

Estimate change	↔↔
TP change	↔↔
Rating change	↔↔

Bloomberg	HNDL IN
Equity Shares (m)	2247
M.Cap.(INRb)/(USDb)	2141.4 / 23.6
52-Week Range (INR)	1030 / 546
1, 6, 12 Rel. Per (%)	5/39/49
12M Avg Val (INR M)	4297
Free float (%)	65.4

Financials & Valuations (INR b)

Y/E MARCH	2026E	2027E	2028E
Sales	2,687	2,714	2,841
EBITDA	338	338	356
Adj. PAT	169	167	177
EBITDA Margin (%)	13	12	13
Cons. Adj. EPS (INR)	76	75	80
EPS Gr. (%)	2	-1	5
BV/Sh. (INR)	496	564	635
Ratios			
Net D:E	0.4	0.3	0.2
RoE (%)	16.3	14.2	13.3
RoCE (%)	13.7	13.1	12.8
Payout (%)	10.5	10.6	10.1
Valuations			
P/E (x)	12.7	12.8	12.1
P/BV (x)	1.9	1.7	1.5
EV/EBITDA(x)	7.6	7.4	6.8
Div. Yield (%)	0.8	0.8	0.8
FCF Yield (%)	0.5	4.7	4.6

Shareholding Pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	34.6	34.6	34.6
DII	23.5	24.5	24.9
FII	32.9	32.6	32.2
Others	9.0	8.3	8.3

FII includes depository receipts

CMP: INR964

TP: INR1110 (+15%)

Buy

In-line performance; Novelis to remain overhang on earnings

Consolidated performance

- Consolidated net sales came in line at INR665b (+14% YoY and flat QoQ), driven by favorable pricing and a better product mix.
- Consolidated EBITDA stood at INR80b (in line with our estimate), rising 5% YoY, but declining 11% QoQ, primarily due to muted Novelis earnings amid lower shipments following the Oswego fire.
- Adj. PAT came in line at INR39b (+3% YoY), declining 20% QoQ, primarily led by weak earnings from the Novelis business.
- The company recorded an exceptional item related to repair, clean-up, and restoration expenses at the Oswego plant following the fire incident. The costs associated with the event (net of insurance proceeds) amounted to INR26b (USD291m) during the quarter.
- Consolidated net debt increased to INR595b as of Dec'25 from INR353b in Mar'25 and INR418b in Dec'24.

Aluminum business

- Upstream revenue stood at INR106b (+6% YoY) and EBITDA stood at INR48b (+14% YoY; USD1,572/t), driven by higher volume and favorable pricing in 3Q.
- Downstream revenue stood at INR39b (+22% YoY) on account of higher shipments and favorable pricing. Downstream EBITDA stood at INR2.3b (+55% YoY), led by a better product mix. This translated into EBITDA/t of USD241 (+35% YoY) in 3QFY26, compared to USD265 in 2QFY26.
- Upstream aluminum sales stood at 345kt (+2% YoY) and downstream aluminum sales stood at 108kt (+9% YoY) in 3QFY26.

Copper business

- Copper business revenue stood at INR182b (+33% YoY) on account of higher average copper prices.
- EBITDA for the copper business came at INR6b in 3QFY26, down 23% YoY, led by a sharp decline in TC/RCs.
- Copper metal sales stood at 122kt (+1% YoY) in 3QFY26, and CCR sales were at 82kt, down 14% YoY, primarily due to a weaker domestic market amid higher LME and elevated channel inventories.

Novelis - 3QFY26 result update

- Revenue was largely in line at USD4.2b, rising 3% YoY due to healthy NSR, but declined 12% QoQ over muted shipments.
- NSR stood at USD5,174/t (+15% YoY and +3% QoQ), supported by favorable aluminum prices. Total rolled product shipments stood at 809kt, down 11% YoY and 14% QoQ, primarily due to a shipment disruption of 72kt at Oswego following the fire incident (guided ~75kt earlier). Shipments (excl. fire impact) declined 3% YoY, largely due to underlying muted demand.

- Adj. EBITDA declined 5% YoY and 18% QoQ to USD348m (our est. USD320m) due to an adverse shipment impact of USD54m following the Oswego fire and tariff impact of USD34m. The beat on adj. EBITDA was mainly driven by lower-than-anticipated impact from the Oswego fire and tariff of USD100m.
- Adjusted EBITDA/t stood at USD430 (our est. USD380), up 6% YoY/down 4% QoQ. Adjusted EBITDA/t (excl. tariffs and Oswego fire-led shipment impact) stood at USD495.
- The company reported a net loss of USD160m, which included an exceptional item of USD286m. The exceptional item consisted of USD327m related to the Oswego fire losses/net recoveries and USD86m related to others, partially offset by a metal price lag of USD127. Adj. PAT stood largely in line with our estimate at USD69m, down 45% YoY and 53% QoQ.

Highlights from the management commentary

- India Aluminum (Upstream) CoP is expected to rise ~1% QoQ, primarily due to higher CP Coke (anode) prices amid China supply-demand tightness.
- Novelis' cost to serve is expected to remain elevated, in line with 3Q levels, due to increased external slab sourcing and supply chain reorientation, though Midwest premium arbitrage could provide some offset.
- Consolidated net debt/EBITDA stood at 1.73x. Management targets to keep it below the threshold of 2x. Net debt increased ~INR240b during 9MFY26, largely driven by Novelis' negative FCF (capex + working capital + fire impact) and working capital build-up of ~INR40b due to higher copper concentrate inventory.
- AV Minerals raised USD800m at SOFR + 105bp (five-year tenure) to fund higher Bay Minette costs. The weighted average cost of Novelis debt stands at ~5.3%, while the cost of capital is in the mid-8% range.
- 4QFY26 aluminum hedging: 64% commodity hedged at USD2,807/t and 26% currency hedged at INR88.18/USD. For FY27, the aluminum hedging stood at 21% at USD2,925/t and targets to achieve ~25% at USD3,000/t.

Valuation and view

- HNDL posted in-line consolidated performance in 3QFY26. Earnings growth was primarily driven by favorable pricing. Going forward, the strong earnings outlook for the Indian business will remain intact. However, the overall Hindalco business outlook has weakened following the Oswego fire incident and the Bay Minette project cost escalation to USD5b from USD4.1b.
- Novelis' volumes are expected to decline 150-200kt, with an FCF impact of USD1.3-1.6b (incl. an EBITDA impact of USD150-200m till 2QFY27), which erodes near-term earnings visibility and stretches the working capital. Management expects to recover ~70-80% via insurance in the next 18-24 months in a phased manner.
- We maintain our consolidated earnings, supported by a strong domestic business outlook, offsetting the muted Novelis profitability for FY26-27E.
- **At CMP, the stock trades at 7.4x EV/EBITDA and 1.7x P/B on FY27E. We reiterate our BUY rating on HNDL with an SoTP-based TP of INR1,110.**

Consolidated quarterly performance											(INR b)		
Y/E March	FY25				FY26				FY25		FY26E	FY26	vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			2QE	(%)	
Net Sales	570.1	582.0	583.9	648.9	642.3	660.6	665.2	719.2	2,385.0	2,687.3	664.2	0.1	
Change (YoY %)	7.6	7.4	10.6	15.9	12.7	13.5	13.9	10.8	10.4	12.7			
Change (QoQ %)	1.8	2.1	0.3	11.1	(1.0)	2.8	0.7	8.1	-	-			
Total Expenditure	495.1	503.2	508.1	560.5	563.3	570.9	585.3	629.9	2,066.9	2,349.4			
EBITDA	75.0	78.8	75.8	88.4	79.1	89.7	79.9	89.3	318.1	337.9	79.5	0.6	
Change (YoY %)	31.3	40.5	29.3	32.3	5.4	13.7	5.4	1.0	33.2	6.3			
Change (QoQ %)	12.3	5.1	(3.8)	16.5	(10.5)	13.4	(10.8)	11.7	-	-			
As % of Net Sales	13.2	13.5	13.0	13.6	12.3	13.6	12.0	12.4	13.3	12.6			
Interest	8.6	8.7	8.2	8.7	7.5	8.0	8.8	9.3	34.2	33.7			
Depreciation	18.9	19.3	19.4	21.2	20.8	21.6	22.2	22.9	78.8	87.4			
Other Income	4.2	10.8	5.1	7.0	6.0	7.1	5.5	5.9	27.1	24.5			
PBT (before EO item)	51.8	61.6	53.4	65.4	56.7	67.2	54.4	62.9	232.1	241.3			
Extra-ordinary Income	(3.3)	(5.1)	(0.4)	0.1	-	(1.8)	(26.1)	-	(8.8)	(27.9)			
PBT (after EO item)	48.5	56.4	53.0	65.5	56.7	65.4	28.3	62.9	223.3	213.4			
Total Tax	17.7	17.3	15.6	12.7	16.7	18.0	7.8	21.5	63.4	64.0			
% Tax	36.6	30.7	29.5	19.3	29.5	27.5	27.5	34.1	28.4	30.0			
PAT before MI and Associate	30.7	39.1	37.3	52.8	40.0	47.4	20.5	41.4	160.0	149.4			
Adjusted PAT	33.1	42.7	37.6	52.8	40.0	48.7	38.8	41.4	166.2	168.9	38.1	1.6	
Change (YoY %)	34.0	97.3	61.5	66.3	21.1	14.0	3.0	(21.5)	63.9	1.7			
Change (QoQ %)	4.1	29.2	(11.8)	40.2	(24.1)	21.6	(20.4)	6.9					

Source: MOFSL, Company

Quarterly performance for Novelis											(USD m)		
Y/E March	FY25				FY26				FY25		FY26E	FY26	vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			2QE	(%)	
Sales (000 tons)	951	945	904	957	963	941	809	862	3,757	3,575	841	(3.8)	
Change (YoY %)	8.2	1.3	(0.7)	0.6	1.3	(0.4)	(10.5)	(9.9)	2.3	(4.8)			
Change (QoQ %)	-	(0.6)	(4.3)	5.9	0.6	(2.3)	(14.0)	6.6	-	-			
Net Sales	4,187	4,295	4,080	4,587	4,717	4,744	4,186	4,712	17,149	18,359	4,396	(4.8)	
Change (YoY %)	2.3	4.6	3.7	12.5	12.7	10.5	2.6	2.7	5.8	7.1			
Change (QoQ %)	2.7	2.6	(5.0)	12.4	2.8	0.6	(11.8)	12.6	-	-			
EBITDA (adjusted)	500	462	367	473	416	422	348	389	1,802	1,575	320	8.9	
Change (YoY %)	18.8	(4.5)	(19.2)	(8.0)	(16.8)	(8.7)	(5.2)	(17.8)	(3.8)	(12.6)			
Change (QoQ %)	(2.7)	(7.6)	(20.6)	28.9	(12.1)	1.4	(17.5)	11.7	-	-			
EBITDA per ton (USD)	526	489	406	494	432	448	430	451	480	440	380	13.2	
Interest	64	67	61	60	62	63	62	62	252	249			
Depreciation	140	141	142	152	148	152	155	155	575	610			
PBT (before EO item)	296	254	164	261	206	207	131	172	975	716			
Extra-ordinary Income	(86)	(74)	(15)	42	(60)	17	(286)	-	(133)	(329)			
PBT (after EO item)	210	180	149	303	146	224	(155)	172	842	387			
Total Tax	60	51	39	9	50	61	4	77	159	192			
% Tax	28.6	28.3	26.2	3.0	34.2	27.2	(2.6)	44.5	18.9	49.5			
Reported PAT (after MI)	151	128	110	294	96	163	(160)	96	683	195			
Change (YoY %)	(3.2)	(18.5)	(9.1)	77.1	(36.4)	27.3	(245.5)	(67.5)	13.8	(71.5)			
Adjusted PAT	237	202	125	252	156	146	69	96	816	466	72	(4.1)	
Change (YoY %)	42.8	(9.4)	(35.6)	3.7	(34.2)	(27.7)	(45.0)	(62.1)	(1.2)	(42.8)			
Change (QoQ %)	(2.5)	(14.8)	(38.1)	101.6	(38.1)	(6.4)	(52.9)	38.9					

Source: MOFSL, Company

Exhibit 1: Aluminum EBITDA/t increased to USD1,600/t in 3QFY26, supported by favorable prices and muted cost

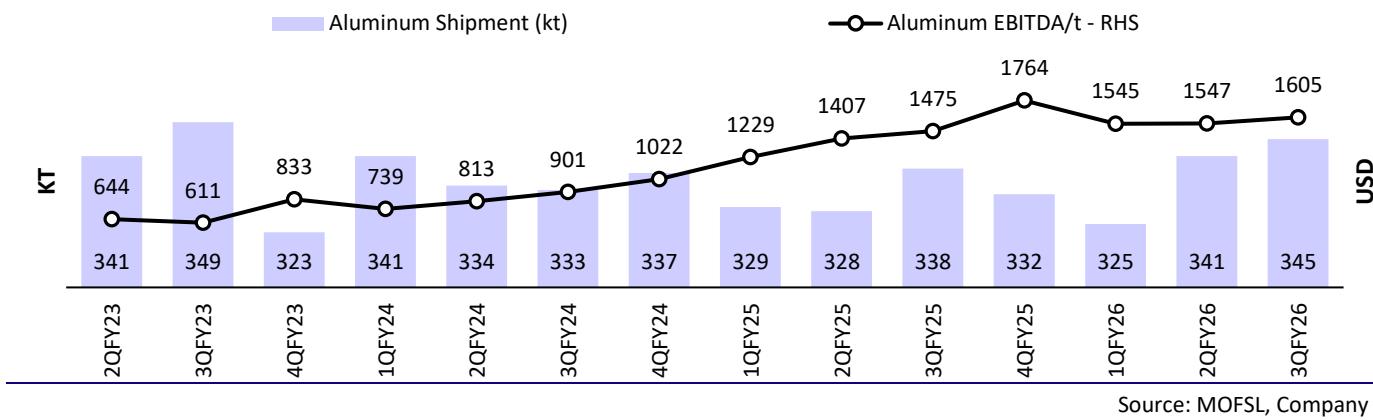


Exhibit 2: Al upstream production (kt) to hit 1.4mt by FY28

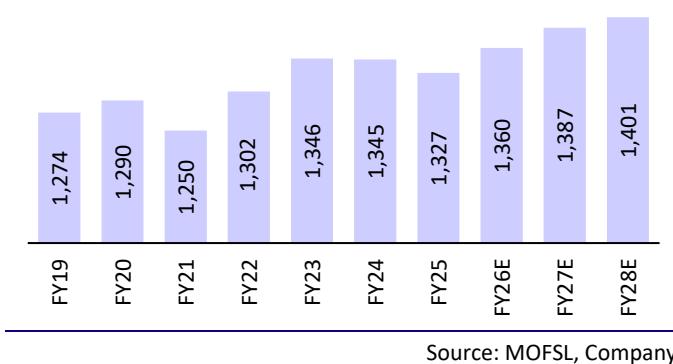


Exhibit 3: Al premium declined QoQ over higher LME

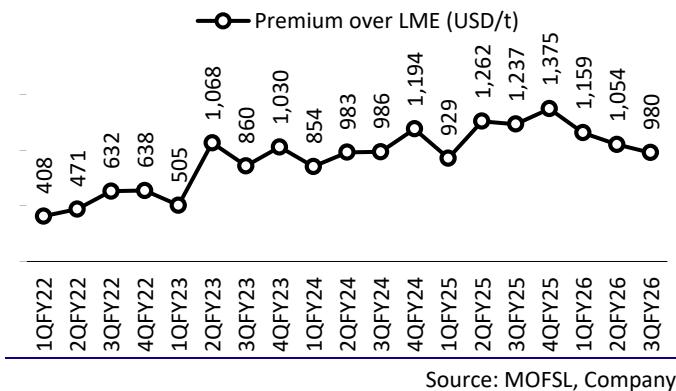


Exhibit 4: Novelis' EBITDA/t (USD) stood muted

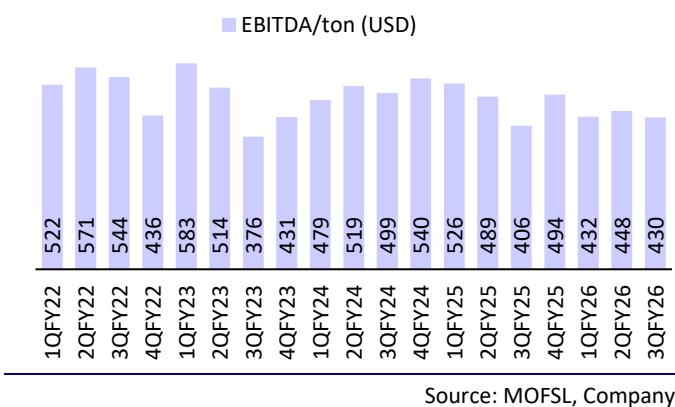


Exhibit 5: Novelis' shipments (kt) declined QoQ

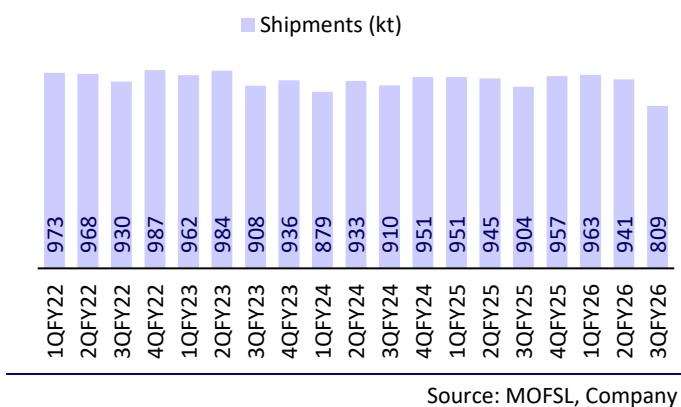


Exhibit 6: Leverage to remain below the current level

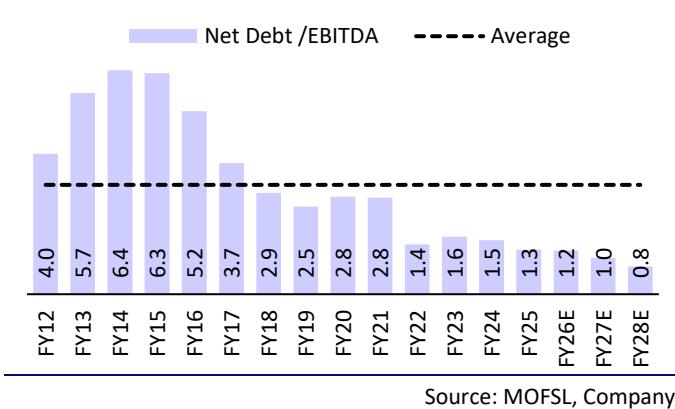
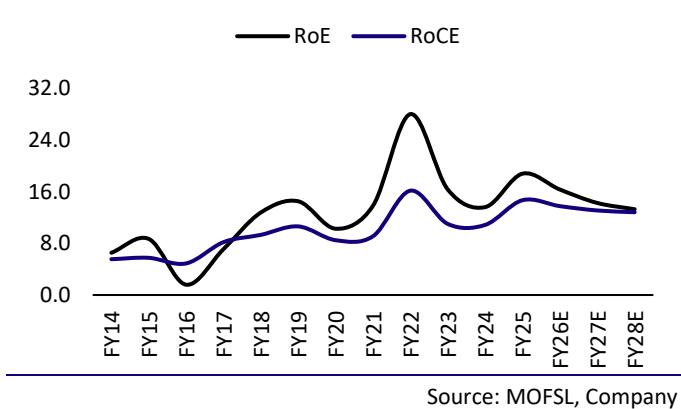


Exhibit 7: RoE and RoCE (%)





Highlights from the management commentary

Guidance/outlook:

- India Aluminum (Upstream) CoP is expected to rise ~1% QoQ, primarily due to higher CP Coke (anode) prices amid China supply-demand tightness.
- Novelis' cost to serve is expected to remain elevated but on similar lines to 3Q due to increased external slab sourcing and supply chain reorientation. Midwest premium arbitrage may provide some offset.
- Consolidated Net Debt/EBITDA stood at 1.73x; management targets to keep it below the threshold of 2x. Net debt increased ~INR240b during 9MFY26, largely driven by Novelis' negative FCF (capex + working capital + fire impact) and working capital build-up of ~INR40b due to higher copper concentrate inventory.
- AV Minerals raised USD800m at SOFR + 105bp (5-year tenure) to fund higher Bay Minette costs. The weighted average cost of Novelis debt stands at ~5.3%, while the cost of capital is at mid-8% range.
- The Indian business currently has a net cash of INR6b.
- 4QFY26 aluminum hedging: 64% commodity hedged at USD2,807/t and 26% currency hedged at INR88.18/USD. For FY27, the aluminum hedging stood at 21% at USD2,925/t and targets to achieve ~25% at USD3,000/t.
- China finalized CY26 long-term TCRC contracts at 0 cents/lb, indicating structural concentrate tightness. Spot TCRCs remain negative at –USD0.10-0.11/lb.
- The Chakla Mine box cut was delayed by a quarter and is now expected in Apr'26.

Capex and capacity update:

- India's capex guidance for FY26: INR100b (INR80b organic + INR20b for Banda mine), and 9MFY26 spend stood at INR60b (on track to meet full-year guidance). For FY27, management guided a capex of INR100-120b.
- The Aditya Alumina Refinery and Aluminum Smelter expansion projects are progressing on schedule with the commissioning target of FY28.
- Total project cost for Bay Minette is estimated at USD5b (revised from USD4.1) and so far, ~54% (USD2.7b) of capex has already been spent, with the rest to be spilled over to CY27 post commissioning in 2HCY26.
- The phase-1 181kt aluminum smelter expansion at Aditya will proceed alongside the alumina refinery with operational target of FY28 and Phase-II of +193kt by FY29. Also, the 300kt copper smelter expansion is expected to be commissioned by FY29.
- Chakla, Banda, and Meenakshi coal mines are progressing toward commissioning. The two captive coal mines (Chakla 1HFY27 and Bandha FY27) are expected to be operational by FY27, while Meenakshi will be operational in FY29.
- In copper, the 50kt e-waste and scrap recycling project remains on track for commissioning in FY27, strengthening its circular-economy credentials.
- The current renewable capacity stands at 418 MW, and management is on track to add 103 MW next quarter + 130 MW storage-based, reaching 522 MW by FY26 end.

Key takeaways from the Novelis conference call

Operating performance guidance and outlook

- FY26-exit savings guidance has been raised to USD150m from USD75m, and the company maintains a multi-year structural cost reduction target of USD300m.
- North America volumes remained temporarily constrained due to Oswego fire incidents; a gradual restart is expected in late 2QCY26, with phased ramp-up.
- Beverage packaging demand remains stable and structurally resilient. Auto demand was stable in North America, softer in Europe and Aerospace demand was showing early signs of improvement.
- Scrap pricing remains a key driver of EBITDA/t, influencing metal spreads and margin performance.
- Higher aluminum prices have increased working capital requirements due to elevated scrap inventory values.

Oswego Fire

- Novelis faced two separate fire incidents at the Oswego facility in Sep'25 and Nov'25. The Sep'25 fire incident largely affected the roof, while the Nov'25 incident affected floor-level machinery and cabling. This is materially extending the restoration costs and restart timeline.
- The Oswego hot mill is expected to restart late in 2QCY26 (vs. Dec'25 earlier), followed by a gradual ramp-up and customer requalification process.
- Total estimated free cash flow impact is USD1.3-1.6b, reflecting restoration capex, working capital strain, and operational disruption. The company recorded USD327m of Oswego fire-related exceptional costs in 3Q, which included repairs, cleanup, idle costs, and customer fulfillment expenses.
- Full-year EBITDA impact is estimated at USD150-200m, primarily from lost contribution and unabsorbed fixed costs.
- Insurance coverage is expected to recover 70-80% of total fire-related losses, significantly mitigating long-term economic impact. The company has already received USD50m in insurance proceeds, with further recoveries expected over 15-18 months.

Capital allocation update

- For FY26, the total capex guidance remains unchanged at USD1.9-2.2b (incl. USD300m maintenance-related capex), committed toward the expansion roadmap, despite Oswego disruption.
- Capital allocation priorities: (i) maintain liquidity, (ii) complete Bay Minette, (iii) execute structural cost savings, and (iv) normalize leverage.
- Total capex for Bay Minette has been further revised to USD5b (vs. USD4.1b earlier). The company has already invested USD2.7b and remaining ~USD2b will be spent in FY27.
- The 600kt Bay Minette facility remains on schedule for commissioning in 2HCY26 with expected full capacity ramp-up over 18-24 months.
- Management indicated that there will be no meaningful EBITDA contribution in FY27 and will follow with the gradual volume ramp-up.
- The company received an equity infusion of USD750m from its parent (HNDL), with potential additional ~USD200m under discussion.
- Net leverage stands at 3.7x, which is expected to temporarily peak in the high-4x range before normalizing. Management said no unplanned long-term debt issuance is expected beyond the previously planned ~USD500m.

Exhibit 8: Changes to our estimates

Consolidated		FY26E			FY27E			FY28E		
		New	Old	% change	New	Old	% change	New	Old	% change
Revenue	INR b	2,687	2,690	-0.1	2,714	2,721	-0.3	2,841	2,843	-0.1
EBITDA	"	338	337	0.2	338	339	-0.2	356	356	-0.1
Adj. PAT	"	169	170	-0.7	167	165	1.2	177	174	1.2

MOFSL estimates

Exhibit 9: TP calculation and valuation

Y/E March	UoM	Sep'27E
Hindalco - India		
Aluminium		
Volumes	Kt	1,394
EBITDA	INR/t	1,21,784
EBITDA	USD/t	1,364
EBITDA	INR m	1,69,784
Copper		
Volumes	Kt	492
EBITDA	INR/t	73,772
EBITDA	USD/t	826
EBITDA	INR m	36,259
Others	INR m	(27,730)
EBITDA Hindalco - India	INR m	1,78,313
EV/EBITDA (x)	X	8.0
Target EV	INR m	14,26,503
Novelis		
Volumes	Kt	3,837
EBITDA	USD/t	492
USD/INR	X	89
EBITDA	INR m	1,68,647
EV/EBITDA (x)	X	7.0
Target EV	INR m	11,80,532
Target EV - Group	INR m	26,07,035
Net Debt	INR m	2,82,952
Equity Value	INR m	23,24,083
Equity Value	INR/sh	1,047
Investments (quoted)	INR/sh	1,39,605
Discount factor	%	10%
Target Price	INR/sh	1110

Source: MOFSL

Exhibit 10: EV/EBITDA near its LTA

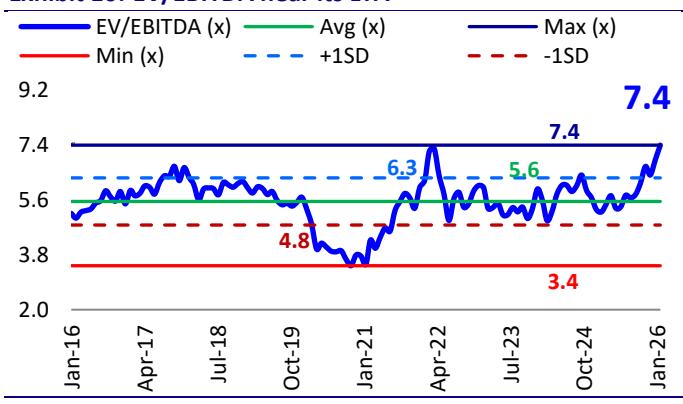
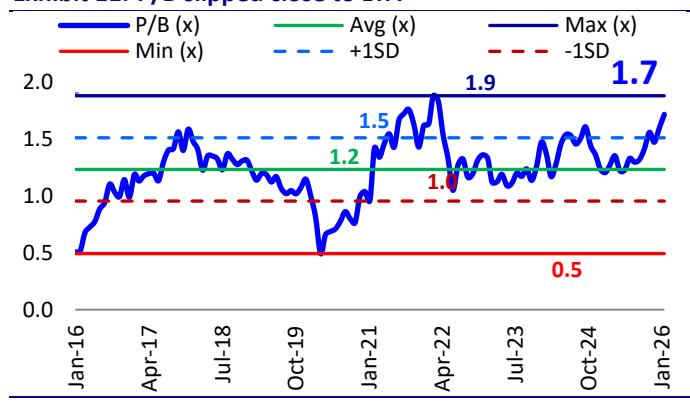


Exhibit 11: P/B slipped close to LTA



Financials and valuations

Consolidated Income Statement (INR b)										
Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Net sales	1,305.4	1,181.4	1,318.0	1,950.6	2,232.0	2,159.6	2,385.0	2,687.3	2,713.6	2,840.5
Change (%)	13.3	(9.5)	11.6	48.0	14.4	(3.2)	10.4	12.7	1.0	4.7
Total Expenses	1,150.3	1,039.4	1,144.5	1,667.1	2,005.4	1,920.9	2,066.9	2,349.4	2,375.6	2,484.6
EBITDA	155.1	142.1	173.5	283.5	226.7	238.7	318.1	337.9	338.0	355.9
% of Net Sales	11.9	12.0	13.2	14.5	10.2	11.1	13.3	12.6	12.5	12.5
Depn. & Amortization	47.8	50.9	65.0	67.3	70.9	75.2	78.8	87.4	87.3	93.5
EBIT	107.3	91.2	108.5	216.2	155.8	163.5	239.2	250.5	250.7	262.4
Net Interest	37.8	42.0	37.4	37.7	36.5	38.6	34.2	33.7	40.3	40.1
Other income	11.3	11.9	12.2	11.4	12.6	15.0	27.1	24.5	27.0	27.0
PBT before EO	80.8	61.0	83.4	189.9	131.9	139.9	232.1	241.3	237.4	249.4
EO income (exp)	-	(1.8)	(4.4)	5.8	0.4	0.2	(8.8)	(27.9)	-	-
PBT after EO	80.8	59.2	79.0	195.7	132.3	140.1	223.3	213.4	237.4	249.4
Current tax	19.1	15.4	18.8	38.0	28.6	30.1	63.5	64.0	69.9	72.9
Deferred tax (net)	6.8	6.2	8.4	15.7	2.9	8.5	(0.2)	-	-	-
Tax	25.9	21.6	27.2	53.7	31.4	38.6	63.4	64.0	69.9	72.9
Rate (%)	32.0	36.4	34.5	27.5	23.8	27.5	28.4	30.0	29.5	29.2
PAT (before MI and Sh. of Asso.)	54.9	37.6	51.8	142.0	100.9	101.5	160.0	149.4	167.5	176.5
Minority interests and disc. Operations	(0.0)	-	17.0	4.7	-	-	-	-	-	-
Share of asso.	0.0	0.0	0.1	0.1	0.1	0.0	0.0	-	0.0	0.0
Reported PAT (after MI and Sh. of Asso.)	55.0	37.7	34.8	137.3	101.0	101.6	160.0	149.4	167.5	176.5
Adjusted PAT	55.0	39.5	56.2	136.2	100.6	101.3	166.2	168.9	167.5	176.5
Change (%)	30.6	(28.1)	42.3	142.3	(26.2)	0.8	63.9	1.7	(0.9)	5.4
Balance Sheet (INR b)										
Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Share Capital	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
Reserves	572.6	580.6	663.1	779.7	945.8	1,059.2	1,234.9	1,366.5	1,516.2	1,674.9
Net Worth	574.8	582.8	665.3	781.9	948.1	1,061.5	1,237.1	1,368.7	1,518.4	1,677.2
Minority Interest	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total Loans	524.2	674.2	659.9	632.4	583.4	545.0	619.3	601.8	584.3	566.8
Deferred Tax Liability	36.5	37.6	36.1	44.2	73.2	81.6	87.8	87.8	87.8	87.8
Capital Employed	1,135.6	1,294.7	1,361.4	1,458.6	1,604.7	1,688.2	1,944.3	2,058.4	2,190.6	2,331.9
Gross Block	1,130.7	1,199.7	1,343.2	1,459.5	1,567.1	1,650.8	1,771.0	1,997.9	2,160.4	2,324.3
Less: Accum. Deprn.	457.8	508.7	573.7	630.4	718.2	793.5	872.3	959.7	1,047.0	1,140.5
Net Fixed Assets	672.8	691.0	769.5	829.1	848.8	857.4	898.7	1,038.2	1,113.4	1,183.8
Goodwill	185.7	201.0	233.2	239.7	257.5	260.8	266.8	266.8	266.8	266.8
Capital WIP	41.0	77.2	102.0	49.5	77.0	148.7	274.0	274.0	274.0	274.0
Investments	51.6	31.3	77.2	86.7	82.6	121.7	136.3	136.3	136.3	136.3
Working capital Assets	567.0	685.4	706.3	1,013.7	969.0	918.7	1,067.2	1,103.7	1,165.4	1,259.3
Inventory	221.9	223.8	306.7	444.8	429.6	408.1	488.0	507.8	512.8	536.8
Account Receivables	114.6	93.5	129.6	210.8	162.1	164.0	198.3	204.1	206.1	215.8
Cash and Bank Balance	136.2	278.1	182.3	228.4	212.3	177.1	213.8	180.8	233.5	283.9
Others (incl. LT)	94.2	89.9	87.7	129.7	165.1	169.5	167.1	210.9	213.0	222.9
Working capital liability	382.5	391.1	526.7	759.9	630.2	619.1	698.7	760.5	765.3	788.4
Account Payables	207.2	182.8	282.8	442.0	418.4	392.9	427.0	488.8	493.6	516.7
Others (incl. LT)	175.3	208.3	243.9	317.9	211.8	226.2	271.7	271.7	271.7	271.7
Net Working Capital	184.4	294.3	179.6	253.8	338.9	299.7	368.5	343.2	400.2	471.0
Appl. of Funds	1,135.6	1,294.7	1,361.4	1,458.6	1,604.7	1,688.2	1,944.3	2,058.4	2,190.6	2,331.9

Financials and valuations

Ratios

Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Basic (INR)										
EPS	24.7	17.8	25.3	61.3	45.3	45.7	74.8	76.1	75.4	79.5
Cash EPS	46.2	39.8	52.5	94.3	77.4	79.6	107.6	106.7	114.8	121.6
BV/Share (adj.)	175.0	171.7	194.3	244.3	311.1	360.7	437.1	496.3	563.8	635.3
DPS	1.2	1.0	3.0	4.0	3.0	3.0	5.0	8.0	8.0	8.0
Payout (%)	4.9	5.6	11.9	6.5	6.6	6.6	6.7	10.5	10.6	10.1
Valuation (x)										
P/E	39.0	54.3	38.1	15.7	21.3	21.1	12.9	12.7	12.8	12.1
Cash P/E	20.9	24.2	18.4	10.2	12.5	12.1	9.0	9.0	8.4	7.9
P/BV	5.5	5.6	5.0	3.9	3.1	2.7	2.2	1.9	1.7	1.5
EV/Sales	1.9	2.1	2.0	1.3	1.1	1.2	1.1	1.0	0.9	0.9
EV/EBITDA	16.3	17.9	15.1	9.0	11.1	10.5	8.0	7.6	7.4	6.8
Dividend Yield (%)	0.1	0.1	0.3	0.4	0.3	0.3	0.5	0.8	0.8	0.8
Return Ratios (%)										
EBITDA Margins (%)	11.9	12.0	13.2	14.5	10.2	11.1	13.3	12.6	12.5	12.5
Net Profit Margins (%)	4.2	3.3	4.3	7.0	4.5	4.7	7.0	6.3	6.2	6.2
RoE	14.5	10.2	13.8	28.0	16.3	13.6	18.8	16.3	14.2	13.3
RoCE (pre-tax)	10.6	8.5	9.1	16.1	11.0	10.8	14.7	13.7	13.1	12.8
RoIC (pre-tax)	11.9	10.3	11.5	21.6	14.6	14.6	18.7	18.0	16.6	16.5
Working Capital Ratios										
Fixed Asset Turnover (x)	1.2	1.0	1.0	1.3	1.4	1.3	1.3	1.3	1.3	1.2
Asset Turnover (x)	1.1	0.9	1.0	1.3	1.4	1.3	1.2	1.3	1.2	1.2
Debtor (Days)	32	29	36	39	27	28	28	28	28	28
Inventory (Days)	62	69	85	83	70	69	69	69	69	69
Payable (Days)	58	56	78	83	68	66	66	66	66	66
Leverage Ratio (x)										
Current Ratio	1.5	1.8	1.3	1.3	1.5	1.5	1.5	1.5	1.5	1.6
Interest Cover Ratio	2.8	2.2	2.9	5.7	4.3	4.2	7.0	7.4	6.2	6.6
Debt/Equity	1.0	1.0	1.1	0.7	0.5	0.5	0.4	0.4	0.3	0.2

Cash Flow Statement

Y/E March	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	(INR b)
EBITDA											
EBITDA	155.1	142.1	173.5	283.5	226.7	238.7	318.1	337.9	338.0	355.9	
Others	0.4	(1.8)	(2.7)	14.7	(2.7)	9.2	3.9	(27.9)	-	-	
tax paid	(18.9)	(1.0)	(12.6)	(37.7)	(27.3)	(26.8)	(54.7)	(64.0)	(69.9)	(72.9)	
Change in WC	(16.9)	(11.8)	14.0	(92.0)	(4.6)	19.4	(23.2)	(7.6)	(4.3)	(20.5)	
CF from Op. Activity	119.8	127.5	172.3	168.4	192.1	240.6	244.1	238.4	263.8	262.5	
(Inc)/Dec in FA + CWIP	(60.1)	(67.9)	(55.7)	(54.3)	(98.4)	(157.3)	(206.5)	(226.9)	(162.6)	(163.9)	
Free Cash Flow to firm	59.7	59.5	116.7	114.1	93.7	83.3	37.6	11.5	101.3	98.6	
(Pur)/Sale of Inv. & yield	6.6	7.1	9.0	(58.9)	19.9	(3.7)	32.0	24.5	27.0	27.0	
Others & M&A	(3.1)	(23.5)	(209.7)	42.4	(2.6)	18.3	(72.9)	-	-	-	
CF from Inv. Activity	(56.5)	(84.3)	(256.4)	(70.7)	(81.2)	(142.8)	(247.4)	(202.4)	(135.6)	(136.9)	
Equity raised/(repaid)	(1.2)	-	0.1	(0.7)	(1.3)	(1.2)	(1.0)	-	-	-	
Debt raised/(repaid)	(14.4)	109.5	(9.7)	(27.8)	(54.9)	(61.4)	48.4	(17.5)	(17.5)	(17.5)	
Interest	(35.8)	(40.2)	(36.8)	(32.5)	(38.5)	(38.9)	(57.7)	(33.7)	(40.3)	(40.1)	
Dividend (incl. tax)	(3.2)	(2.7)	(2.4)	(6.7)	(8.9)	(6.7)	(7.8)	(17.8)	(17.8)	(17.8)	
CF from Fin. Activity	(54.6)	66.6	(48.8)	(67.7)	(103.5)	(108.2)	(18.2)	(68.9)	(75.6)	(75.3)	
(Inc)/Dec in Cash	8.7	109.7	(132.9)	30.0	7.4	(10.4)	(21.5)	(32.9)	52.7	50.3	
Add: Opening Balance	80.4	91.0	212.7	83.4	116.4	128.4	118.2	98.1	65.1	117.8	
Changes in forex on CF	1.9	12.0	3.6	3.0	4.6	0.2	1.4	-	-	-	
Closing cash Balance	91.0	212.7	83.4	116.4	128.4	118.2	98.1	65.1	117.8	168.2	
Bank balance (inc. O/D adj.)	45.2	65.5	98.9	112.1	83.9	58.9	115.7	115.7	115.7	115.7	
Closing Balance (incl. bank balance)	136.2	278.1	182.3	228.4	212.3	177.1	213.8	180.8	233.5	283.9	

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Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
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Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ00015836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN : 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrivances@motilaloswal.com.