

Samvardhana Motherson

Estimate changes	↔
TP change	↑
Rating change	↔

CMP: INR181

TP: INR218 (+21%)

Buy

Strong performance in a tough quarter

Synergy benefits with acquisitions to further help improve returns

- Samvardhana Motherson (MOTHERSO) reported a strong 65.5% YoY growth in earnings (in line with estimates) despite muted automotive production growth in 1Q. It reported an 18% annualized RoCE in 1Q and management expects the same would continue to improve in FY25, aided by synergy benefits of acquisitions.
- Our positive view on MOTHERSO remains intact based on the ramp up of new businesses in non-auto, execution of a strong order book for SMRPBV, and capacities in place for growth. We **reiterate our BUY rating** on the stock with a revised target price of INR218 (25x Jun'26E EPS).

Sequential net debt increases by INR30b due to M&A closure

- **Consol. revenue grew** 28.5% YoY to INR288.7b (est INR291b) largely led by inorganic growth. Contribution from the acquisitions to its revenue/EBITDA stood at INR62.5b/INR6.88b. Consol. EBITDA grew 44% YoY to INR27.7b (est. INR26.8b) and consol. adj. PAT rose 65.5% YoY to INR9.9b (est. INR9.3b).
- **Wiring harness business** grew by 9% YoY to INR83.3b (est. INR82.35b) and EBITDA margin improved 150bp YoY (+60bp QoQ) to 11.7% (vs. est. 10.3%). Growth was supported by increased intake in truck OEMs in North and South America. Content increase in India also supported growth.
- **Modules & Polymer business** revenues grew 27% YoY to INR151.9b (est. INR151.7b) and EBITDA margin improved 120bp YoY (-210bp QoQ) to 8.7% (est. 8.5%). The full impact of the Yachiyo 4W business was seen in 1Q. There was a strong growth on the low base of last year, as Dr. Schneider business was not there in 1QFY24.
- **Vision system business revenue** grew 8% YoY to INR50b (est. INR51.3b), while EBITDA margin remained stable YoY (-340bp QoQ) to 9.5% (est. 9.4%). Growth was partly supported by Ichikoh's mirror business (which was not there in 1QFY24) and volume growth in China. However, it was offset to some extent by the delayed EV launches in the EU/NA.
- **Integrated assemblies business** revenue grew 6% QoQ to INR25.2b. Margin stood at 10.1% (-270bp QoQ). The sluggishness in EVs hurt growth.
- **Emerging business** grew 42% YoY to ~INR25.9b (est. INR21.7b) and EBITDA margin expanded 100bp YoY (-480bp QoQ) to 12.2% (est. 12.0%).
- **Net debt (ex-lease liabilities) grew QoQ to INR133.7b (vs. INR103.7b in 4QFY24).** The increase in debt of INR30b QoQ was on account of the payout for closure of acquisition (~INR17.5b) and the increase in working capital due to the Red Sea crisis.

	MOTHERSO IN
Equity Shares (m)	6776
M.Cap.(INRb)/(USD\$b)	1224.5 / 14.6
52-Week Range (INR)	209 / 87
1, 6, 12 Rel. Per (%)	-7/45/61
12M Avg Val (INR M)	2708

MOTHERSO: Financials & Valuations

Y/E March	2024	2025E	2026E
Sales	985	1,200	1,328
EBITDA	90.2	117.1	137.6
Adj. PAT	25.1	43.5	55.8
EPS (Rs)	3.7	6.4	8.2
EPS Growth (%)	63.6	73.2	28.3
BV/Share (Rs)	38.6	43.1	48.9

Ratios

Net D:E	0.4	0.2	0.1
RoE (%)	10.3	15.7	17.9
RoCE (%)	10.0	12.5	14.1
Payout (%)	20.0	30.0	30.0

Valuations

P/E (x)	48.8	28.2	22.0
P/BV (x)	4.7	4.2	3.7
Div. Yield (%)	0.4	1.1	1.4
FCF Yield (%)	2.9	3.9	6.1

Shareholding pattern (%)

As On	Jun-24	Mar-24	Jun-23
Promoter	60.4	60.4	64.8
DII	18.2	18.3	15.2
FII	12.9	12.4	10.8
Others	8.6	8.9	9.2

FII Includes depository receipts

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Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Highlights from the management commentary

- **Automotive production:** 2Q automobile production to remain muted due to holidays in Aug'24. For FY25, global light vehicle production is likely to decline a bit or remain flat YoY.
- **Reduction in RM costs** on a YoY basis was due to: a) improved mix (integrated assemblies integration that has lower RM and remained a high-margin business), b) repriced products with customers, c) RM cost pass through.
- **Consumer electronics:** It would initially invest ~INR26b over a period of time. These investments would be utilized for the JV with BIEL Crystal (leading supplier of smartphone glass) and assembly of components. Manufacturing with the JV partner would start by end-2HFY25 and would see a ramp-up in FY26.
- MOTHERSO posted an 18% annualized RoCE in 1Q, and management expects the same would continue to improve in FY25, aided by synergy benefits of acquisitions.

Valuation and view

- Given its well-diversified presence across components, geographies, and customers, MOTHERSO is emerging as the key beneficiary of the growing popularity of EVs and the rising trend towards premiumization across segments. This is evident in a significant ramp-up in its order book, with its booked business scaling up to USD83.9b.
- The stock trades at reasonable valuations of 28x/22x FY25E/FY26E consolidated EPS. Our positive view on MOTHERSO remains intact based on the ramp up of new businesses in non-auto, execution of a strong order book for SMRPBV, and capacities in place for growth. We **reiterate our BUY rating** with a revised TP of INR218 based on 25x Jun-26E EPS.

Quarterly performance (Consol.)

Y/E March	(INR m)									FY25E Var. 1QE (%)		
	FY24				FY25E				FY24		FY25E	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Net Sales	2,24,622	2,34,738	2,56,439	2,68,612	2,88,680	2,87,897	3,08,560	3,14,923	9,84,947	12,00,059	2,90,974	-0.8
YoY Change (%)	27.2	28.5	26.5	19.3	28.5	22.6	20.3	17.2	25.0	21.8	29.5	
EBITDA	19,246	18,888	23,159	26,686	27,753	27,133	30,190	31,981	90,206	1,17,056	26,777	3.6
Margins (%)	8.6	8.0	9.0	9.9	9.6	9.4	9.8	10.2	9.2	9.8	9.2	
Depreciation	8,389	8,674	10,164	10,878	10,646	10,700	10,800	11,184	38,105	43,330	10,400	
Interest	2,526	4,879	6,203	4,504	4,445	4,000	4,000	3,906	18,112	16,351	4,000	
Other income	529	1,654	1,084	836	709	600	550	392	1,876	2,251	550	
PBT before EO expense	8,860	6,989	7,877	12,140	13,371	13,033	15,940	17,282	35,865	59,626	12,927	
Extra-Ord expense	0	2,494	9	-4,974	0	0	0	0	-2,472	0	0	
PBT after EO Expense	8,860	4,495	7,868	17,114	13,371	13,033	15,940	17,282	38,336	59,626	12,927	
Tax Rate (%)	29.5	32.8	27.6	28.3	26.0	27.0	27.0	27.8	29.3	27.0	27.0	
Min. Int & Share of profit	241	188	272	-43	-51	20	30	44	658	44	100	
Reported PAT	6,009	2,015	5,420	13,718	9,942	9,494	11,606	12,442	27,162	43,483	9,336	
Adj PAT	6,009	4,509	5,420	9,170	9,942	9,494	11,606	12,442	25,108	43,483	9,336	6.5
YoY Change (%)	325.5	43.2	19.2	45.6	65.5	110.5	114.1	35.7	65.6	73.2	55.4	

E: MOFSL Estimates

Key Performance Indicators

Y/E March	(INR m)										
	FY24				FY25E				FY24	FY24	FY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1Q
Business Wise Revenues											
Wiring harness	76,390	77,630	79,330	81,790	83,260	84,185	84,609	89,580	3,15,140	3,41,635	82,350
Modules & Polymer products	1,19,780	1,14,770	1,27,530	1,37,040	1,51,930	1,37,754	1,47,911	1,70,153	4,99,120	6,03,143	1,51,744
Vision systems	46,150	46,890	48,070	50,380	49,970	52,398	53,886	55,601	1,91,490	2,11,855	51,353
Integrated assemblies		16,190	26,230	23,850	25,230	26,038	28,322	23,249	66,270	1,03,189	
Emerging businesses	18,210	20,220	19,580	22,890	25,910	33,683	43,788	23,849	80,900	1,27,230	21,744
Less: Inter-segment	7,130	7,930	7,940	12,010	12,330	9,276	9,955	6,954	35,010	38,516	9,205
Less: Revenues of Associates/JVs	28,780	33,030	35,820	35,330	35,290	36,885	40,000	36,302	1,32,960	1,48,477	32,593
Net Revenues	2,24,620	2,34,740	2,56,980	2,68,610	2,88,680	2,87,897	3,08,560	3,19,176	9,84,950	12,00,059	2,65,393
Business Wise PBITDA Margins (%)											
Wiring harness	10.2	10.6	10.7	11.1	11.7	10.3	10.7	11.9	10.7	11.2	10.3
Modules & Polymer products	7.5	7.1	8.8	10.8	8.7	8.7	9.4	8.7	8.6	8.9	8.5
Vision systems	9.4	9.2	9.7	12.9	9.5	9.9	9.9	12.7	10.3	10.5	9.4
Integrated assemblies		10.2	12.3	12.8	10.1	8.8	10.0	13.6	12.0	10.2	
Emerging businesses	11.2	12.4	12.8	17.0	12.2	13.0	13.0	19.2	13.5	14.0	12.0
Consol EBITDA Margins (%)	8.6	8.5	9.3	11.1	8.8	9.3	9.6	10.7	9.5	9.8	9.1

Note: Segmental EBITD margins include part of other income; E: MOFSL Estimates



Highlights from the management commentary

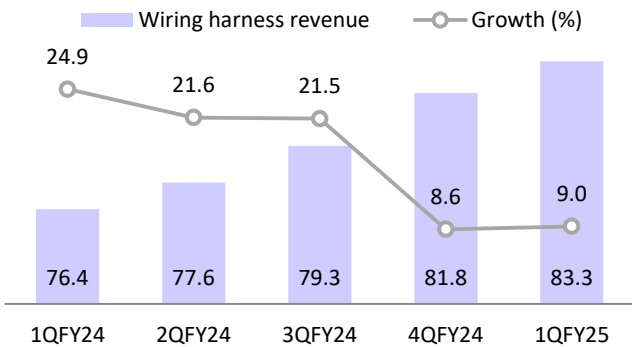
- **Macro factors:** Some regional challenges remain. There has been a spike in container costs and transit time due to the Red Sea crisis, leading to inventory build-up. Commodity prices, especially copper prices, are softening after an inflated quarter. 2Q automobile production to remain muted due to holidays in Aug'24. For FY25, global light vehicle production is likely to decline a bit or remain flat YoY.
- **Automotive production:** Global light vehicle production volume growth remained flat YoY in 1Q. While China, India, North America grew, the EU declined mainly due to a delay in EV launches. Automotive megatrends (Rise in SUV, hybrid penetration) continue to support content growth for SAMIL. There is a slowdown in EV production, as the life of ICE platform is getting extended across Europe and North America.
- **SAMIL posted a strong revenue growth of 29% YoY** despite muted industry volumes led primarily by acquisitions (INR 62.5bn in revenue from acquired assets included in 1Q).
- **Reduction in RM costs** on a YoY basis was due to: a) improved mix (integrated assemblies integration that has lower RM and remained a high-margin business), b) repriced products with customers, c) RM cost pass through.
- **Debt:** Net debt has increased by INR30b mainly contributed by a) INR17.5b impact on net debt on account of M&A closures during the quarter b) Expansion in working capital on account of red sea crisis and volatility in customer production schedules which is expected to normalize in H2FY25
- **Investments mostly in emerging markets:** 19 greenfields across four emerging markets (13-India, 4-China, 1-Poland and 1 in Mexico) for auto and non-auto business.
- **Wiring harness:** Revenue growth supported by increased intake in truck OEMs in North and South America. Content increase in India due to operational efficiencies supported by insourcing activities. Wiring harness facility of Lumen acquisition included in the quarterly numbers.
- **Modules and Polymers:** Revenue growth was due to: a) mix and content growth, and b) successful integration of Yachiyo 4W business. Dr. Schneider was absent in the base quarter. These factors were partly offset by the decline in production volumes in Europe mainly due to delay in EV launches.
- **Vision systems:** Revenue growth was aided by newly acquired Ichikoh's mirror business not being there in last 1Q and volume growth in China. This was offset by delayed EV launches in EU/NA impacting production volumes.
- **Integrated assemblies:** Three new Greenfields are being setup to support customers in China (2) and Mexico (1); expected to start operations in Q4 FY25.
- MOTHERSO has posted 18% annualized RoCE in 1Q and management expects the same to continue to improve in FY25 on the back of synergy benefits of acquisitions closed.
- **Emerging business:**
 - a) **Automotive:** Expanding geographical presence in Elastomers. Focus on localization in lighting and electronics
 - b) **Non-automotive:**
 - **Aerospace:** 2 facilities in India supporting new product lines and vertical integration to come on stream in H2 FY 25. Order book of USD1.3b is spread

over 10 years. It is seeing some headwinds globally in this field but India remains a bright spot.

- Consumer electronics: It would initially invest ~INR26b over a period of time. These investments would be utilized for the JV with BIEL Crystal (leading supplier of smartphone glass) and assembly of components. Manufacturing with the JV partner would start by end-2HFY25 and would see a ramp-up in FY26.
- Health and medical: Development of Laparoscopy Imaging System achieved, currently optimizing manufacturing process for Q3FY25 product launch
- **Other pointers:**
 - Capex guidance of INR50b in FY25 maintained (Capex of INR1.78b in 1QFY25).
 - JV with Sojitz Corporation should see an outflow of INR2.4b in 2QFY25. Motherson Auto solutions (MASL) holds 66% share and Sojitz hold 34% stake. It is engaged in the business of acquiring, developing, operating, selling, renting, leasing of facilities and operating of Industrial Park with ready built in factories along with necessary infrastructure.
 - Issued first dual investment grade bonds of USD350m which would help prepare MOTHERSO for future opportunities (organic and inorganic).
 - EVs contribution: Stands at 9% of overall revenues. Power agnostic approach of business is helping the company to grow.

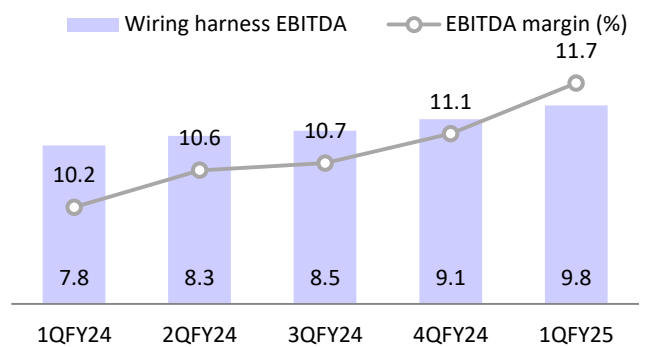
Key exhibits

Exhibit 1: Trends in Wiring harness revenue and growth



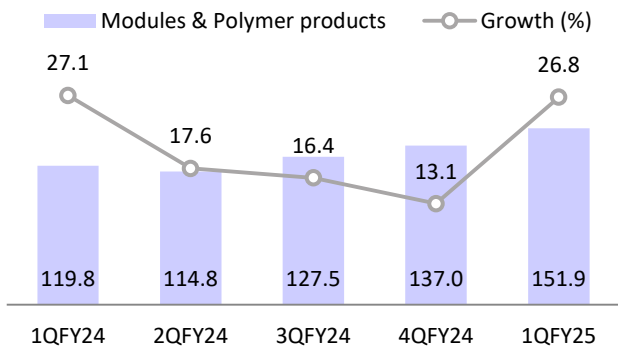
Source: Revenues in INRb, Company, MOFSL

Exhibit 2: Wiring harness EBITDA and EBITDA margin



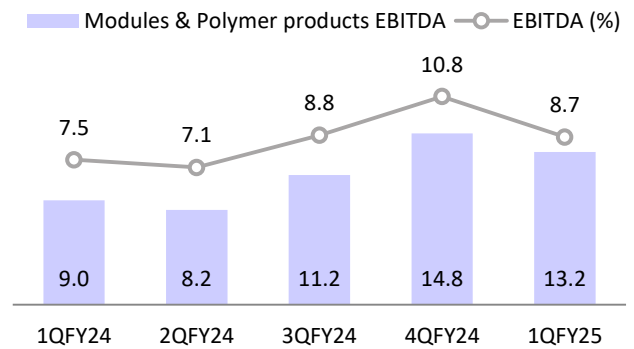
Source: EBITDA in INRb, Company, MOFSL

Exhibit 3: Trends in modules and polymer product revenue



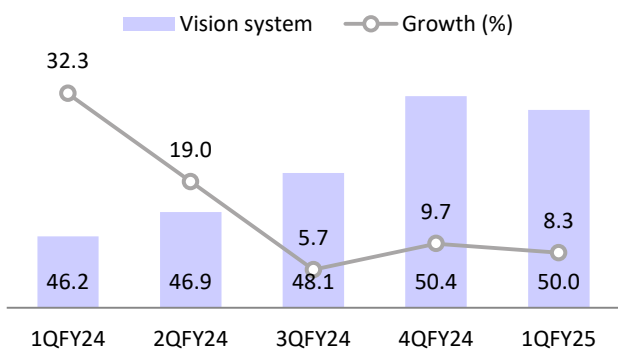
Source: Revenues in INRb, Company, MOFSL

Exhibit 4: Modules and polymer product EBITDA margin



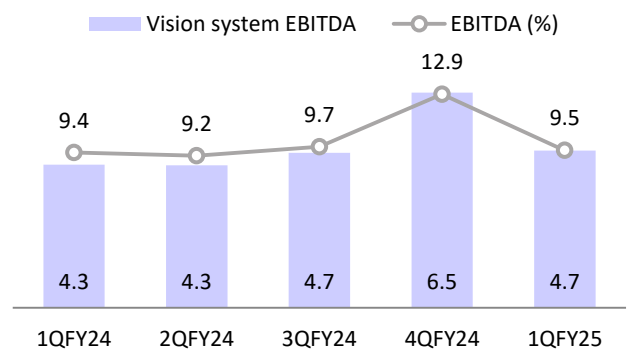
Source: EBITDA in INRb, Company, MOFSL

Exhibit 5: Trend in vision systems revenue



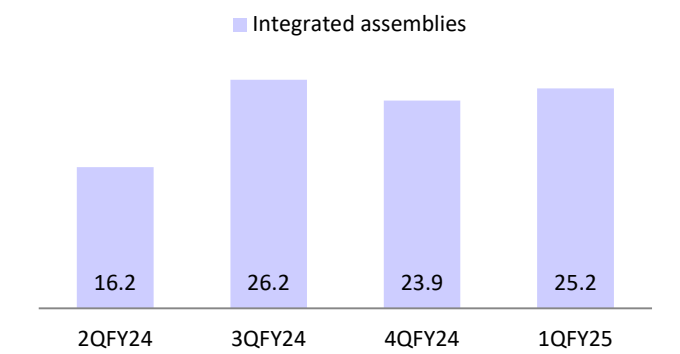
Source: Revenues in INRb, Company, MOFSL

Exhibit 6: Vision systems EBITDA margin



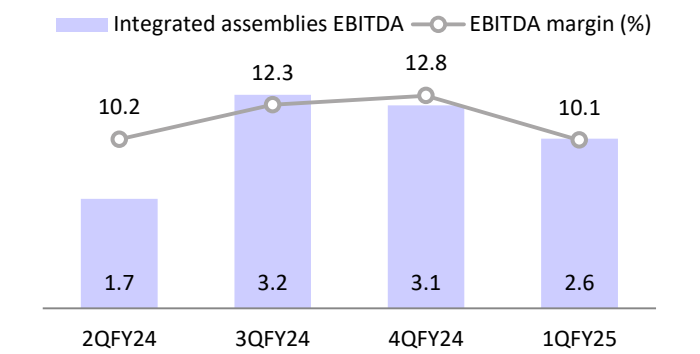
Source: EBITDA in INRb, Company, MOFSL

Exhibit 7: Trend in integrated assemblies revenue



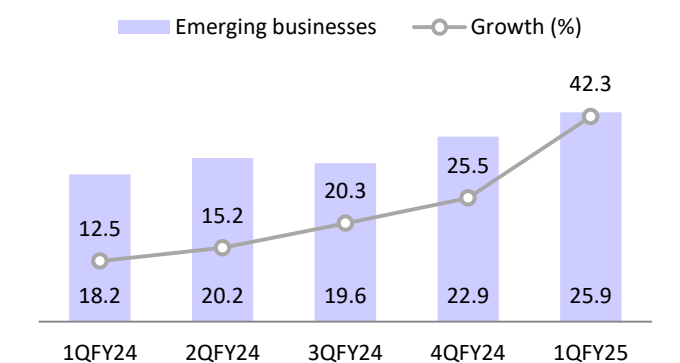
Source: Revenue in INRb, Company, MOFSL

Exhibit 8: Integrated assemblies EBITDA margin



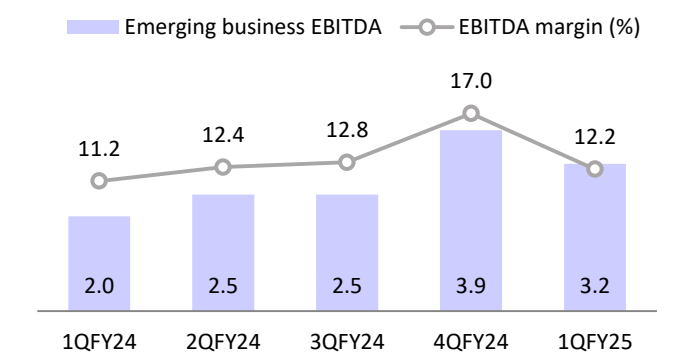
Source: Company, MOFSL

Exhibit 9: Trend in emerging businesses revenue



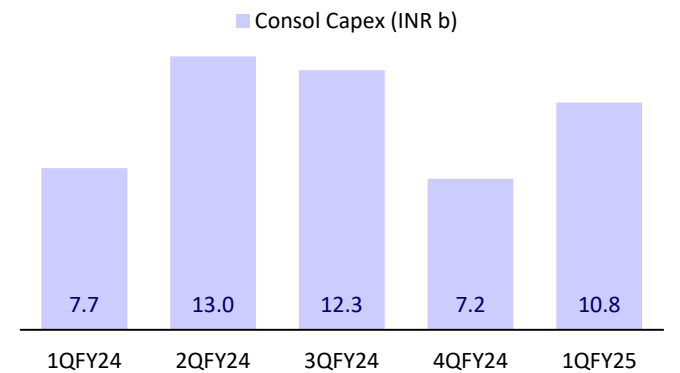
Source: Revenue in INRb, Company, MOFSL

Exhibit 10: Emerging businesses EBITDA margin



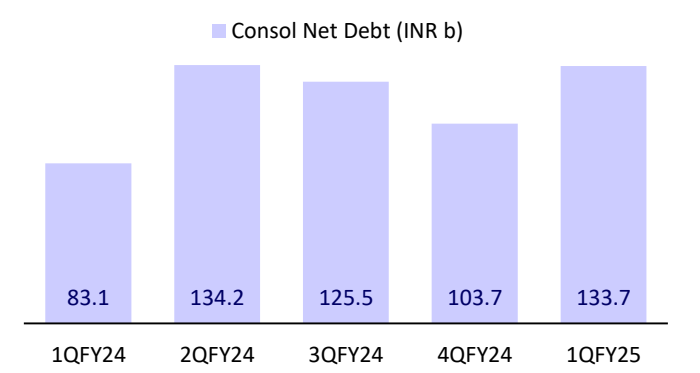
Source: Company, MOFSL

Exhibit 11: Trend in capex (INR b)



Source: Company, MOFSL

Exhibit 12: Trend in net debt (excl. lease liabilities, INR b)



Source: Company, MOFSL

Valuation and view

- **Continues to enjoy a well-diversified business model:** Over the years, MOTHERSO has developed a well-diversified business model that focuses on its principle of 3CX10 (vs. 3CX15 earlier) – this implies no country, customer, or client should account for more than 10% of its revenue. This has helped the company achieve a steady growth regardless of the end-market demand environment (achieved 9% revenue CAGR vs. 3% compounded volume decline in the global auto industry over the last five years). It is among the top 3 players globally for exterior rear-view mirrors, a market leader in PV wiring harness in India, and a major player in wiring harness for CVs in North America and Europe. Additionally, the company is a critical supplier of polymer parts to luxury OEMs worldwide, one of the leading lighting suppliers in India, and one of the largest shock absorber exporters from India.
- **To be a key beneficiary of the evolving megatrends in Autos:** MOTHERSO is emerging as one of the major beneficiaries of the rising premiumization trend and EV transition, which in turn is expected to drive higher content going forward. A few indicators of increasing content per vehicle for MOTHERSO include the following: when transitioning to sedans and SUVs, the content surges 1.4- 1.5x in the case of wiring harnesses, 1.4-1.7x for bumpers, 1.2-2.5x for door panels, and 1.7-3.0x for rear-view mirrors. Similarly, transitioning from ICE to EVs results in a 2.4x increase in the content for 4W wiring harnesses, an 8x increase for 2W wiring harnesses, a 1.5x increase for bumpers, a 3.3x increase for door panels, and a 1.4x increase for mirrors. These favorable trends have led to a notable ramp-up in its order book, with the booked business reaching USD83.9b (23% orders from EVs).
- **Closure of recent acquisitions provides huge growth opportunities:** Taking advantage of the global macro headwinds and at the customer's behest, MOTHERSO has acquired 15 entities since Sep'22, whose combined pro forma net revenue stood at USD2.8b. Apart from this, these entities offer multiple synergy benefits, which include entry into the Japanese supplier network (Yachio + Ichikoh), evolution as a cockpit assembler (SAS), complimentary new segment addition (Yachio + Dr. Schneider), and strong opportunities in aerospace and medical equipment (Cirma, AD Industries, Irillic, and SMAST). Beyond the synergy benefits that would accrue over a long term basis, we expect incremental net revenues of INR144b to accrue to MOTHERSO for FY25E due to these acquisitions. These acquisitions provide MOTHERSO with significant growth opportunities in the long run, in our view.
- **Aggressive targets indicate ambitions; a disciplined approach has been the key:** MOTHERSO has a track record of setting ambitious five-year targets since 2000. Its 2025 targets include revenue of USD36b, RoCE and dividend payout of 40%, and 3CX10. While most of its targets until 2015 have been achieved, it missed its target by a margin in 2020 and is likely to miss its target even in 2025. However, management has always refrained from acquiring entities solely to meet its targets, as was evident immediately post-Covid. Thus, while its aggressive targets highlight management's growth aspirations, its disciplined approach would help generate long-term shareholder returns, in our view. The

same can also be highlighted by the fact that it acquired 15 entities after Sep'22, by patiently waiting through the entire Covid period for the right opportunity.

- **Valuation and view:** We expect MOTHERSO to continue outperforming the global automobile sales, fueled by rising premiumization and EV transition, a robust order backlog; and successful integration of recent acquisitions. We slightly tweak our FY25E/FY26E EPS estimates by 1% and 3%, respectively, to account for higher depreciation and interest costs. **Reiterate BUY with a revised TP of INR218 (premised on 25x Jun'26E EPS).**

Exhibit 13: Our revised estimates (consolidated)

(INR M)	FY25E			FY26E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	12,00,059	12,00,325	0.0	13,28,311	13,28,309	0.0
EBITDA	1,17,056	1,14,358	2.4	1,37,586	1,36,918	0.5
EBITDA (%)	9.8	9.5	20bp	10.4	10.3	10bp
Adj. PAT	43,483	43,852	-0.8	55,789	57,767	-3.4
EPS (INR)	6.4	6.5	-0.8	8.2	8.5	-3.4

Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement								(INR m)	
Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	
Total Income from Operations	6,35,229	6,07,290	5,82,250	6,37,740	7,87,881	9,84,947	12,00,059	13,28,311	
Change (%)	12.8	-4.4	-4.1	9.5	23.5	25.0	21.8	10.7	
Raw Materials	3,67,383	3,49,687	3,25,979	3,67,363	4,53,174	5,44,147	7,02,178	7,77,297	
Employees Cost	1,41,694	1,43,726	1,40,996	1,53,746	1,79,314	2,35,385	2,54,216	2,66,926	
Other Expenses	72,668	67,335	63,135	69,637	93,032	1,15,209	1,26,609	1,46,502	
Total Expenditure	5,81,745	5,60,748	5,30,110	5,90,746	7,25,519	8,94,741	10,83,002	11,90,726	
% of Sales	91.6	92.3	91.0	92.6	92.1	90.8	90.2	89.6	
EBITDA	53,484	46,542	46,880	46,994	62,362	90,206	1,17,056	1,37,586	
Margin (%)	8.4	7.7	8.1	7.4	7.9	9.2	9.8	10.4	
Depreciation	20,582	27,210	30,260	29,582	31,358	38,105	43,330	49,270	
EBIT	32,902	19,332	16,620	17,412	31,003	52,101	73,726	88,316	
Interest Charges	4,232	5,928		5,426	7,809	18,112	16,351	14,125	
PBT bef. EO Exp.	30,872	15,649	16,620	14,562	24,890	35,865	59,626	76,667	
Tax Rate (%)	35.7	44.0	33.6	43.1	29.6	27.4	27.0	27.0	
Minority Interest	3,719	669	440	-290	2,178	658	44	178	
Reported PAT	16,132	8,099	10,590	8,304	15,306	27,162	43,483	55,789	
Adjusted PAT	16,132	8,099	10,590	8,237	15,344	25,108	43,483	55,789	
Change (%)	-5.2	-49.8	30.8	-22.2	86.3	63.6	73.2	28.3	

Consolidated - Balance Sheet

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Equity Share Capital	3,158	3,158	4,518	4,518	6,776	6,776	6,776	6,776
Total Reserves	78,412	81,394	1,21,088	2,01,365	2,17,739	2,54,773	2,85,211	3,24,264
Net Worth	1,09,627	1,12,609	1,25,606	2,05,882	2,24,515	2,61,549	2,91,987	3,31,040
Minority Interest	34,797	35,650	40,233	17,763	19,254	20,606	24,610	29,015
Total Loans	1,09,428	1,19,651	1,07,580	1,27,609	1,21,657	1,73,513	1,53,513	1,47,013
Deferred Tax Liabilities	-6,123	-5,030	-10,224	-11,486	-13,645	-20,746	-18,672	-18,672
Capital Employed	2,47,730	2,62,881	2,63,195	3,39,768	3,51,781	4,34,922	4,51,439	4,88,397
Net Fixed Assets	1,19,674	1,39,871	1,92,782	1,75,128	1,88,750	2,37,877	2,47,547	2,51,277
Goodwill	22,118	24,060	24,718	33,743	37,726	57,501	57,501	57,501
Capital WIP	10,463	8,154	8,769	13,097	14,779	24,978	24,978	24,978
Total Investments	2,389	1,614	2,581	7,212	6,834	8,976	35,976	69,976
Curr. Assets, Loans&Adv.	1,57,377	1,63,943	1,78,716	1,94,908	2,27,640	3,50,435	3,22,236	3,67,559
Inventory	46,635	51,566	49,956	64,417	78,228	91,386	1,04,761	1,21,223
Account Receivables	61,663	51,784	56,931	65,731	85,135	1,56,371	1,34,692	1,55,858
Cash and Bank Balance	35,469	48,789	59,062	49,994	46,987	69,858	54,949	55,318
Loans and Advances	13,610	11,804	12,768	14,766	17,291	32,821	27,834	35,159
Curr. Liability & Prov.	1,79,449	1,87,047	2,07,430	2,11,447	2,53,091	3,94,549	3,71,533	4,17,627
Account Payables	1,06,613	1,03,091	1,11,407	1,24,775	1,41,363	2,26,172	2,66,883	2,93,571
Other Current Liabilities	70,371	81,151	89,575	81,567	1,06,258	1,56,687	88,211	1,09,499
Provisions	2,465	2,805	6,449	5,104	5,471	11,690	16,439	14,557
Net Current Assets	-22,072	-23,104	-28,714	-16,538	-25,451	-44,115	-49,296	-50,069
Other non-current asset	1,15,107	1,12,286	63,060	1,27,126	1,29,145	1,49,705	1,34,735	1,34,735
Appl. of Funds	2,47,679	2,62,881	2,63,195	3,39,768	3,51,781	4,34,922	4,51,439	4,88,397

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
Basic (INR)								
EPS	5.1	2.6	1.6	1.2	2.3	3.7	6.4	8.2
BV/Share	34.7	35.7	18.5	30.4	33.1	38.6	43.1	48.9
DPS	1.5	1.5	1.0	0.4	0.7	0.8	1.9	2.5
Payout (%)	34.2	68.1	64.0	35.4	28.8	20.0	30.0	30.0
Valuation (x)								
P/E	35.4	70.5	115.7	148.7	79.8	48.8	28.2	22.0
P/BV	5.2	5.1	9.8	5.9	5.5	4.7	4.2	3.7
EV/Sales	1.3	1.5	1.4	1.4	1.6	1.3	1.1	0.9
EV/EBITDA	14.1	16.8	17.1	18.4	19.6	13.8	10.7	9.0
Dividend Yield (%)	0.8	0.8	0.6	0.2	0.4	0.4	1.1	1.4
FCF per share (Eco. Int. basis)	5.2	13.2	4.6	0.0	3.6	5.3	7.0	11.0
Return Ratios (%)								
RoE	15.9	7.3	8.9	5.0	7.1	10.3	15.7	17.9
RoCE (post-tax)	9.8	4.7	4.2	3.8	6.7	10.0	12.5	14.1
RoIC	11.9	5.4	5.6	4.3	7.9	12.3	16.1	19.1
Working Capital Ratios								
Fixed Asset Turnover (x)	3.6	2.7	2.4	2.4	2.3	2.1	2.3	2.3
Asset Turnover (x)	2.6	2.3	2.2	1.9	2.2	2.3	2.7	2.7
Inventory (Days)	27	31	31	37	36	34	32	33
Debtor (Days)	35	31	36	38	39	58	41	43
Creditor (Days)	61	62	70	71	65	84	81	81
Leverage Ratio (x)								
Current Ratio	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Interest Cover Ratio	7.8	3.3	NA	3.2	4.0	2.9	4.5	6.3
Net Debt/Equity	0.7	0.6	0.4	0.3	0.3	0.4	0.2	0.1

Consolidated - Cash Flow

Statement

(INR Million)

Y/E March	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E
OP/(Loss) before Tax	32,003	21,129	16,129	19,088	24,048	38,402	59,626	76,667
Depreciation	20,582	27,780	29,764	29,964	31,358	38,105	43,330	49,270
Interest & Finance Charges	3,878	5,626	4,544	4,346	7,809	18,112	16,351	14,125
Direct Taxes Paid	-10,498	-10,776	-5,600	-8,324	-8,535	-14,353	-16,099	-20,700
(Inc)/Dec in WC	-958	16,202	6,432	-20,797	-6,846	-674	-9,726	1,141
Others	-1,883	3,561	-757	351	-1,405	-3,902	3,961	4,227
CF from Operating incl EO	43,124	63,521	50,512	24,627	46,431	75,689	97,443	1,24,730
(Inc)/Dec in FA	-26,853	-21,943	-19,325	-24,363	-21,829	-40,101	-50,000	-50,000
Free Cash Flow	16,271	41,578	31,187	264	24,602	35,589	47,442	74,730
(Pur)/Sale of Investments	-7,230	-1,210	-45	-123	-279	-1,958	-27,000	-34,000
Others	978	753	436	1,367	-340	-24,559	0	0
CF from Investments	-33,105	-22,399	-18,934	-23,119	-22,448	-66,618	-77,000	-84,000
Issue of Shares	0	0	0	0	-1,453	236	0	0
Inc/(Dec) in Debt	8,147	-6,214	-11,324	2,456	-10,562	40,377	-20,000	-6,500
Interest Paid	-4,159	-5,667	-4,141	-5,528	-8,083	-15,096	-16,351	-14,125
Dividend Paid	-6,395	-12,794	-1,576	-6,457	-3,308	-6,751	-13,045	-16,737
Others	81	-3,157	-3,859	-2,570	-3,936	-5,958	0	0
CF from Fin. Activity	-2,326	-27,832	-20,900	-12,099	-27,342	12,807	-49,396	-37,362
Inc/Dec of Cash	7,693	13,290	10,678	-10,591	-3,359	21,879	-28,954	3,368
Opening Balance	27,816	35,469	48,688	59,367	48,775	45,416	67,295	38,341
Closing Balance	35,509	48,758	59,367	48,775	45,416	67,295	38,341	41,710

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NOTES

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