2	4.5	3.8	3.2	2.7	2.3
Price/Book Value	20.5	17.1	14.1	11.6	6.7	5.9	5.1	4.4
Dividend Yield (%)	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Profitability Ratios (%)								
RoE	16.6	19.2	20.2	20.3	15.6	14.2	14.6	15.0
RoCE	16.0	17.7	19.2	20.3	15.9	14.5	15.1	15.6
RoIC	17.2	19.7	22.1	24.0	20.5	18.5	18.9	19.1
Turnover Ratios								
Debtors (Days)	118	89	73	68	67	68	68	68
Inventory (Days)	67	69	58	60	65	62	62	62
Creditors. (Days)	65	49	40	45	29	38	40	40
Asset Turnover (x)	2.0	2.3	2.5	2.4	1.6	1.7	1.8	1.8
Leverage Ratio								
Net Debt/Equity (x)	0.0	(0.0)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)	(0.2)

Cash Flow Statement

(INR M)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
PBT before EO Items	3,654	5,075	6,420	7,811	9,370	11,821	13,947	16,507
Add : Depreciation	578	555	571	614	701	1,047	1,425	1,789
Interest	554	404	347	439	556	603	814	871
Less : Direct Taxes Paid	903	1,247	1,776	2,045	2,261	3,035	3,581	4,238
(Inc)/Dec in WC	2,420	2,505	349	689	8,227	1,831	4,184	5,710
Others	76	4	(74)	(24)	(461)	(1,330)	(1,384)	(1,440)
CF from Operations	1,539	2,286	5,139	6,105	(322)	7,275	7,037	7,779
(Inc)/Dec in FA	(240)	(597)	(979)	(4,005)	(6,977)	(6,576)	(6,145)	(6,000)
Free Cash Flow	1,299	1,688	4,160	2,100	(7,299)	700	892	1,779
(Pur)/Sale of Investments	952	(8)	(547)	265	(8,329)	-	-	-
Others	51	23	158	214	298	1,330	1,384	1,440
CF from Investments	763	(583)	(1,368)	(3,526)	(15,007)	(5,245)	(4,762)	(4,560)
(Inc)/Dec in Net Worth	79	56	20	11	20,011	-	-	-
(Inc)/Dec in Debt	(714)	666	(1,961)	(9)	441	(300)	(300)	(300)
Less : Interest Paid	471	404	347	439	556	603	814	871
Dividend Paid	180	224	271	281	418	573	573	573
Others	-	(408)	-	(225)	(292)	-	-	-
CF from Fin. Activity	(1,286)	(314)	(2,559)	(942)	19,185	(1,477)	(1,687)	(1,744)
Inc/Dec of Cash	1,016	1,389	1,211	1,637	3,856	553	588	1,475
Add: Beginning Balance+FD	1,196	2,211	4,160	5,368	15,297	19,153	19,707	20,295
Closing Balance	2,212	3,600	5,372	7,004	19,153	19,707	20,295	21,770

R R Kabel

BSE SENSEX

80,426

S&P CNX

24,655



Bloomberg	RRKABEL IN
Equity Shares (m)	113
M.Cap.(INRb)/(USDb)	137.8 / 1.6
52-Week Range (INR)	1815 / 751
1, 6, 12 Rel. Per (%)	2/30/-23
12M Avg Val (INR M)	355
Free float (%)	38.2

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	88.5	102.0	117.5
EBITDA	6.5	7.6	9.1
Adj. PAT	4.2	4.6	5.4
EBITDA Margin (%)	7.3	7.5	7.7
Cons. Adj. EPS (INR)	37.0	40.9	48.2
EPS Gr. (%)	34.1	10.7	17.7
BV/Sh. (INR)	220.3	254.2	294.4

Ratios

Net D:E	0.2	0.2	0.1
RoE (%)	18.0	17.2	17.6
RoCE (%)	16.7	15.9	16.3
Payout (%)	18.9	17.1	16.6

Valuations

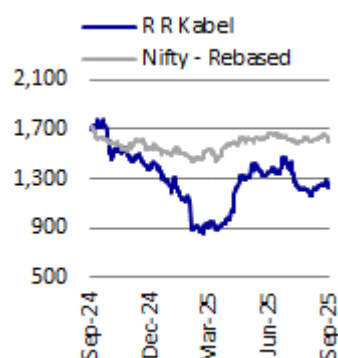
P/E (x)	33.0	29.8	25.3
P/BV (x)	5.5	4.8	4.1
EV/EBITDA (x)	21.8	18.6	15.7
Div Yield (%)	0.6	0.6	0.7
FCF Yield (%)	(2.6)	0.5	1.2

Shareholding pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	61.8	61.8	61.9
DII	13.6	14.7	13.5
FII	8.6	7.2	6.5
Others	16.0	16.3	18.1

FII Includes depository receipts

Stock Performance (1-year)



CMP: INR1,216

TP: INR1,340 (+10%)

Neutral

Capex-led growth; channel expansion fuels market reach

Strong growth planned over FY25-28E

R R Kabel (RRKABEL) has embarked on a focused three-year growth journey under its strategic initiative, Project RRISE. During this period, it aims to increase capacity by 1.7x, supporting domestic business growth of 1.6x and export business growth of 1.8x. Overall, the company targets an 18% CAGR in its C&W business and a 25% CAGR in FMEG revenue. Moreover, management aims to grow EBITDA by 2.5x, and has earmarked a capex of INR12b for FY26-28E, focusing on expansions at its existing facilities in Silvassa and Waghodia. 80% of this capex will be allocated to increasing cable production capacity. INR10.5b will be invested in capacity expansion at the Waghodia plant in Gujarat, which is expected to be completed in phases by Mar'28. This will lead to an installed capacity increase of ~55% at this plant. Capex is pegged at INR1.5b for capacity expansion at the Silvassa, Dadra, and Nagar Haveli plant, which is expected to be commissioned by Dec'26. An earlier planned capex of INR2.5b at this plant is expected to become operational by Mar'26.

Product innovation and new product offerings to support growth

RRKABEL is focused on product innovation and high-margin product offerings, such as FireX LSOH-EBXL (halogen-free, low-smoke wire for public and commercial buildings) that comply with the latest safety regulations. The company is also introducing new product categories, such as medium voltage cables up to 66 kV, and enhancing its premium and mid-premium range of FMEG products (premium decorative fans, downlight panels, and switchgears). In the FMEG segment, the company is prioritizing premiumization, improving channel efficiency (optimization of logistics and promotional costs), expanding presence across multiple price points with a balanced product portfolio, and targeting profitability by FY26. It has significantly increased its distribution network over the past few years, currently backed by a pan-India distribution network including ~4,400 distributors and 4,500 dealers. Over FY20-25, its distributor and dealer counts recorded a CAGR of 32% and 12%, respectively. The company's products are available at ~191k retail touchpoints, with a network connecting ~583k electricians. Its advertising and promotion spending increased 25% YoY to INR1.3b in FY25, and the company spent 1.6% of its revenue on ads during the year. We estimate ad spending to stand at 1.6% of revenue over FY25-28 (13% CAGR over FY25-28). Sponsorships of cricket teams such as the Kolkata Knight Riders and the UP Warriorz have contributed to enhancing the company's brand presence. Supported by a strong R&D team, the company develops first-of-its-kind products and secures export certifications from various countries. The company exports C&W to 74 countries and has over 57 international certifications.

Capex fueled for future growth

We estimate RRKABEL's revenue/EBITDA/PAT CAGR at ~16%/23%/20% over FY25-28. Further, we estimate OPM to expand to ~8% over FY27-28E vs ~6% in FY25, aided by an increase in cable contribution to overall revenue. The C&W segment's

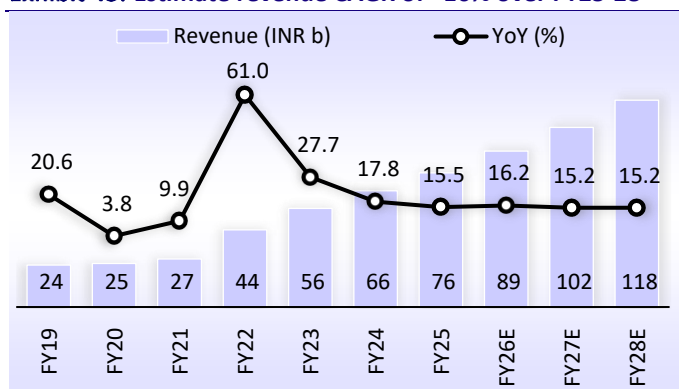
revenue posted a CAGR of ~24% over FY19-25. Going forward, we expect ~15% revenue CAGR for the C&W segment over FY25-28. In the FMEG segment, the company's revenue posted a CAGR of ~44% over FY19-25. We estimate ~14% revenue CAGR in this segment over FY25-28. Its cumulative OCF is projected at INR12.7b over FY26-28 vs. INR12.9b over FY23-25. Cumulative net cash outflow is estimated to be INR1.2b over FY26-28 vs FCF of INR6.2b over FY23-25, driven by higher capex.

Valuation and view

RRKABEL's volume growth in 1Q was below the industry average due to the spillover of domestic orders and cable capacity operating at optimum levels. The ongoing expansion at the Waghodia plant is estimated to boost cable volumes over the next three years. Management remains confident of achieving its full-year volume growth guidance of ~18%, supported by a robust 25% growth in cables during 9MFY25. Additionally, the company projects to achieve break-even in the FMEG business in FY26. We value RRKABEL at 30x Sep'27E EPS to arrive at a TP of INR1,340. Reiterate Neutral.

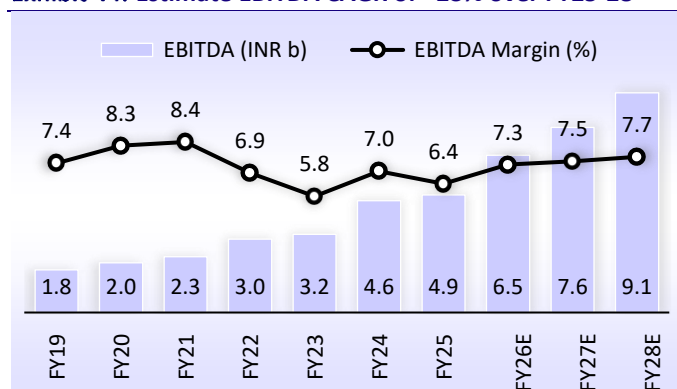
Story in charts

Exhibit 43: Estimate revenue CAGR of ~16% over FY25-28



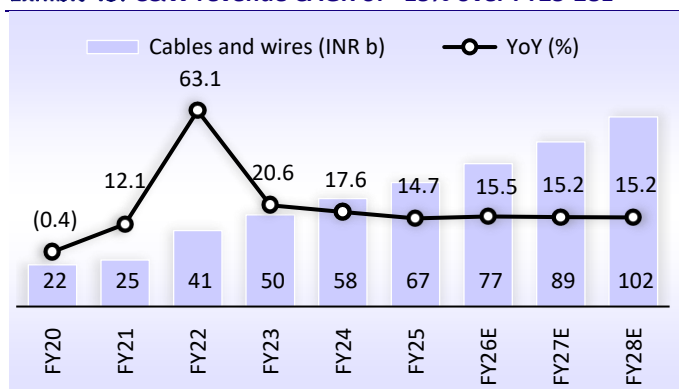
Source: MOFSL, Company

Exhibit 44: Estimate EBITDA CAGR of ~23% over FY25-28



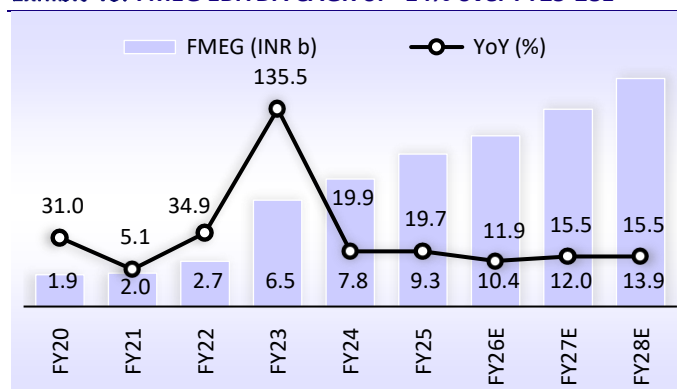
Source: MOFSL, Company

Exhibit 45: C&W revenue CAGR of ~15% over FY25-28E



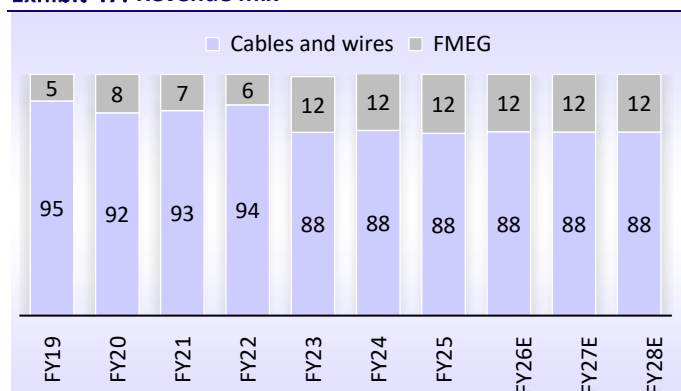
Source: MOFSL, Company

Exhibit 46: FMEG EBITDA CAGR of ~14% over FY25-28E



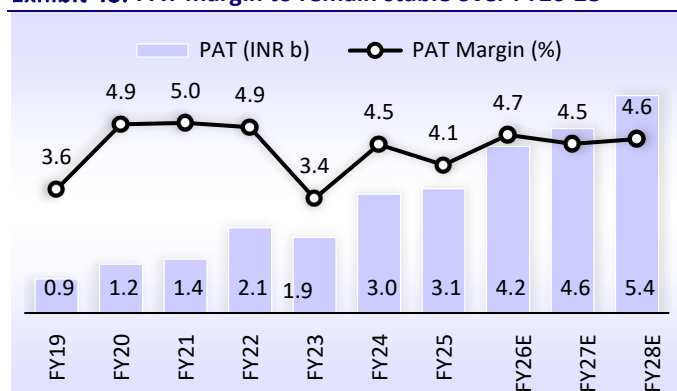
Source: MOFSL, Company

Exhibit 47: Revenue mix



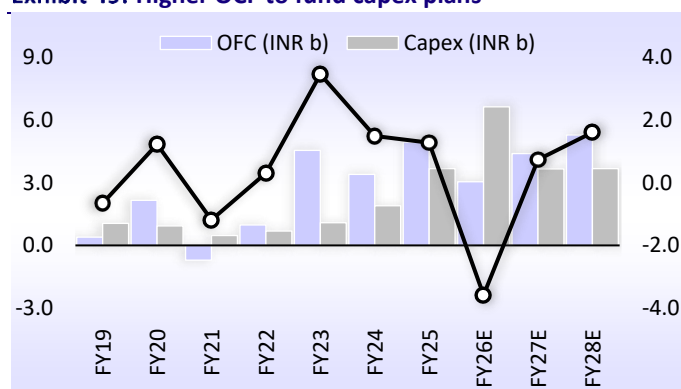
Source: MOFSL, Company

Exhibit 48: PAT margin to remain stable over FY26-28



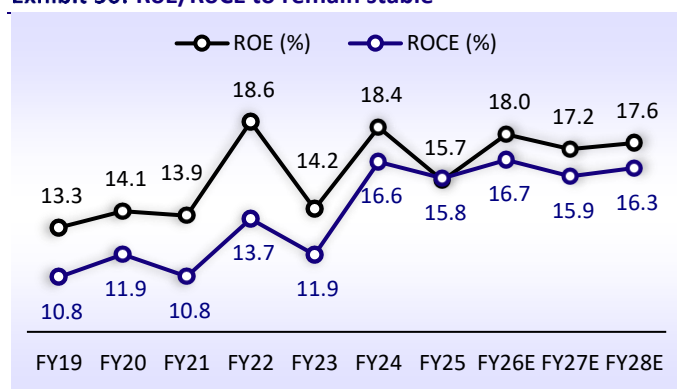
Source: MOFSL, Company

Exhibit 49: Higher OCF to fund capex plans



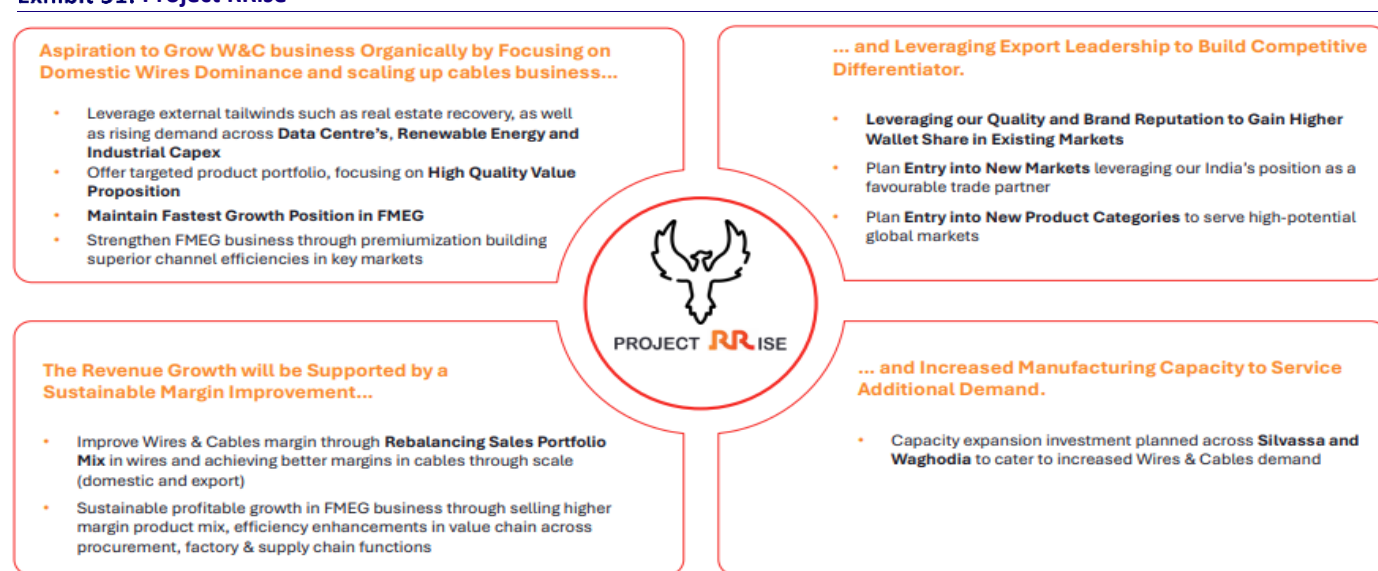
Source: MOFSL, Company

Exhibit 50: RoE/RoCE to remain stable



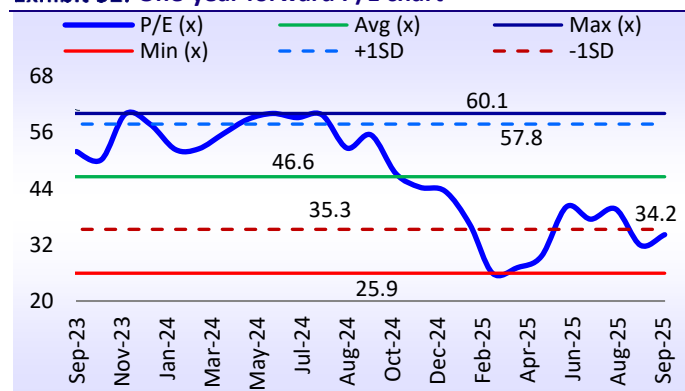
Source: MOFSL, Company

Exhibit 51: Project RRise



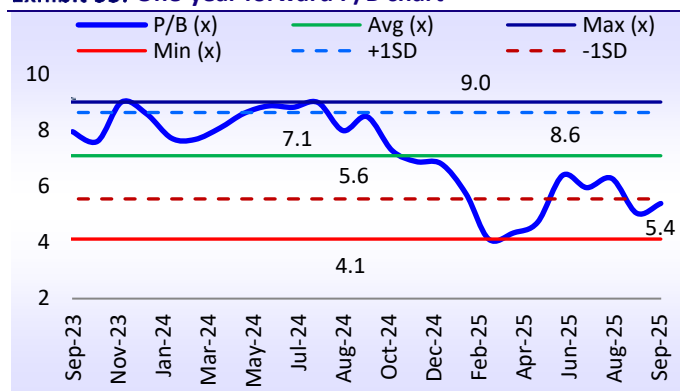
Source: MOFSL, Company

Exhibit 52: One-year forward P/E chart



Source: MOFSL, Company

Exhibit 53: One-year forward P/B chart



Source: MOFSL, Company

Financials and valuations (Consolidated)

Income Statement (INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Net Sales	27,239	43,859	55,992	65,946	76,182	88,517	1,02,006	1,17,517
Change (%)	9.9	61.0	27.7	17.8	15.5	16.2	15.2	15.2
EBITDA	2,301	3,032	3,223	4,617	4,856	6,488	7,638	9,068
Change (%)	12.4	31.8	6.3	43.2	5.2	33.6	17.7	18.7
Margin (%)	8.4	6.9	5.8	7.0	6.4	7.3	7.5	7.7
Depreciation	448	461	596	655	705	766	839	991
Int. and Fin. Charges	271	233	421	539	589	679	1,170	1,362
Other Income	220	463	344	626	511	526	537	548
Profit before Taxes	1,803	2,802	2,550	4,050	4,074	5,569	6,165	7,262
Change (%)	14.3	55.4	(9.0)	58.8	0.6	36.7	10.7	17.8
Margin (%)	6.6	6.4	4.6	6.1	5.3	6.3	6.0	6.2
Tax	460	704	661	1,080	978	1,426	1,578	1,859
Tax Rate (%)	25.5	25.1	25.9	26.7	24.0	25.6	25.6	25.6
Profit before JV/Associates/Minority Interest	1,343	2,097	1,889	2,970	3,095	4,143	4,587	5,403
Share of JV/Associates	11	42	9	11	21	35	40	45
Adjusted PAT	1,354	2,139	1,899	2,981	3,116	4,178	4,627	5,448
Change (%)	11	58	(11)	57	5	34	11	18
Margin (%)	5.0	4.9	3.4	4.5	4.1	4.7	4.5	4.6
Reported PAT	1,354	2,139	1,899	2,981	3,116	4,178	4,627	5,448

Balance Sheet (INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Share Capital	239	239	478	564	565	565	565	565
Reserves	10,227	12,264	13,718	17,721	20,961	24,348	28,183	32,726
Net Worth	10,466	12,503	14,197	18,285	21,526	24,913	28,749	33,292
Loans	4,987	5,211	5,158	2,890	2,220	7,020	8,120	8,620
Deferred Tax Liability	79	131	149	247	302	302	302	302
Capital Employed	15,532	17,845	19,504	21,422	24,049	32,236	37,171	42,214
Gross Fixed Assets	5,526	5,914	7,574	8,222	11,098	16,759	20,413	24,091
Less: Depreciation	1,527	1,923	2,403	2,876	3,409	4,175	5,014	6,006
Net Fixed Assets	3,999	3,991	5,172	5,346	7,690	12,584	15,399	18,085
Capital WIP	67	423	436	1,636	2,347	3,313	3,313	3,313
Investments	406	622	777	1,065	1,868	1,868	1,868	1,868
Curr. Assets	12,679	15,471	19,951	20,646	23,264	25,524	29,340	33,636
Inventory	5,341	7,096	8,602	8,978	10,109	11,799	13,597	15,664
Investments	1,960	2,055	2,849	2,350	524	524	524	524
Debtors	4,204	5,171	5,919	6,412	8,232	8,003	9,222	10,625
Cash & Bank Balance	85	123	811	988	2,269	2,542	2,953	3,335
Loans & Advances	58	143	129	326	367	438	505	581
Other Current Assets	1,032	882	1,642	1,592	1,764	2,219	2,539	2,907
Current Liab. & Prov.	1,619	2,661	6,832	7,271	11,120	11,053	12,748	14,687
Creditors	1,135	1,679	4,401	4,292	7,623	7,326	8,453	9,739
Other Liabilities	369	771	1,982	2,582	3,052	3,303	3,807	4,386
Provisions	115	212	448	397	445	424	488	562
Net Current Assets	11,061	12,809	13,119	13,375	12,144	14,471	16,591	18,948
Application of Funds	15,532	17,845	19,504	21,422	24,049	32,236	37,171	42,214

Financials and valuations (Consolidated)

Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Basic (INR)								
EPS	12.0	18.9	16.8	26.4	27.6	37.0	40.9	48.2
Cash EPS	15.9	23.0	22.1	32.2	33.8	43.7	48.3	56.9
BV/Share	218.7	261.3	148.4	162.1	190.4	220.3	254.2	294.4
DPS	0.0	0.0	0.0	3.0	6.0	7.0	7.0	8.0
Payout %	0.0	0.0	0.0	11.4	21.8	18.9	17.1	16.6
Valuation (x)								
P/E	101.7	64.4	72.5	46.2	44.2	33.0	29.8	25.3
Cash P/E	76.4	53.0	55.2	37.9	36.0	27.9	25.2	21.4
EV/Sales	5.2	3.2	2.5	2.1	1.8	1.6	1.4	1.2
EV/EBITDA	61.1	46.4	43.2	29.7	28.2	21.8	18.6	15.7
P/BV	5.6	4.7	8.2	7.5	6.4	5.5	4.8	4.1
Dividend Yield (%)	0.0	0.0	0.0	0.2	0.5	0.6	0.6	0.7
Return Ratios (%)								
RoE	13.9	18.6	14.2	18.4	15.7	18.0	17.2	17.6
RoCE	10.8	13.7	11.9	16.6	15.8	16.7	15.9	16.3
RoIC	10.2	12.3	12.3	16.1	14.8	14.6	15.0	15.7
Working Capital Ratios								
Debtor (Days)	56.3	43.0	38.6	35.5	39.4	35.0	35.0	35.0
Creditor (Days)	15.2	14.0	28.7	23.8	36.5	30.2	30.2	30.3
Inventory (Days)	71.6	59.1	56.1	49.7	48.4	48.7	48.7	48.7
Asset Turnover (x)	1.9	2.6	3.0	3.2	3.4	3.1	2.9	3.0
Leverage Ratio								
Debt/Equity (x)	0.5	0.4	0.4	0.2	0.1	0.3	0.3	0.3

Cash Flow Statement

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Profit before tax	1,803	2,844	2,560	4,061	4,095	5,604	6,205	7,307
Depreciation	448	461	596	655	705	766	839	991
Exceptional Income	-	-	-	-	-	-	-	-
Interest Paid	271	233	421	539	589	679	1,170	1,362
Others	23	(69)	9	(259)	(136)	(526)	(537)	(548)
Direct Taxes Paid	(419)	(733)	(582)	(965)	(965)	(1,426)	(1,578)	(1,859)
(Incr)/Decr in WC	(2,837)	(1,754)	1,534	(641)	656	(2,054)	(1,709)	(1,975)
CF from Operations	(711)	982	4,537	3,390	4,944	3,044	4,390	5,278
Incr in FA	(474)	(682)	(1,083)	(1,897)	(3,671)	(6,627)	(3,654)	(3,678)
Pur of Investments	367	(2)	(1,188)	982	1,937	-	-	-
Interest/MF/Div Income	39	11	27	58	30	526	537	548
Others	10	47	(1,090)	22	13	-	-	-
CF from Invest.	(59)	(627)	(3,335)	(835)	(1,690)	(6,100)	(3,117)	(3,130)
Changes in Net worth	-	-	-	1,800	83	-	-	-
Incr in Debt	1,029	184	(160)	(2,408)	(836)	4,800	1,100	500
Dividend Paid	-	(278)	(500)	(838)	(621)	(792)	(792)	(905)
Interest paid	(287)	(222)	(355)	(506)	(538)	(679)	(1,170)	(1,362)
Others	(33)	(40)	-	(98)	-	-	-	-
CF from Fin. Activity	708	(356)	(1,015)	(2,050)	(1,912)	3,329	(861)	(1,767)
Incr/Decr of Cash	(61)	(1)	187	505	1,342	273	412	381
Add: Opening Balance	113	85	623	483	927	2,381	2,654	3,066
Closing Balance (inc. bank balance)	85	123	811	988	2,381	2,654	3,066	3,447

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

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall be within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures

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