07 August 2026
1QFY27 Result Update| Sector: Capital Goods

Hitachi Energy

Estimate changes	↑
TP change	↑
Rating change	⟷

Bloomberg	POWERIND IN
Equity Shares (m)	45
M.Cap.(INRb)/(USDb)	1453.1 / 15.3
52-Week Range (INR)	38800 / 16104
1, 6, 12 Rel. Per (%)	1/53/58
12M Avg Val (INR M)	4091

Financials Snapshot (INR b)

Y/E MARCH	FY27E	FY28E	FY29E
Net Sales	111.8	147.4	182.1
EBITDA	20.2	28.0	36.1
PAT	16.2	22.0	28.3
EPS (INR)	363.0	492.2	634.0
GR. (%)	54.7	35.6	28.8
BV/Sh (INR)	1,584.1	2,097.4	2,759.9
Ratios			
ROE (%)	24.1	24.7	24.2
RoCE (%)	24.6	25.1	24.5
Valuations			
P/E (X)	89.8	66.2	51.4
P/BV (X)	20.6	15.5	11.8
EV/EBITDA (X)	69.4	49.7	38.0
Div Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As of	Jun-26	Mar-26	Jun-25
Promoter	71.3	71.3	71.3
DII	6.3	7.0	10.3
FII	12.4	11.7	7.2
Others	9.9	10.1	11.2

FII includes depository receipts

CMP: INR32,600 TP: INR36,000 (+10%) Neutral

Strong performance

Hitachi Energy's 1Q result was ahead of our estimates with a sharp beat on both revenue and PAT. Order inflows (ex-HVDC) grew by 26% YoY to INR51b, taking the order book to INR322b, up 11% YoY. Though transmission inflows remained weak during the quarter, data centers, industrials, and BESS boosted inflows. We do see positives in 1) sustenance of higher revenue growth due to strong OB and HVDC execution scale-up, 2) further margin improvement, led by lower fees to the parent entities, higher share of export revenue, and operating leverage benefits, and 3) improvement in export order inflows. However, we limit our optimism to expectations of one HVDC order win every year for Hitachi Energy over the next few years. We bake in inflows of INR207b/INR234b/INR258b for FY27/FY28/FY29, which take into account an HVDC order win every year. We revise our estimates by 11%/3% for FY27/FY28 due to improved execution and higher margin expectations. At the current price, the stock trades at 90x/66x/51x on FY27/28/29, which we believe captures large HVDC order wins every year. We reiterate our Neutral rating on the stock with a revised TP of INR36,000, based on 60x Dec'28E (vs. INR32,000 based on 60x Sep'28E) and would wait for better entry price points.

Result above our estimate

Hitachi Energy's 1Q result was above our estimates across revenue, margins, and PAT. Revenue grew 69% YoY to INR24.9b (vs. our estimate of INR19.7b), driven by strong, timely execution of order backlog across all businesses. Absolute EBITDA at INR4.2b (vs. our estimate of INR3.2b) grew 158% YoY, while EBITDA margin expanded 590bp YoY to 17.0% vs our expectation of 16.5%. PAT increased 151% YoY to INR3.5b, above our estimate of INR2.7b. Order inflow (ex-HVDC) surged 26% YoY to INR51b, taking the order book to INR322b. Exports accounted for ~33.6% of total inflows during the quarter. The company received export orders from Europe, North America, and South Asia for grid integration and power quality products.

Base ordering remains healthy across domestic and export markets

Order inflows (ex-HVDC) during the quarter increased 26% YoY. Order momentum was supported by multiple data center contracts, BESS orders, exports, and GIS supplies. While transmission ordering moderated during the quarter owing to project timing, we expect the ordering to grow as CEA is now ramping up the tender approval process. Exports also remained encouraging, with exports contributing ~25% of both the order backlog and revenue and ~34% of inflows in 1Q. Key orders received during the quarter include

- The first BESS project of 165 MW/330MWh at Hebbatam, Andhra Pradesh.
- Supply of GIS/GIB solutions for a 100GW solar park in Western India.
- 2 GW wind power evacuation project in Europe
- Multiple data center-linked orders including over 560 MVA power transformers, 800 MVA dry transformers, and 230/33KV GIS.

We bake in inflows of INR207b/INR234b/INR258b for FY27/FY28/FY29E, which factors in at least one HVDC win each year.

Teena Virmani - Research Analyst (Teena.Virmani@MotilalOswal.com)
Prerit Jain - Research Analyst (Prerit.Jain@MotilalOswal.com)

Integrated battery energy storage systems gain traction

The company secured its first BESS order during the quarter of 165 MW/330MWh at Hebbatam, Andhra Pradesh. It plans to initially focus on the large domestic market, where storage deployment is increasingly becoming integral to renewable energy projects. Hitachi provides the complete balance-of-system solution, including power conversion systems (PCS), grid integration, automation, battery management software integration, digital monitoring capabilities, and end-to-end engineering, while customers procure the batteries separately. The solution is modular and scalable, allowing deployment across commercial & industrial as well as utility-scale applications over time. Margins are currently below the company's portfolio average due to the early stage of the business, but with ongoing localization efforts, we expect it to improve gradually as volumes scale and localization increases.

Capturing India's data center build-out

Data centers continue to emerge as a key demand driver, with the company securing multiple orders during the quarter, including a 42.5MVA project in Hyderabad for a leading Indian multinational. Hitachi's offering spans across transformers, GIS, substations, grid integration solutions, services, and digital solutions, while it is also developing a modular grid-to-rack platform that integrates these offerings into a standardized solution for hyperscale customers. Data center developers are increasingly placing orders for long-lead electrical equipment at an early stage, creating a favorable opportunity for its portfolio. With a healthy project pipeline and India's data center capacity expected to expand significantly over the coming years, we expect data centers to remain a key growth driver for order inflows beyond HVDC over the medium term.

Financial outlook and valuation

We revise our estimates by 11%/3% for FY27/FY28 due to improved execution and higher margin expectations. We thus expect revenue/EBITDA/PAT CAGR of 31%/42%/ 39% over FY26-29E. At the current price, the stock trades at 90x/66x/51x on FY27/ FY28/FY29, which we believe captures large HVDC order wins every year. We reiterate our Neutral rating on the stock with a revised TP of INR36,000, based on 60x Dec’28E (vs. INR32,000 based on 60x Sep’28E) and would wait for better entry price points.

Quarterly performance (Standalone) **(INR m)**

	FY26				FY27E				FY26	FY27E	FY27E	Est
Y/E March	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2QE**	**3QE**	**4QE**			**1QE**	**Var (%)**
Net Sales	**14,789**	**18,326**	**20,822**	**27,541**	**24,937**	**26,827**	**28,566**	**31,449**	**81,477**	**1,11,778**	**19,721**	**26**
Change (%)	11.4	17.9	28.5	46.2	68.6	46.4	37.2	14.2	27.6	37.2	33.3	
EBITDA	**1,643**	**2,990**	**3,453**	**4,478**	**4,235**	**4,695**	**5,285**	**6,020**	**12,564**	**20,234**	**3,254**	**30**
Change (%)	242.9	172.5	106.9	65.1	157.8	57.0	53.0	34.4	110.9	61.1	98.1	
As % of Sales	11.1	16.3	16.6	16.3	17.0	17.5	18.5	19.1	15.4	18.1	16.5	
Depreciation	250	258	266	269	285	343	351	426	1,043	1,404	334	(15)
Interest	40	29	25	34	33	32	33	30	128	128	30	10
Other Income	509	698	618	574	577	644	660	758	2,399	2,639	702	(18)
PBT	**1,862**	**3,401**	**3,780**	**4,749**	**4,495**	**4,964**	**5,561**	**6,322**	**13,792**	**21,342**	**3,592**	**25**
Tax	453	886	864	1,129	954	1,199	1,343	1,659	3,331	5,154	867	
Effective Tax Rate (%)	24.3	26.0	22.8	23.8	21.2	24.1	24.1	26.2	24.1	24.1	24.1	
Extra-ordinary Items	(94)	128	(302)	(315)	(600)	-	-	-	(583)	(600)	-	
Reported PAT	**1,316**	**2,644**	**2,614**	**3,305**	**2,942**	**3,765**	**4,218**	**4,664**	**9,878**	**15,588**	**2,724**	**8**
Change (%)	1,163.0	405.6	90.3	79.7	123.5	42.4	61.3	41.1	202.9	54.7	107.0	
Adj PAT	**1,410**	**2,516**	**2,917**	**3,620**	**3,541**	**3,765**	**4,218**	**4,664**	**10,462**	**16,188**	**2,724**	**30**
Change (%)	1,252.8	381.1	241.2	83.5	151.2	49.7	44.6	28.8	202.9	54.7	93.3	
As % of Sales	8.5	2.1	1.2	0.3	0.6	0.2	0.2	0.1	0.2	0.0	0.5	

CONFERENCE CALL

Highlights from the management commentary

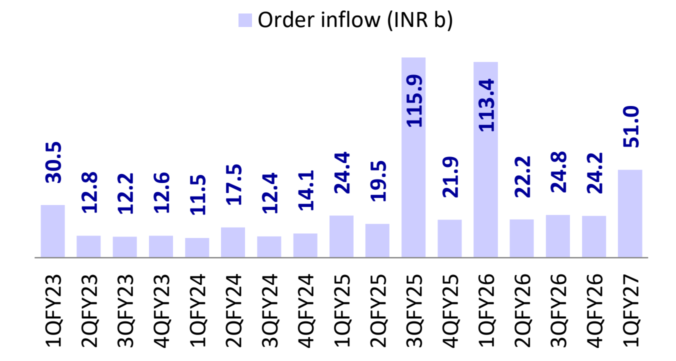
- **Project pipeline:** The medium-term project pipeline remains healthy across transmission, HVDC, railways and metros. The company expects transmission ordering to improve as project approvals gather pace, while railway and metro orders that were delayed during the quarter are expected to recover in 2HFY27. On HVDC, at least one major greenfield project is already under bidding and is expected to be awarded over the next ~6 months. Combined with healthy opportunities across utilities, renewables, industries and exports, the company remains optimistic about sustaining strong ordering momentum.
- **Order inflows and order book position:** Underlying order inflows remained healthy despite the absence of large domestic HVDC awards, with base ordering (excluding HVDC) growing 26.1% YoY and 39% QoQ. Total order inflows stood at INR51b, while the order backlog reached INR322.2b, providing strong revenue visibility over the coming quarters. Key wins during the quarter included a ~INR17b export order for Europe's 2GW wind power evacuation program, the company's maiden 165MW/330MWh BESS project, GIS/GIB packages for a 100GW solar park in western India and multiple data center projects, including a 42.5MVA project in Hyderabad. The company indicated that transmission ordering was impacted by project timing rather than demand fundamentals and expects ordering momentum to improve as the CEA approval process accelerates and large transmission projects move towards award.
- **Strong execution:** Execution remained healthy across products as well as large systems projects, enabling conversion of the sizeable order backlog into revenue growth. During the quarter, the company executed several strategic projects including GIS installations for an iron ore processing plant in Chhattisgarh, 220kV GIS projects in Odisha and Mumbai, and continued execution of the 1,000MW Kurnool-Raichur HVDC transmission project. On HVDC execution, the company reiterated that revenues typically remain limited during the first year before accelerating in the second and third years, implying that current execution continues to be largely driven by its base business. The company expects its record backlog to provide healthy execution visibility over the medium term.
- **Data center opportunity:** Data centers continue to be one of the fastest-growing end markets, with the company securing multiple orders from hyperscale customers during the quarter, including a 42.5MVA project in Hyderabad. Its offerings span GIS, GIB, substations, grid integration, distribution transformers, power transformers, services and digital solutions, while the recently launched modular "Grid-to-Rack" platform integrates these offerings into a standardized solution for hyperscale developments. The company highlighted that developers are increasingly placing orders for long-lead electrical equipment well before construction, improving order visibility. With industry estimates indicating nearly 5-8GW of data center capacity by 2030, the company expects this segment to remain a significant growth driver over the medium term.
- **Export momentum:** Exports continued to remain a meaningful contributor, accounting for nearly 25% of both revenues and the INR322.2b order backlog. During the quarter, the company secured an approximately INR17b order linked to Europe's 2GW wind power evacuation program involving three transmission

links that will collectively evacuate 6GW of renewable power, with Hitachi supplying both products and services. The company expects exports to remain supported by increasing investments in renewable integration and transmission infrastructure globally, while capacity expansion in India should further strengthen export competitiveness.

- **BESS opportunity:** Battery Energy Storage Systems (BESS) have emerged as an important growth vertical, with the company securing its first-ever BESS order during the quarter - a 165MW/330MWh project. The initial focus remains on the domestic market where renewable projects increasingly require mandatory energy storage, resulting in a robust pipeline. Rather than supplying battery cells, the company offers the complete balance-of-system solution including power conversion systems (PCS), grid integration, automation, battery management software integration, digital monitoring, engineering and commissioning, while customers procure batteries separately. Although margins are currently below portfolio averages given the early stage of the business and ongoing localization, the company expects profitability to gradually converge with the rest of its portfolio as scale improves.
- **Competitive positioning:** The company remains confident of maintaining its market position despite the potential entry of additional global competitors into the Indian power equipment market. It believes increased competition is necessary to address industry demand-supply gaps and expects no material impact provided a level playing field is maintained. Ongoing investments in localization, manufacturing expansion and backward integration are expected to further strengthen competitiveness while improving cost efficiency over time. The company also indicated that it already competes successfully against global manufacturers, including Korean and Mexican players, across several product categories.
- **Capacity expansion:** To support rising domestic and export demand, the company commenced construction of its 30th manufacturing facility at Karjan, Vadodara in Jun’26. The digitally enabled plant is targeted to be commissioned by 4QCY28 and will strengthen manufacturing capacity, supply chain resilience and localization while supporting India's energy transition and export opportunities. The company also highlighted that higher localization and backward integration should improve operational leverage over time while enhancing competitiveness in global markets. The ongoing investments are aimed at supporting long-term growth rather than addressing any near-term capacity constraints.

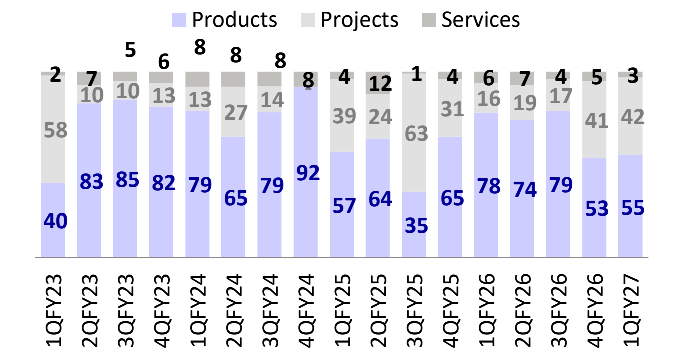
Key Exhibits

Exhibit 1: Order inflow (ex-HVDC) grew 26% YoY



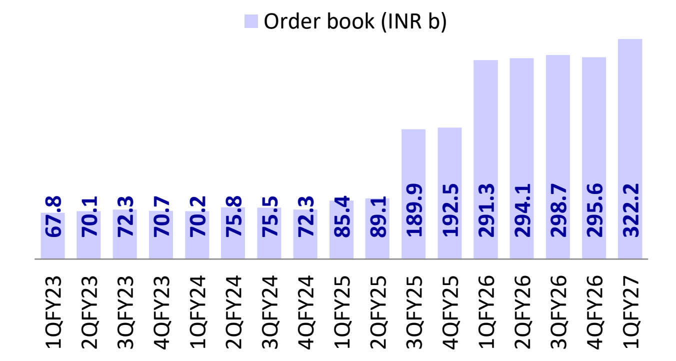
Source: Company, MOFSL

Exhibit 2: Products and projects contributed to inflows (%)



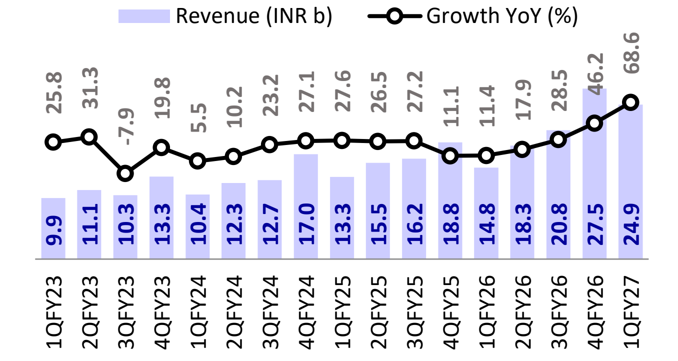
Source: Company, MOFSL

Exhibit 3: Order book jumped 11% YoY



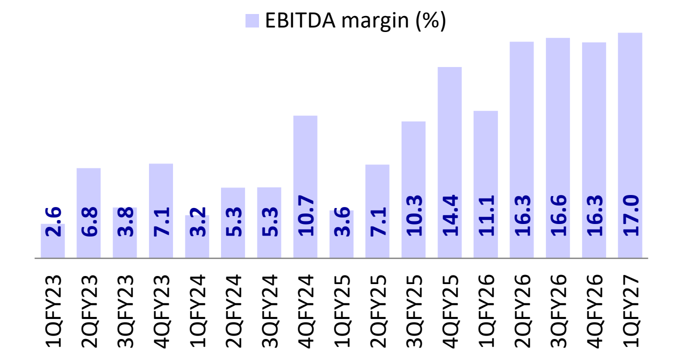
Source: Company, MOFSL

Exhibit 4: Revenue grew 69% YoY in 1QFY27



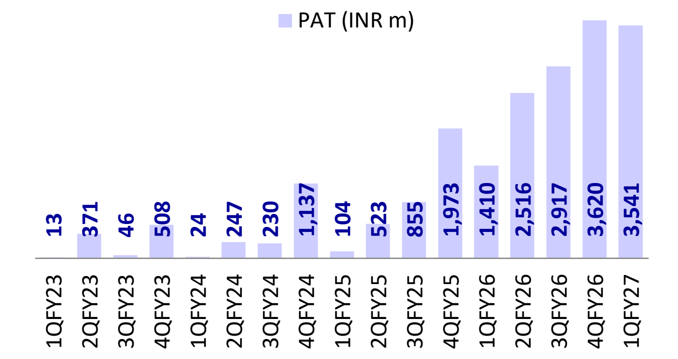
Source: Company, MOFSL

Exhibit 5: EBITDA margin up ~590bp YoY to 17.0%



Source: Company, MOFSL

Exhibit 6: PAT surged 151% YoY



Source: Company, MOFSL

Exhibit 7: Key order wins in India for Hitachi Energy during 1QFY27

Segments	Key order wins
Renewables	❖ Secured the first BESS project in Andhra Pradesh
Export	❖ Order of 2GW for wind power evacuation in Europe
Industries	❖ Order for a 100 GW solar park in western India
Data Centers	❖ Secured over 560 MVA power transformers, 800 MVA dry transformers and 230/33KV GIS over multiple data center orders during 1QFY27. Among these, the most significant was a 40x2500 KVA project in Hyderabad, awarded by a leading Indian multinational conglomerate.

Source: Company, MOFSL

Exhibit 8: Hitachi Energy's total payment to group companies stood at ~6.5-7.8% of sales in the last three years. It has declined in FY26 (INR m)

Hitachi Energy	CY2019	CY2020	FY2022	FY2023	FY2024	FY2025	FY2026
Total payment to group companies (INR m)	2,876	3,498	4,273	3,038	3,840	5,000	5,264
Total sales (INR m)	32,361	34,204	48,840	44,685	52,375	63,849	81,477
Royalty, tech, trade mark, IT and GM fee (% of sales)	**8.9**	**10.2**	**8.7**	**6.8**	**7.3**	**7.8**	**6.5**

Source: Company, MOFSL

Exhibit 9: Hitachi Energy's payments to group entities for royalty, IT fees, and group management fees have come down as a % of sales in FY26 (INR m)

Break-up of royalty and technology fee	CY2019	CY2020	FY2022	FY2023	FY2024	FY2025	FY2026
Hitachi Energy, Switzerland	-	645	1,976	1,462	1,902	2,545	2,419
ABB Schweiz AG, Baden, Switzerland	1,296	810					
Total	**1,296**	**1,455**	**1,976**	**1,462**	**1,902**	**2,545**	**2,419**
Break-up of trade mark fees	**CY2019**	**CY2020**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2025**
Holding company	353						
Hitachi Energy Ltd		433					
Total	**353**	**433**	**-**	**-**	**-**	**-**	**-**
Break-up of Information technology and group management expenses	**CY2019**	**CY2020**	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**
Hitachi Energy Ltd	1	-	728	477	636	856	1,225
Hitachi Energy Technology Services	-	216	517	431	570	816	978
Hitachi Energy Holdings, Zurich	-	361	626	393	747	1,188	1,228
ABB India Limited; Bangalore; India	246	587	430	160	31	NA	NA
ABB Information Systems Ltd., Zurich, Switzerland	558	360	266	163	54	NA	NA
Other fellow subsidiaries	295	260	399	364	359	300	175
Total	**1,101**	**1,784**	**2,966**	**1,989**	**2,397**	**3,160**	**3,606**

Source: Company, MOFSL

Exhibit 10: Hitachi Energy India's expansion done in the last three years; the company to further incur accelerated capex on expansion as announced in May'26

Timeline	Product	Functions
May, 2022	❖ Resin Impregnated Paper bushings up to 400kV voltage level	❖ Resin Impregnated Paper bushings offer an improvement over traditional oil-based alternatives by preventing moisture ingress, oil leakage, and reducing risks of fire in case of failure.
Aug, 2022	❖ Greenfield project in Doddaballapur for High Voltage Power Quality products such as advanced capacitor units and other products	❖ These products find application in power utilities, industries, renewables, and transportation segments to improve efficiency and reduce energy waste.
Aug, 2022	❖ Production of operating Mechanism of circuit breaker in Maneja, Vadodara	❖ To cater to increasing demand from global and local customers for operating mechanisms like FSA and BLG (industry standards of drives), which have a wide range of applications in various circuit breakers all over the world.
FY23	❖ Launched the advanced power system factory in Chennai for HVDC Light, HVDC Classic, and STATCOM with MACHTM control and protection system	❖ To cater to the rising number of high-voltage transmission projects in India and export to support global HVDC installations.
Oct, 2024	❖ Announced a capex of INR20b towards a large power transformers factory, traction transformers, interrupters, upgraded testing capabilities for specialty transformers, and relocation of bushings factory	❖ To cater to the increasing demand for energy, develop transmission infrastructure and support modernization of the Indian railway network.
May, 2026	❖ Announced a capex of INR20b for setting up a greenfield large power and HVDC converter transformer facility at Karjan, Vadodara, and adding two new lines at Bangalore unit for power quality.	❖ To cater to increase in demand
FY26	~INR7.6b	❖ Towards capacity enhancement, factory expansion, purchase of machinery, safety improvements and infrastructure upgrades of its Business Units, namely (i) Grid automation, (ii) Grid integration, (iii) High voltage products; and (iv) Transformers
FY27	~INR7.2b	
FY28	~INR2.7b	
FY29	~INR2.6b	

Source: Company, MOFSL

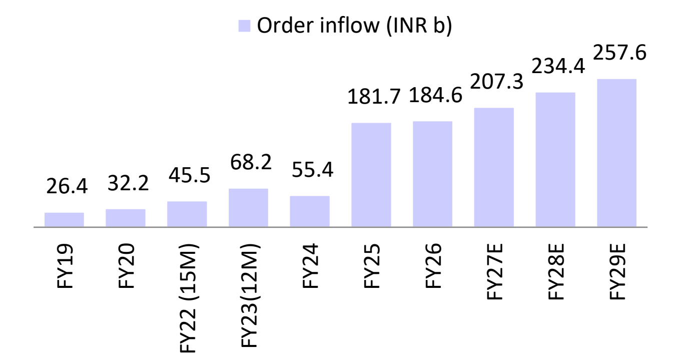
Exhibit 11: The company also invested in expanding global feeder factories to cater to the parent's demand in other countries

Facility	Requirements
Global feeder factory for switchgear at Vadodara	❖ Established in 2020 for supplying modules to Hitachi Energy group factories
	❖ Continuously expanding - New manufacturing facilities for operating mechanism & 550kV Dead Tank Breakers
Additional requirements from Indian factories	❖ Global market allocation for Dead Tank Breakers, PASS, Instrument Transformers & Disconnectors

Source: Company, MOFSL

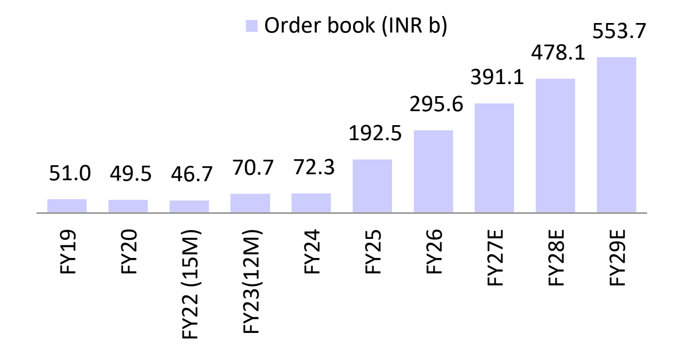
Financial outlook

Exhibit 12: We expect strong order inflows in HVDC



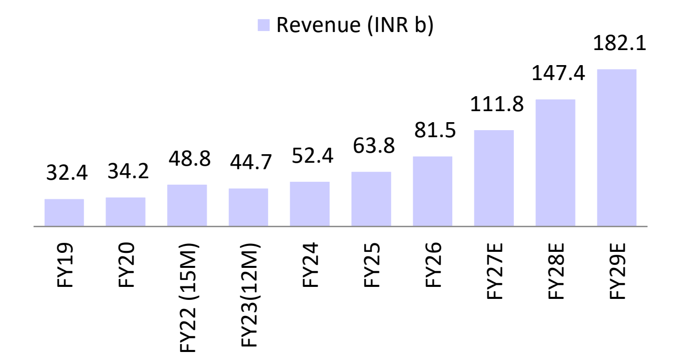
Source: Company, MOFSL

Exhibit 13: Order book to be buoyant over FY26-29E



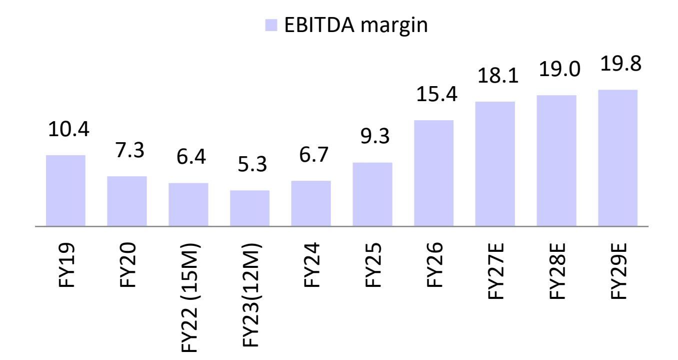
Source: Company, MOFSL

Exhibit 14: We expect 31% revenue CAGR over FY26-29



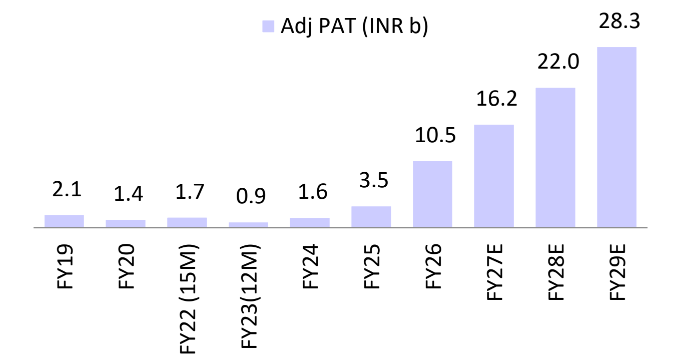
Source: Company, MOFSL

Exhibit 15: We expect margins to improve further



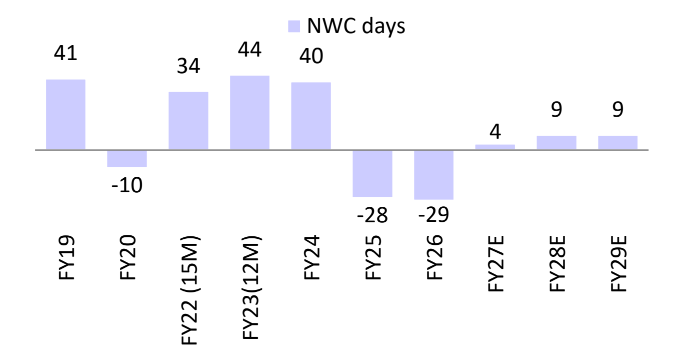
Source: Company, MOFSL

Exhibit 16: We expect 39% PAT CAGR over FY26-29



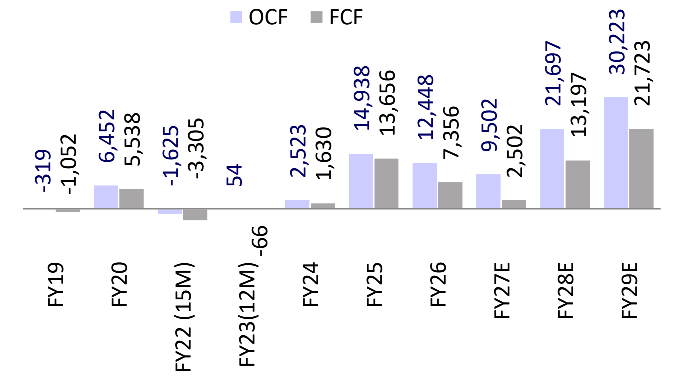
Source: Company, MOFSL

Exhibit 17: We expect NWC days to be in a stable range



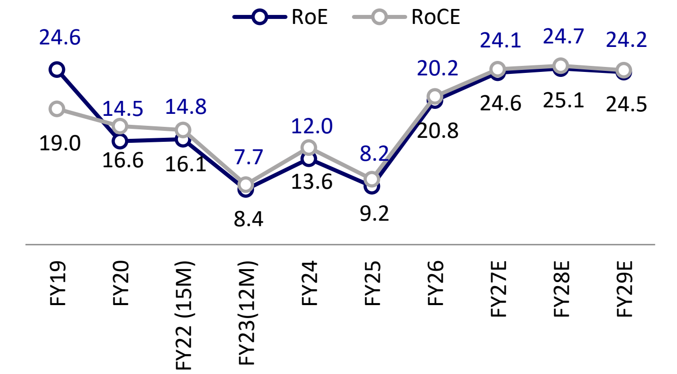
Source: Company, MOFSL

Exhibit 18: We expect OCF & FCF to remain higher, led by an improving operating performance (INR m)



Source: Company, MOFSL

Exhibit 19: We expect better return ratios, led by improved profitability (%)



Source: Company, MOFSL

Exhibit 20: We raise our estimates by 11%/3% for FY27/FY28 due to improved execution and margin expectations

(INR M)	FY27E			FY28E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	1,11,778	1,03,794	7.7	1,47,406	1,41,977	3.8
EBITDA	20,234	17,855	13.3	28,007	26,976	3.8
EBITDA (%)	18.1	17.2	90 bps	19.0	19.0	0 bps
Adj. PAT	16,188	14,617	10.7	21,951	21,410	2.5
EPS (INR)	363.0	327.7	10.7	492.2	480.0	2.5

Source: MOFSL

Financials and valuation

Income Statement (INR m)

Y/E March	2020(12M)	2022(15M)	2023(12M)	2024	2025	2026	2027E	2028E	2029E
Net Sales	**34,204**	**48,840**	**44,685**	**52,375**	**63,849**	**81,477**	**1,11,778**	**1,47,406**	**1,82,077**
Change (%)	5.7	42.8	-8.5	17.2	21.9	27.6	37.2	31.9	23.5
Raw Materials	17,606	27,712	27,110	32,191	36,955	45,729	61,366	80,926	99,050
Gross Profit	**16,599**	**21,128**	**17,576**	**20,184**	**26,895**	**35,748**	**50,412**	**66,480**	**83,027**
Subcontracting charges	2,668	2,865	1,506	1,834	2,702	3,013	4,133	6,044	8,193
Staff Cost	3,694	4,868	4,173	4,902	5,448	6,428	7,266	9,287	10,196
Other Expenses	7,728	10,289	9,538	9,959	12,787	13,744	18,779	23,143	28,586
EBITDA	**2,509**	**3,107**	**2,359**	**3,490**	**5,958**	**12,564**	**20,234**	**28,007**	**36,051**
% of Net Sales	7.3	6.4	5.3	6.7	9.3	15.4	18.1	19.0	19.8
Depreciation	772	955	802	900	914	1,043	1,404	1,993	2,639
Interest	204	414	401	466	452	128	128	128	128
Other Income	185	669	151	93	186	2,399	2,639	3,054	3,997
PBT	**1,718**	**2,407**	**1,308**	**2,217**	**4,778**	**13,792**	**21,342**	**28,940**	**37,281**
Tax	365	732	369	579	1,324	3,331	5,154	6,989	9,003
Rate (%)	21	30	28	26	28	24	24	24	24
Extra-ordinary Inc.(net)	-355	359	-	-	386	-583	-600	-	-
Reported PAT	**998**	**2,034**	**939**	**1,638**	**3,840**	**9,878**	**15,588**	**21,951**	**28,278**
Change (%)	-39.7	103.8	-53.8	74.4	134.4	157.3	57.8	40.8	28.8
Adjusted PAT	**1,353**	**1,676**	**939**	**1,638**	**3,454**	**10,462**	**16,188**	**21,951**	**28,278**
Change (%)	-34.4	23.8	-44.0	74.4	110.9	202.9	54.7	35.6	28.8

Balance Sheet (Standalone) (INR m)

Y/E March	2020(12M)	2022(15M)	2023(12M)	2024	2025	2026	2027E	2028E	2029E
Share Capital	85	85	85	85	89	89	89	89	89
Reserves	9,240	11,239	12,068	13,514	42,052	51,670	67,076	88,839	1,16,930
Net Worth	**9,325**	**11,324**	**12,153**	**13,599**	**42,141**	**51,760**	**67,165**	**88,929**	**1,17,019**
Loans	-	1,250	2,750	1,500	-	-	-	-	-
Deferred Tax Liability	-219	-348	-319	-537	-861	-991	-991	-991	-991
Capital Employed	**9,107**	**12,226**	**14,584**	**14,562**	**41,281**	**50,768**	**66,174**	**87,937**	**1,16,028**
Gross Fixed Assets	8,779	9,547	10,802	11,523	12,648	14,979	21,979	30,479	38,979
Less: Depreciation	2,568	3,355	3,998	4,898	5,811	6,854	8,258	10,252	12,891
Net Fixed Assets	**6,211**	**6,192**	**6,805**	**6,626**	**6,837**	**8,125**	**13,720**	**20,227**	**26,088**
Capital WIP	324	1,183	487	626	902	1,920	1,920	1,920	1,920
Goodwill and intangibles	348	334	329	324	329	329	329	329	329
Investments	-	-	-	-	-	-	-	-	-
Curr. Assets	**27,931**	**27,182**	**31,246**	**38,962**	**77,205**	**1,09,072**	**1,27,219**	**1,67,024**	**2,13,142**
Inventory	4,951	7,073	8,179	8,879	9,257	14,850	19,881	28,237	34,878
Debtors	15,845	14,187	15,278	15,217	21,096	19,133	26,248	34,614	42,756
Cash & Bank Balance	3,190	859	1,633	1,282	38,068	46,895	49,086	61,967	83,375
Loans & Advances	163	54	57	69	95	72	167	220	271
Other Current Assets	3,783	5,009	6,100	13,514	8,689	28,122	31,838	41,986	51,861
Current Liab. & Prov.	**25,706**	**22,665**	**24,282**	**31,975**	**43,992**	**68,678**	**77,015**	**1,01,563**	**1,25,451**
Creditors	15,780	16,190	15,146	18,097	20,419	30,805	35,746	47,140	58,228
Other Liabilities	8,044	4,732	7,184	11,659	20,996	34,029	36,757	48,472	59,873
Provisions	1,882	1,743	1,952	2,219	2,577	3,843	4,512	5,950	7,350
Net Current Assets	**2,225**	**4,517**	**6,964**	**6,987**	**33,213**	**40,394**	**50,204**	**65,461**	**87,691**
Application of Funds	**9,107**	**12,226**	**14,584**	**14,562**	**41,281**	**50,768**	**66,173**	**87,937**	**1,16,028**

Financials and valuation

Ratios

Y/E March	2020(12M)	2022(15M)	2023(12M)	2024	2025	2026	2027E	2028E	2029E
Basic (INR)	23.5	48.0	22.1	38.6	86.1	221.5	349.5	492.2	634.0
Adjusted EPS	**31.9**	**39.5**	**22.1**	**38.6**	**77.5**	**234.6**	**363.0**	**492.2**	**634.0**
Growth (%)	-34.4	23.8	-44.0	74.4	100.5	202.9	54.7	35.6	28.8
Cash EPS	50.1	62.0	41.1	59.9	103.0	271.3	414.9	564.7	729.2
Book Value	219.9	267.1	286.6	320.7	993.9	1,220.7	1,584.1	2,097.4	2,759.9
DPS	-	2.0	3.0	3.4	3.8	6.0	4.1	4.2	4.2
Payout (incl. Div. Tax.)	-	5.0	13.5	8.8	4.9	2.5	1.1	0.9	0.7
Valuation (x)									
P/Sales	40.4	28.3	30.9	26.4	22.8	17.8	13.0	9.9	8.0
P/E (standalone)	1,021.0	824.5	1,471.1	843.4	420.7	138.9	89.8	66.2	51.4
Cash P/E	650.2	525.2	793.6	544.3	316.3	120.1	78.5	57.7	44.7
EV/EBITDA	549.3	444.8	586.0	395.9	237.5	111.9	69.4	49.7	38.0
EV/Sales	40.3	28.3	30.9	26.4	22.2	17.3	12.6	9.4	7.5
Price/Book Value	148.1	122.0	113.7	101.6	32.8	26.7	20.6	15.5	11.8
Dividend Yield (%)	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profitability Ratios (%)									
RoE	14.5	14.8	7.7	12.0	8.2	20.2	24.1	24.7	24.2
RoCE	16.6	16.1	8.4	13.6	9.2	20.8	24.6	25.1	24.5
RoIC	23.1	13.2	8.6	14.4	113.5	225.6	83.6	76.0	77.6
Turnover Ratios									
Debtors (Days)	169	106	125	106	121	86	86	86	86
Inventory (Days)	53	53	67	62	53	67	65	70	70
Creditors. (Days)	168	121	124	126	117	138	117	117	117
Asset Turnover (x)	3.8	4.0	3.1	3.6	1.5	1.6	1.7	1.7	1.6
Fixed Asset Turnover (x)	3.9	5.1	4.1	4.5	5.0	5.4	5.1	4.8	4.7
Leverage Ratio									
Net Debt/Equity (x)	-0.3	0.0	0.1	0.0	-0.9	-0.9	-0.7	-0.7	-0.7

Cash Flow Statement

(INR m)

Y/E March	2020(12M)	2022(15M)	2023(12M)	2024	2025	2026	2027E	2028E	2029E
PBT before EO Items	**1,718**	**2,407**	**1,308**	**2,217**	**5,164**	**13,209**	**21,342**	**28,940**	**37,281**
Add : Depreciation	772	955	802	900	914	1,043	1,404	1,993	2,639
Interest	189	405	395	466	452	128	128	128	128
Less : Direct Taxes Paid	454	928	666	507	1,569	5,015	5,154	6,989	9,003
(Inc)/Dec in WC	-3,787	4,447	1,817	493	-10,040	-5,190	7,619	2,376	822
Others	440	-17	32	-59	-64	-2,105	-600	-	-
CF from Operations	**6,452**	**-1,625**	**54**	**2,523**	**14,938**	**12,448**	**9,502**	**21,697**	**30,223**
(Inc)/Dec in FA	-906	-1,675	-120	-889	-1,273	-5,089	-7,000	-8,500	-8,500
Free Cash Flow	**5,547**	**-3,300**	**-66**	**1,634**	**13,665**	**7,359**	**2,502**	**13,197**	**21,723**
(Pur)/Sale of Investments	-	-	-	-	-	-	-	-	-
Others	16	5	2	2	173	2,375	-	-	-
CF from Investments	**-890**	**-1,670**	**-118**	**-887**	**-1,100**	**-2,714**	**-7,000**	**-8,500**	**-8,500**
(Inc)/Dec in Net Worth	-	-	-	-	25,208	-	-	-	-
(Inc)/Dec in Debt	-3,572	1,104	1,364	-1,250	-1,500	-	-	-	-
Less : Interest Paid	327	414	401	409	401	63	128	128	128
Dividend Paid	-	84	127	144	169	267	183	187	187
Others	-355	358	2	-185	-191	-579	-	-	-
CF from Fin. Activity	**-4,253**	**964**	**839**	**-1,987**	**22,947**	**-909**	**-311**	**-315**	**-315**
Inc/Dec of Cash	**1,309**	**-2,331**	**775**	**-351**	**36,785**	**8,826**	**2,191**	**12,881**	**21,408**
Add: Beginning Balance	1,880	3,189	858	1,633	1,282	38,068	46,894	49,085	61,966
Closing Balance	**3,189**	**858**	**1,633**	**1,282**	**38,068**	**46,894**	**49,085**	**61,966**	**83,375**

NOTES

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

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf

MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx. As per Regulatory requirements, Research Audit Report is uploaded on www.motilaloswal.com > MOFSL-Important Links > MOFSL Research Analyst Compliance Audit Report.

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to Subject Company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Securities (SEBI Reg. No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

Motilal Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the"1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore.This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL .

In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.

Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

Specific Disclosures

1. Research Analyst and/or his/her relatives do not have a financial interest in the subject company(ies), as they do not have equity holdings in the subject company(ies).
   MOFSL has financial interest in the subject company(ies) at the end of the week immediately preceding the date of publication of the Research Report: Yes.
   Nature of Financial interest is holding equity shares or derivatives of the subject company
2. Research Analyst and/or his/her relatives do not have actual/beneficial ownership of 1% or more securities in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report.
   MOFSL has actual/beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report:No
3. Research Analyst and/or his/her relatives have not received compensation/other benefits from the subject company(ies) in the past 12 months.
   MOFSL may have received compensation from the subject company(ies) in the past 12 months.
4. Research Analyst and/or his/her relatives do not have material conflict of interest in the subject company at the time of publication of research report.
   MOFSL does not have material conflict of interest in the subject company at the time of publication of research report.
5. Research Analyst has not served as an officer, director or employee of subject company(ies).
6. MOFSL has not acted as a manager or co-manager of public offering of securities of the subject company in past 12 months.
7. MOFSL has not received compensation for investment banking /merchant banking/brokerage services from the subject company(ies) in the past 12 months.
8. MOFSL may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company(ies) in the past 12 months.
9. MOFSL may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.
10. MOFSL has not engaged in market making activity for the subject company.

The associates of MOFSL may have:

- financial interest in the subject company
- actual/beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance.
- received compensation/other benefits from the subject company in the past 12 months
- any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
- acted as a manager or co-manager of public offering of securities of the subject company in past 12 months
- be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies)
- received compensation from the subject company in the past 12 months for investment banking / merchant banking / brokerage services or from other than said services.
- Served subject company as its clients during twelve months preceding the date of distribution of the research report.

The associates of MOFSL has not received any compensation or other benefits from third party in connection with the research report

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

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

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (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 dpgrievances@motilaloswal.com.