

Weak Q2, as expected; valuation comfort emerging

Consumer Durables ▶ Result Update ▶ November 14, 2025

CMP (Rs): 1,351 | TP (Rs): 1,500

Voltas (VOLT)'s Q2FY26 results were weaker than expected, with UCP revenue down 23% YoY (~8% below Emkay estimate) due to a lean season and delayed consumer purchase owing to GST-rate reduction. UCP performance (-23% YoY) was much lower than peers' (-18%/-10% YoY for Lloyd/Blue Star). EBIT margin contracted sharply (negative 3.8% vs 7.3% in Q2FY25) due to higher marketing support to push retail momentum and manage channel inventory. The mgmt flagged ~2M of industry channel inventory; however, it is hopeful of demand recovering from Q3 as Oct-25 saw decent growth and was led by pre-buying ahead of the BEE norm change. In EMPS, VOLT remains focused on long-term strategic growth, maintaining order-booking discipline with 5% EBIT margin seen as sustainable ahead. Also, tactical cost-reduction steps are underway to support profitability. A significantly lean season with GST transition and its resultant impact on revenue/margins drove a meaningful cut (~11%) in FY26E EPS. However, we expect growth/margins to rebound in FY27E (refer to our report [Untimely rain: Killjoy for AC demand, apt time to BUY AC stocks](#)). We maintain BUY, with unchanged TP of Rs1,500, as valuations remain supportive (UCP P/S trades at ~3.5x, below the LTA) and expect earnings traction to improve as seasonality normalizes from H2.

UCP margins take a major hit due to higher A&P

Q2 consolidated revenue was Rs23.5bn (down 10% YoY; 4% miss on Emkay estimate) owing to weak UCP revenue growth (down ~23% YoY). UCP EBIT margin dipped to a negative ~3.8% (7.3% in Q2FY25) due to higher marketing spend toward sustaining retail momentum and managing channel inventory. EMPS revenue increased ~10% YoY; EBIT margin was 9.5% (5.2% in Q2FY25); consol EBITDA stood at Rs704mn, with margin at 3.0% (missed our estimated ~4.0%). PAT was a miss at -Rs343mn (down ~74% YoY).

Earnings call KTAs

1) UCP retail offtake was muted due to the lean season and delayed consumer purchases owing to GST rate reduction, leading to a higher channel inventory. 2) Q2FY26 required higher marketing support to sustain retail momentum and manage channel inventory; this impacted margins. 3) RAC market share improved sequentially from 16.0% in Q4FY25 to 17.8% in Q1FY26 and further to 18.5% in Q2FY26. 4) Inventory stands at 2 months, and Voltas expects this to improve with demand expected to pick up in H2FY26. 5) Demand for Oct-25 is witnessing a positive uptick YoY. 6) Voltas believes channel partners will stock up old BEE-rating products during Q3FY26, as they are allowed to sell for the next 3-6 months. 7) Voltbek is seeing steady growth toward breakeven, and focus remains on gaining market share and maintaining presence across channels. 8) EMPS orderbook (OB) stands at Rs62bn, of which Rs48bn is domestic and Rs14bn international. OB is evenly distributed in MEP (private), Electrical, and Solar & Water business (government spending). 9) MEP work for data centers and district cooling is a large opportunity. 10) Data center contribution is low at ~5%, expected to increase to ~30% in the next few years.

Voltas: Financial Snapshot (Consolidated)

Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	124,812	154,128	148,138	170,467	197,937
EBITDA	4,746	11,162	8,003	13,007	15,744
Adj. PAT	2,520	8,414	6,024	10,164	12,457
Adj. EPS (Rs)	7.6	25.4	18.2	30.7	37.7
EBITDA margin (%)	3.8	7.2	5.4	7.6	8.0
EBITDA growth (%)	(17.1)	135.2	(28.3)	62.5	21.0
Adj. EPS growth (%)	(33.5)	233.9	(28.4)	68.7	22.6
RoE (%)	4.5	13.6	9.0	14.0	15.3
RoIC (%)	13.2	29.2	14.9	22.2	23.4
P/E (x)	177.3	53.1	74.2	44.0	35.9
EV/EBITDA (x)	89.5	37.5	52.2	32.0	26.2
P/B (x)	7.7	6.9	6.5	5.8	5.2
FCFF yield (%)	1.1	(1.0)	0.1	0.4	0.7

Source: Company, Emkay Research

Target Price – 12M	Sep-26
Change in TP (%)	-
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	11.0

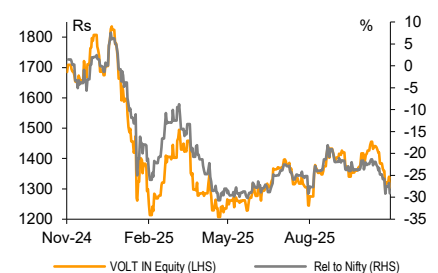
Stock Data	VOLT IN
52-week High (Rs)	1,860
52-week Low (Rs)	1,135
Shares outstanding (mn)	330.9
Market-cap (Rs bn)	447
Market-cap (USD mn)	5,037
Net-debt, FY26E (Rs mn)	(28,997.5)
ADTV-3M (mn shares)	1
ADTV-3M (Rs mn)	1,634.0
ADTV-3M (USD mn)	18.4
Free float (%)	69.7
Nifty-50	25,910.1
INR/USD	88.7

Shareholding, Sep-25

Promoters (%)	30.3
FPIs/MFs (%)	20.3/35.8

Price Performance

(%)	1M	3M	12M
Absolute	(2.9)	6.0	(20.9)
Rel. to Nifty	(5.8)	0.7	(28.2)

1-Year share price trend (Rs)**Chirag Jain**

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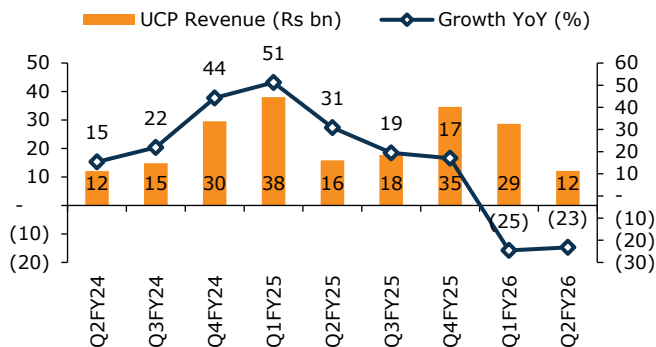
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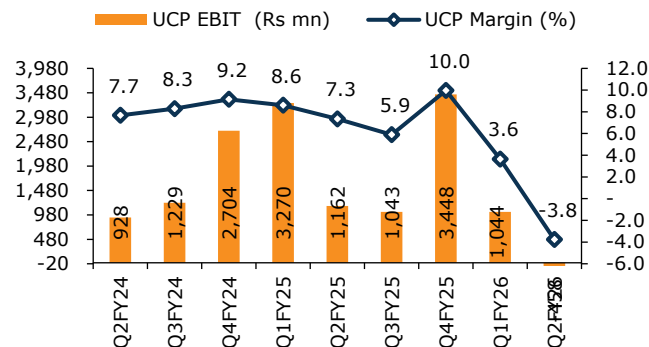
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Exhibit 1: UCP revenue fell 23% YoY, owing to a lean season and GST transition...



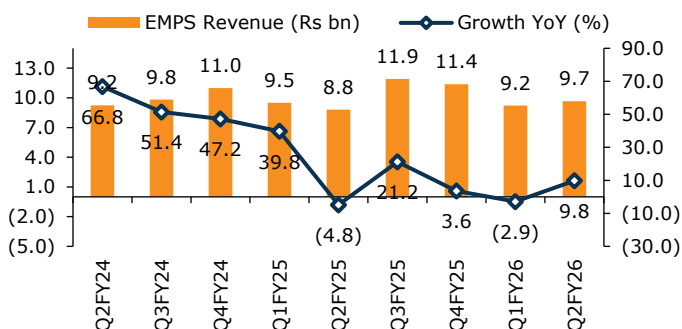
Source: Company, Emkay Research

Exhibit 2: ...which, coupled with higher marketing support and aim to manage channel inventory, led to margin compression



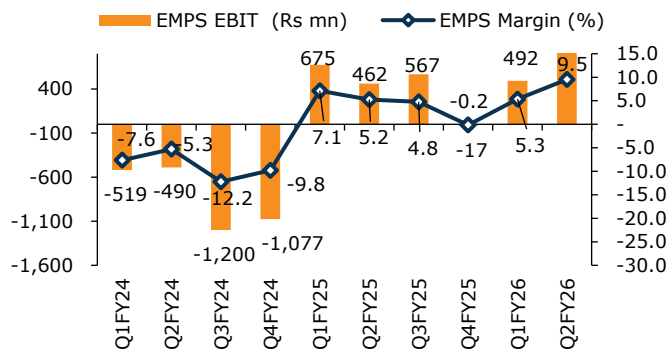
Source: Company, Emkay Research

Exhibit 3: Projects business witnessed growth on the back of improved order intake...



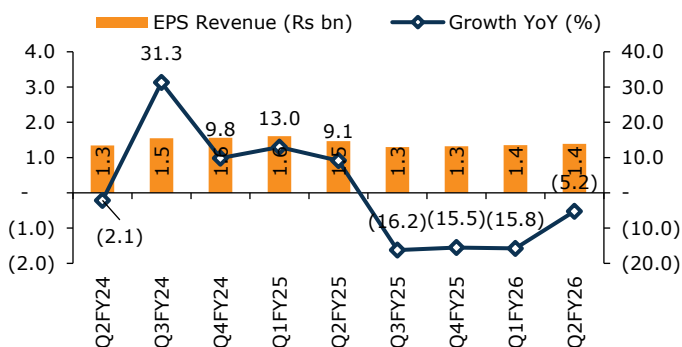
Source: Company, Emkay Research

Exhibit 4: ...while EBIT margin was strong at ~9.5%



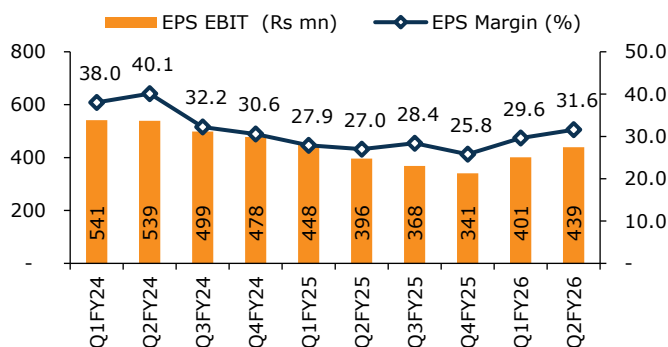
Source: Company, Emkay Research

Exhibit 5: EPS business saw a decline in revenue for yet another quarter...



Source: Company, Emkay Research

Exhibit 6: ...while a better product mix helped the segment's margin profile



Source: Company, Emkay Research

Exhibit 7: UCP revenue growth/margins dragged; however, EMPS reported better overall performance in Q2

Segmental Snapshot (Rs mn)	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	YoY (%)	QoQ (%)
Revenue											
EMPS	9,242	9,819	10,979	9,491	8,799	11,902	11,375	9,218	9,662	9.8	4.8
UCP	12,088	14,826	29,551	38,022	15,822	17,711	34,584	28,679	12,151	(23.2)	(57.6)
EPS	1,344	1,548	1,564	1,608	1,467	1,297	1,321	1,354	1,391	(5.2)	2.7
Total	22,674	26,193	42,094	49,121	26,088	30,910	47,280	39,251	23,204	(11.1)	(40.9)
EBIT											
EMPS	(490)	(1,200)	(1,077)	675	462	567	(17)	492	920	99.3	86.9
UCP	928	1,229	2,704	3,270	1,162	1,043	3,448	1,044	(458)	(139.4)	(143.9)
EPS	539	499	478	448	396	368	341	401	439	10.9	9.5
Total	977	528	2,105	4,394	2,020	1,978	3,771	1,937	902	(55.4)	(53.5)
EBIT Margin (%)											
EMPS	(5.3)	(12.2)	(9.8)	7.1	5.2	4.8	(0.2)	5.3	9.5		
UCP	7.7	8.3	9.2	8.6	7.3	5.9	10.0	3.6	(3.8)		
EPS	40.1	32.2	30.6	27.9	27.0	28.4	25.8	29.6	31.6		
Total	4.3	2.0	5.0	8.9	7.7	6.4	8.0	4.9	3.9		

Source: Company, Emkay Research

Exhibit 8: Voltas' UCP segment reported decline of ~23% vs its peers (~18%/-10% YoY for Lloyd/Blue Star)

Revenue (Rs mn)	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Voltas (UCP)	12,088	14,826	29,551	38,022	15,822	17,711	34,584	28,679	12,151
Growth (YoY)	15.4	21.9	44.2	51.2	30.9	19.5	17.0	(24.6)	(23.2)
Blue Star (UCP)	7,295	9,554	17,089	17,295	7,670	11,643	19,602	14,994	6,938
Growth (YoY)	39.0	35.5	34.8	44.3	5.1	21.9	14.7	(13.3)	(9.5)
Lloyd (Havells)	4,974	6,561	13,459	19,287	5,896	7,422	18,736	12,711	4,822
Growth (YoY)	20.1	8.1	5.9	47.1	18.5	13.1	39.2	(34.1)	(18.2)

Source: Company, Emkay Research

Exhibit 9: Voltas's UCP and Lloyd brands reported EBIT loss, whereas Blue Star reported a strong performance

EBIT (Rs mn)	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Voltas (UCP)	928	1,229	2,704	3,270	1,162	1,043	3,448	1,044	(458)
EBITM (%)	7.7	8.3	9.2	8.6	7.3	5.9	10.0	3.6	(3.8)
Blue Star (UCP)	616	679	1,414	1,580	539	948	1,645	875	427
EBITM (%)	8.4	7.1	8.3	9.1	7.0	8.1	8.4	5.8	6.2
Lloyd (Havells)	(745)	(654)	360	636	(243)	(361)	1,144	(209)	(1,060)
EBITM (%)	(15.0)	(10.0)	2.7	3.3	(4.1)	(4.9)	6.1	(1.6)	(22.0)

Source: Company, Emkay Research

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

Exhibit 10: Q2FY26 was a weak quarter for Voltas, with revenue/EBITDA/PAT declining 10%/57%/74% YoY, respectively

Quarterly Snapshot (Rs mn)	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	YoY (%)	QoQ (%)
Revenue from operations	22,928	26,257	42,029	49,210	26,191	31,051	47,676	39,386	23,473	(10.4)	(40.4)
Growth YoY (%)	30	31	42	46	14	18	13	(20)	(10)		
Total Operating Expenses	22,225	25,973	40,123	44,972	24,569	29,077	44,348	37,601	22,769	(7.3)	(39.4)
Growth YoY (%)	25.7	29.5	35.7	41.7	10.5	12.0	10.5	(16.4)	(7.3)		
Raw Material	17,305	20,605	33,727	38,922	19,421	23,807	37,454	30,796	17,645	(9.1)	(42.7)
As a (%) of Revenue	75.5	78.5	80.2	79.1	74.2	76.7	78.6	78.2	75.2		
Employee expense	1,945	2,046	1,992	2,023	2,382	2,311	2,185	2,305	2,408	1.1	4.4
As a (%) of Revenue	8.5	7.8	4.7	4.1	9.1	7.4	4.6	5.9	10.3		
Other expense	2,975	3,322	4,404	4,027	2,766	2,959	4,709	4,500	2,717	(1.8)	(39.6)
As a (%) of Revenue	13.0	12.7	10.5	8.2	10.6	9.5	9.9	11.4	11.6		
EBITDA	703	284	1,906	4,238	1,622	1,974	3,328	1,785	704	(56.6)	(60.6)
EBITDA Margin (%)	3.1	1.1	4.5	8.6	6.2	6.4	7.0	4.5	3.0		
Gross Profit	5,623	5,652	8,302	10,288	6,770	7,244	10,222	8,590	5,829	(13.9)	(32.1)
Gross Margin (%)	24.5	21.5	19.8	20.9	25.8	23.3	21.4	21.8	24.8		
Less: Depreciation	117	128	118	134	164	179	141	185	244		
EBIT	586	156	1,788	4,104	1,458	1,795	3,187	1,601	460	(68.5)	(71.3)
EBIT Margin (%)	2.6	0.6	4.3	8.3	5.6	5.8	6.7	4.1	2.0		
Add: Other income	710	579	544	803	1,055	591	797	821	646		
Less: Interest	115	135	208	98	136	155	233	135	200		
PBT	1,181	599	2,124	4,809	2,377	2,231	3,751	2,286	906	(61.9)	(60.3)
Less: Taxes	493	509	634	1,165	726	599	1,075	621	226		
Add/Less: Exceptional Items	-	-	-	-	-	-	-	-	-		
PAT	688	91	1,490	3,644	1,651	1,632	2,677	1,665	680	(58.8)	(59.1)
PAT Margin (%)	3.0	0.3	3.5	7.4	6.3	5.3	5.6	4.2	2.9		
Share of profit/(loss) of an associate and a JV	(332)	(361)	(383)	(294)	(323)	(324)	(320)	(259)	(365)		
Non-controlling interests	10	(28)	58	(8)	12	14	53	(2)	28		
Reported PAT	367	(298)	1,164	3,342	1,340	1,321	2,410	1,405	343	(74.4)	(75.6)
Reported PAT (%)	1.6	(1.1)	2.8	6.8	5.1	4.3	5.1	3.6	1.5		

Source: Company, Emkay Research

Exhibit 11: Revenue/EBITDA/PAT were 4%/26%/60% lower than our estimates, owing to the higher-than-anticipated margin cut surprise in Q2
Actuals vs Estimates – Q2FY26

Consolidated (Rs mn)	Actual	Emkay Variation (%)	Consensus Variation (%)
Revenue	23,204	24,219	(4) 24,615 (6)
EMPS	9,662	9,393	3 na
UCP	12,151	13,213	(8) na
EPS	1,391	1,614	(14) na
EBITDA	704	958	(26) 1,039 (32)
EBITDA Margin (%)	3.0	4.0	4.2
EBIT	902	1,195	(25) 858 5
EMPS	920	479	92 na
UCP	(458)	264	(273) na
EPS	439	452	(3) na
EBIT Margin (%)	3.9	4.9	3.5
EMPS	9.5	5.1	na
UCP	(3.8)	2.0	na
EPS	31.6	28.0	na
PAT	343	861	(60) 890 (61)
PAT Margin (%)	1.5	3.6	3.6

Source: Company, Bloomberg, Emkay Research

Exhibit 12: Revenue model – We build in 4% revenue decline for FY26E on the back of a weak H1 print for the UCP business, with recovery-led growth in FY27E/28E

Voltas - Consolidated (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	124,812	154,128	148,138	170,467	197,937
Growth YoY (%)	31	23	(4)	15	16
UCP (RAC, Com Ref/AC & Air Cooler)	81,605	106,139	97,326	114,977	136,056
Growth YoY (%)	26	30	(8)	18	18
EMPS (Projects)	36,830	41,568	44,738	48,107	53,846
Growth YoY (%)	53	13	8	8	12
EPS (Products - Mining & Textile)	5,879	5,692	5,522	5,908	6,322
Growth YoY (%)	13	(3)	(3)	7	7
Gross profit	26,672	34,524	33,331	38,355	44,536
Gross margin (%)	21	22	23	23	23
EBITDA	4,746	11,162	8,003	13,007	15,744
EBITDA margin (%)	3.8	7.2	5.4	7.6	8.0
Depreciation	476	618	947	1,194	1,462
EBIT	4,270	10,544	7,056	11,813	14,281
Growth YoY (%)	(20)	147	(33)	67	21
EBIT margin (%)	3.4	6.8	4.8	6.9	7.2
UCP (RAC, Com Ref/AC & Air Cooler)	6,935	8,923	4,380	9,198	11,429
EBIT margin (%)	8.5	8.4	4.5	8.0	8.4
Growth YoY (%)	29	29	(51)	110	24
EMPS (Projects)	(3,285)	1,686	2,684	2,646	2,962
EBIT margin (%)	(8.9)	4.1	6.0	5.5	5.5
Growth YoY (%)	464	(151)	59	(1)	12
EPS (Products - Mining & Textile)	2,057	1,553	1,712	1,713	1,833
EBIT margin (%)	35.0	27.3	31.0	29.0	29.0
Growth YoY (%)	2	(24)	10	0	7
Other Income	2,533	3,245	3,135	3,372	3,833
Interest	559	621	674	763	898
PBT before Exceptional Item	6,244	13,168	9,516	14,422	17,216
Exceptional Item	-	-	-	-	-
PBT	6,244	13,168	9,516	14,422	17,216
Tax rate (%)	38	27	25	25	25
PAT before MI	3,867	9,603	7,137	10,817	12,912
Minority Interest	39	71	71	71	71
Share of profit/(loss) of joint ventures (net of tax)	(1,386)	(1,260)	(1,184)	(724)	(527)
Adj. PAT	2,520	8,414	6,024	10,164	12,457
PAT margin (%)	2.0	5.5	4.1	6.0	6.3
Growth YoY (%)	(33)	234	(28)	69	23
No. of shares (mn)	331	331	331	331	331
EPS (Rs.)	8	25	18	31	38
DPS (Rs)	6	7	7	7	7
Dividend payout (%)	72	28	38	23	19

Source: Company, Emkay Research

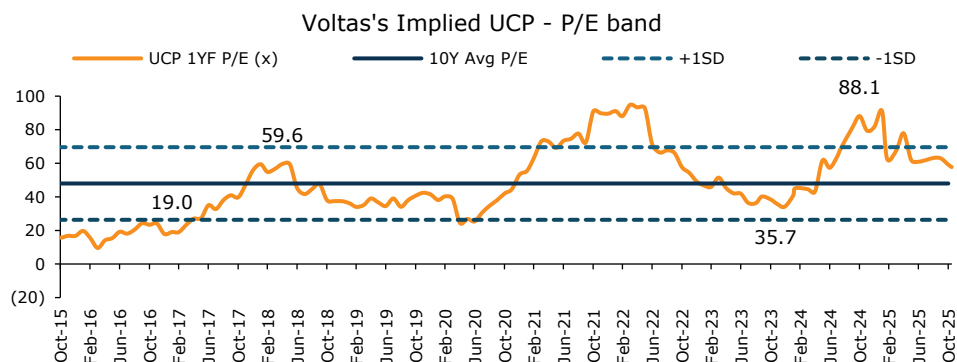
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Exhibit 13: We lower FY26E margin following a weak H1, resulting in a 11% cut to FY26E earnings; we factor in revenue/EBITDA/PAT CAGR of 16%/40%/44% over FY26E-28E, as our long-term structural view on the stock remains unchanged

Actuals vs Estimates	FY26E				FY27E				FY28E			
	Earlier	Revised	% Change	% YoY	Earlier	Revised	% Change	% YoY	Earlier	Revised	% Change	% YoY
Consolidated (Rs mn)												
Revenue	145,339	148,138	2	(4)	168,187	170,467	1	15	194,818	197,937	2	16
EMPS	40,576	44,738	10	8	45,225	48,107	6	8	50,202	53,846	7	12
UCP	98,699	97,326	(1)	(8)	116,475	114,977	(1)	18	137,678	136,056	(1)	18
EPS	6,091	5,522	(9)	(3)	6,517	5,908	(9)	7	6,973	6,322	(9)	7
EBITDA	8,354	8,003	(4)	(28)	12,708	13,007	2	63	15,439	15,744	2	21
EBITDA Margin (%)	5.7	5.4			7.6	7.6			7.9	8.0		
EBIT	7,507	7,056	(6)	(33)	11,642	11,813	1	67	14,133	14,281	1	21
EMPS	2,029	2,684	32	59	2,329	2,646	14	(1)	2,636	2,962	12	12
UCP	5,428	4,380	(19)	(51)	9,318	9,198	(1)	110	11,565	11,429	(1)	24
EPS	1,736	1,712	(1)	10	1,870	1,713	(8)	0	2,022	1,833	(9)	7
EBIT Margin (%)	5.2	4.8			6.9	6.9			7.3	7.2		
EMPS	5.0	6.0			5.2	5.5			5.3	5.5		
UCP	5.5	4.5			8.0	8.0			8.4	8.4		
EPS	28.5	31.0			28.7	29.0			29.0	29.0		
PAT	6,765	6,024	(11)	(28)	10,476	10,164	(3)	69	12,757	12,457	(2)	23
PAT Margin (%)	4.7	4.1			6.2	6.0			6.5	6.3		
EPS (Rs)	20	18	(11)	(28)	32	31	(3)	69	39	38	(2)	23

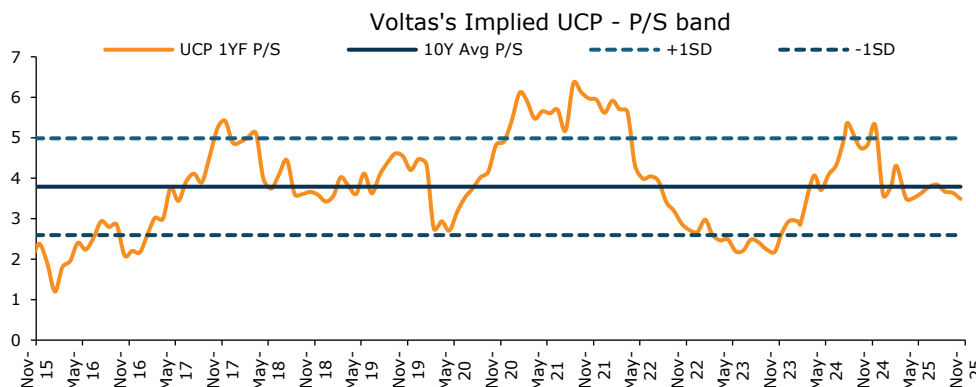
Source: Company, Emkay Research

Exhibit 14: Voltas's UCP 1YF P/E trades at ~55x near its 10Y average UCP P/E



Source: Company, Bloomberg, Emkay Research

Exhibit 15: Voltas's UCP 1YF P/S trades at ~3.5x below its 10Y average UCP P/S



Source: Company, Bloomberg, Emkay Research

Voltas: Consolidated Financials and Valuations

Profit & Loss					
Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	124,812	154,128	148,138	170,467	197,937
Revenue growth (%)	31.4	23.5	(3.9)	15.1	16.1
EBITDA	4,746	11,162	8,003	13,007	15,744
EBITDA growth (%)	(17.1)	135.2	(28.3)	62.5	21.0
Depreciation & Amortization	476	618	947	1,194	1,462
EBIT	4,270	10,544	7,056	11,813	14,281
EBIT growth (%)	(19.8)	146.9	(33.1)	67.4	20.9
Other operating income	-	-	-	-	-
Other income	2,533	3,245	3,135	3,372	3,833
Financial expense	559	621	674	763	898
PBT	6,244	13,168	9,516	14,422	17,216
Extraordinary items	0	0	0	0	0
Taxes	2,377	3,565	2,379	3,606	4,304
Minority interest	39	71	71	71	71
Income from JV/Associates	(1,386)	(1,260)	(1,184)	(724)	(527)
Reported PAT	2,520	8,414	6,024	10,164	12,457
PAT growth (%)	86.6	233.9	(28.4)	68.7	22.6
Adjusted PAT	2,520	8,414	6,024	10,164	12,457
Diluted EPS (Rs)	7.6	25.4	18.2	30.7	37.7
Diluted EPS growth (%)	(33.5)	233.9	(28.4)	68.7	22.6
DPS (Rs)	4.3	5.5	7.0	7.0	7.0
Dividend payout (%)	56.8	21.6	38.4	22.8	18.6
EBITDA margin (%)	3.8	7.2	5.4	7.6	8.0
EBIT margin (%)	3.4	6.8	4.8	6.9	7.2
Effective tax rate (%)	38.1	27.1	25.0	25.0	25.0
NOPLAT (pre-IndAS)	2,645	7,690	5,292	8,860	10,711
Shares outstanding (mn)	331	331	331	331	331

Source: Company, Emkay Research

Cash flows					
Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
PBT (ex-other income)	4,858	11,908	8,332	13,698	16,690
Others (non-cash items)	3,036	(1,349)	(3,135)	(3,372)	(3,833)
Taxes paid	(2,115)	(3,107)	(2,379)	(3,606)	(4,304)
Change in NWC	801	(10,932)	(193)	(2,864)	(3,527)
Operating cash flow	7,615	(2,241)	4,247	5,814	7,386
Capital expenditure	(2,883)	(1,907)	(3,906)	(4,294)	(4,389)
Acquisition of business	-	-	-	-	-
Interest & dividend income	835	1,309	3,135	3,372	3,833
Investing cash flow	(5,224)	1,579	(771)	(922)	(556)
Equity raised/(repaid)	0	0	0	0	0
Debt raised/(repaid)	974	1,500	(347)	1,013	1,545
Payment of lease liabilities	-	-	-	-	-
Interest paid	(555)	(610)	(674)	(763)	(898)
Dividend paid (incl tax)	(1,432)	(1,820)	(2,316)	(2,316)	(2,316)
Others	(149)	(67)	0	0	0
Financing cash flow	(1,163)	(997)	(3,336)	(2,066)	(1,668)
Net chg in Cash	1,228	(1,659)	139	2,826	5,162
OCF	7,615	(2,241)	4,247	5,814	7,386
Adj. OCF (w/o NWC chg.)	6,814	8,690	4,439	8,678	10,913
FCFF	4,732	(4,149)	341	1,520	2,997
FCFE	5,008	(3,460)	2,802	4,129	5,932
OCF/EBITDA (%)	160.4	(20.1)	53.1	44.7	46.9
FCFE/PAT (%)	198.7	(41.1)	46.5	40.6	47.6
FCFF/NOPLAT (%)	178.9	(53.9)	6.4	17.2	28.0

Source: Company, Emkay Research

Balance Sheet					
Y/E Mar (Rs mn)	FY24	FY25	FY26E	FY27E	FY28E
Share capital	331	331	331	331	331
Reserves & Surplus	57,874	64,802	68,439	76,216	86,286
Net worth	58,205	65,133	68,770	76,547	86,617
Minority interests	337	271	271	271	271
Non-current liab. & prov.	176	140	140	140	140
Total debt	7,133	8,633	8,286	9,300	10,845
Total liabilities & equity	66,154	74,462	77,753	86,543	98,158
Net tangible fixed assets	4,351	8,638	11,395	14,239	16,866
Net intangible assets	56	34	15	31	88
Net ROU assets	348	340	331	318	302
Capital WIP	3,675	824	1,053	1,305	1,563
Goodwill	723	723	723	723	723
Investments [JV/Associates]	14,385	2,070	2,070	2,070	2,070
Cash & equivalents	29,221	37,145	37,284	40,110	45,272
Current assets (ex-cash)	67,186	81,304	79,595	89,611	101,931
Current Liab. & Prov.	53,790	56,614	54,713	61,864	70,658
NWC (ex-cash)	13,396	24,689	24,882	27,746	31,273
Total assets	66,154	74,462	77,753	86,543	98,158
Net debt	(22,088)	(28,512)	(28,998)	(30,811)	(34,427)
Capital employed	66,154	74,462	77,753	86,543	98,158
Invested capital	18,526	34,084	37,015	42,740	48,951
BVPS (Rs)	176.0	196.9	207.9	231.4	261.8
Net Debt/Equity (x)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Net Debt/EBITDA (x)	(4.7)	(2.6)	(3.6)	(2.4)	(2.2)
Interest coverage (x)	12.2	22.2	15.1	19.9	20.2
RoCE (%)	6.7	15.1	9.3	14.5	15.5

Source: Company, Emkay Research

Valuations and key Ratios					
Y/E Mar	FY24	FY25	FY26E	FY27E	FY28E
P/E (x)	177.3	53.1	74.2	44.0	35.9
EV/CE(x)	6.5	5.7	5.4	4.8	4.2
P/B (x)	7.7	6.9	6.5	5.8	5.2
EV/Sales (x)	3.4	2.7	2.8	2.4	2.1
EV/EBITDA (x)	89.5	37.5	52.2	32.0	26.2
EV/EBIT(x)	99.5	39.7	59.2	35.2	28.9
EV/IC (x)	22.9	12.3	11.3	9.7	8.4
FCFF yield (%)	1.1	(1.0)	0.1	0.4	0.7
FCFE yield (%)	1.1	(0.8)	0.6	0.9	1.3
Dividend yield (%)	0.3	0.4	0.5	0.5	0.5
DuPont-RoE split					
Net profit margin (%)	2.0	5.5	4.1	6.0	6.3
Total asset turnover (x)	2.0	2.2	2.0	2.1	2.2
Assets/Equity (x)	1.1	1.1	1.1	1.1	1.1
RoE (%)	4.5	13.6	9.0	14.0	15.3
DuPont-RoIC					
NOPLAT margin (%)	2.1	5.0	3.6	5.2	5.4
IC turnover (x)	6.2	5.9	4.2	4.3	4.3
RoIC (%)	13.2	29.2	14.9	22.2	23.4
Operating metrics					
Core NWC days	39.2	58.5	61.3	59.4	57.7
Total NWC days	39.2	58.5	61.3	59.4	57.7
Fixed asset turnover	14.6	13.5	9.3	8.6	8.3
Opex-to-revenue (%)	17.6	15.2	17.1	14.9	14.5

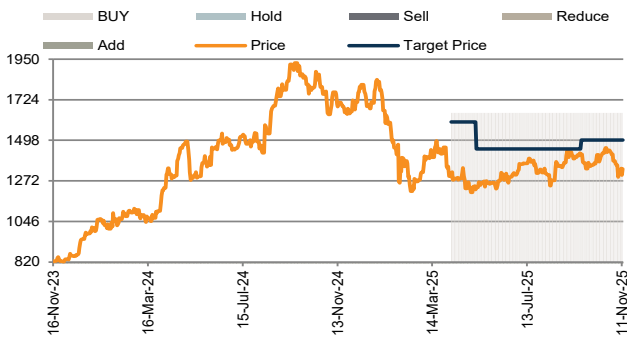
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
20-Sep-25	1,420	1,500	Buy	Chirag Jain
10-Aug-25	1,305	1,450	Buy	Chirag Jain
18-Jun-25	1,292	1,450	Buy	Chirag Jain
28-May-25	1,258	1,450	Buy	Chirag Jain
09-May-25	1,236	1,450	Buy	Chirag Jain
07-Apr-25	1,295	1,600	Buy	Chirag Jain

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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BUY	>15% upside
ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

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