

Gujarat Fluorochemicals | REDUCE

A subdued quarter

GFL's 3QFY26 performance came in below our and consensus estimates due to lower-than-anticipated top line and gross margin contraction. This was driven by a subdued performance in the fluorochemicals segment amid softer demand and prices for R-22 and a dip in R-125 export realisation in the wake of US tariff. The fluoropolymers segment suffered a decline on account of demand deferment due to tariff impact. Going ahead, sales of R-32 from the capacity commissioned in Feb'26 and its ramp-up in CY26 is likely to drive fluorochemicals sales. In fluoropolymers, tariff reduction bodes well with healthy growth likely over FY26E–28E. For battery chemicals, approval risk looms—that could take longer amid industry uncertainty, which could push volume off-take. These delays could be the key downside risk, particularly in FY28E when the company is aiming for full utilisation of its battery chemicals capacities. Considering the ramp-up risk in battery chemicals, we maintain REDUCE on GFL with a revised SotP-based Mar'27E TP of INR 3,505 (earlier Dec'26E TP of INR 3,650).

- **EBITDA miss due to lower-than-expected sales and gross margin:** 3QFY26 consolidated gross profit came 14% below JMFe at INR 7.6bn (down 12% QoQ/8% YoY) as revenue came in 9% below JMFe and consensus at INR 11.4bn (down 6% QoQ/1% YoY) and gross margin was lower than anticipated at 66.8% (versus JMFe of 71.2% and 71.2% in 2QFY26). During the quarter, other expenses were slightly lower at ~INR 3.6bn (JMFe of INR 3.8bn and INR 3.7bn in 2QFY26). As a result, EBITDA came in 27%/23% below JMFe/consensus at ~INR 2.8bn (down 24% QoQ/6% YoY). Furthermore, PAT was 51%/44% below JMFe/consensus at INR 1bn (down 43% QoQ/19% YoY). During the quarter, there was an exceptional item of INR 170mn pertaining to a one-time provision stemming from the new labour code.
- **Sales miss mainly driven by lower-than-expected fluorochemicals sales:** In 3QFY26, fluoropolymers revenue came in ~5% below JMFe and stood at ~INR 7.4bn (JMFe of ~INR 7.8bn; down 3% QoQ/up 14% YoY). The company is expecting growth in fluoropolymer volume enabled by the India-US trade agreement, going ahead. Also, fluorochemicals sales came in ~28% below JMFe and stood at ~INR 2bn (JMFe ~INR 2.7bn; down 24% QoQ/33% YoY). Sales declined mainly due to lower R-22 sales as a result of the phase-down under Montreal Protocol, seasonality and downward price revisions while R-125 export realisation was affected by US tariffs. Also, production at the new R-32 capacity commenced in Feb'26. Bulk chemicals sales stood at ~INR 1.7bn (JMFe of ~INR 1.6bn; up 6% QoQ/down 8% YoY). A sovereign fund is set to invest ~USD 82mn in the company's battery materials business with the documentation in process currently; this is likely to be executed soon. Moreover, the company is in the process of setting up a state-of-the-art greenfield battery materials plant in Oman for Li-ion batteries at an investment of ~USD 216mn.
- **Estimates lowered; maintain REDUCE:** Factoring in the 3QFY26 performance and management commentary, we are revising down FY26E–28E EBITDA by 3–13% and EPS by 6–20%. Over FY26–28, we estimate GFL would register a 28% sales CAGR factoring in: i) 18%/23% sales CAGR from fluorochemicals/fluoropolymers segments; and ii) INR 12bn revenue from the battery chemicals business in FY28E. Furthermore, we estimate ~30%/34% EBITDA/EPS CAGR over the same period. A key downside risk to our estimates pertains to potential delays in the EV battery chemicals ramp-up. We are rolling forward the valuation to Mar'28E earnings; maintain REDUCE with a revised SotP-based Mar'27E TP of INR 3,505 (earlier Dec'26E TP of INR 3,650).



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Recommendation and Price Target

Current Reco.	REDUCE
Previous Reco.	REDUCE
Current Price Target (12M)	3,505
Upside/(Downside)	3.9%
Previous Price Target	3,650
Change	-4.0%

Key Data – FLUROCH IN

Current Market Price	INR3,373
Market cap (bn)	INR372.0/US\$4.1
Free Float	40%
Shares in issue (mn)	109.9
Diluted share (mn)	110.0
3-mon avg daily val (mn)	INR294.1/US\$3.2
52-week range	4,098/2,917
Sensex/Nifty	83,675/25,807
INR/US\$	90.6

Price Performance

%	1M	6M	12M
Absolute	-2.1	-1.5	-11.8
Relative*	-2.2	-5.1	-19.8

* To the BSE Sensex

Financial Summary

(INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	42,808	47,370	49,940	65,243	81,733
Sales Growth (%)	-24.7	10.7	5.4	30.6	25.3
EBITDA	9,074	11,570	13,279	18,365	22,585
EBITDA Margin (%)	21.2	24.4	26.6	28.1	27.6
Adjusted Net Profit	4,350	5,460	6,062	8,908	10,957
Diluted EPS (INR)	39.6	49.6	55.1	81.0	99.6
Diluted EPS Growth (%)	-67.3	25.4	11.0	47.0	23.0
ROIC (%)	6.2	7.4	7.3	9.3	10.0
ROE (%)	7.6	8.3	8.0	10.8	11.9
P/E (x)	85.5	68.2	61.4	41.8	34.0
P/B (x)	6.3	5.1	4.8	4.3	3.8
EV/EBITDA (x)	43.0	33.5	29.6	21.9	18.1
Dividend Yield (%)	0.1	0.1	0.1	0.1	0.1

Source: Company data, JM Financial. Note: Valuations as of 12/Feb/2026

JM Financial Research is also available on: Bloomberg - JMFR <GO>, FactSet, LSEG and S&P Capital IQ.

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

3QFY26 conference call takeaways

- **Fluoropolymer segment expected to log growth in FY27:** As per the company, fluoropolymer sales declined 3% sequentially due to uncertainty around US tariff policy, cautious order patterns and temporary deferment of demand in key export markets. Recent tariff reduction has led to improvement in customer sentiment and better order visibility with the semiconductor end-user industry to drive demand in the segment, going ahead. Hence, the company is expecting meaningful growth in the segment in FY27.
- **Fluoroelastomer demand expected to be healthy from FY27E:** The company is also expecting an increase in fluoroelastomer demand on account of increased vehicle growth sales in India in the wake of GST reduction and US tariff reduction. Additionally, the company has been getting qualifications for other unique applications. The company has also developed newer, high-value grades that have been qualified or are under qualification, leading to growth in the segment from FY27E.
- **Full phase-1 20KTPA R-32 capacity to be commissioned in CY26, additional capacity likely by Dec'27:** Management has informed that the new R-32 capacity has been commissioned in Feb'26. The company is currently ramping-up this capacity to 20KTPA in phase-1 in CY26. The company faced a setback due to the recent accident, which caused a delay of 1–1.5 quarters, but the phase-1 target of 20KTPA remains. Moreover, as the company would not meet its full quota allocation with the 20KTPA phase-1 capacity, it plans to increase the R-32 capacity beyond 20KTPA which is likely to be added by Dec'27.
- **USD 82mn potential investment from a sovereign fund, new plant in Oman with USD 216mn investment:** Management has said that IFC has invested INR 4.3bn in its battery chemicals subsidiary. Also, another sovereign fund has approved an investment of USD 82mn in the company's battery material business with documentation in progress and is set to be executed soon. The company is also investing USD 216mn in an advanced battery material plant in Oman for Li-ion batteries with commissioning expected in 18 months. Management has said that the Oman plant will have advantages in terms of location, tariff advantage and raw material access eventually due to entire ecosystem being set up in the country.
- **Commercial supplies of LiPF₆ initiated in Dec'25:** Company has worked closely with leading OEMs and global electrolyte manufacturers for LiPF₆. The LiPF₆ facility has been successfully audited by key customers of the company. Furthermore, commercial supplies have been initiated from Dec'25 with repeat orders received already in 4QFY26. The company expects volume to scale up steadily in FY27 as customer off-take increases, and indicated there is hardly any capacity for LiPF₆ outside China and most of the company's customers are from the US and Europe, both of which are aiming to de-risk their supply chain through non-Chinese suppliers for LiPF₆ as well as LFP CAM.
- **Current battery materials capacities expected to be fully utilised by FY28:** Management has informed that the LFP plant has seen operational stabilisation with samples dispatched to potential customers. Qualification is in progress currently with approvals for the product expected over coming months. Also, qualification of fluoropolymer binders is in progress with commercial supplies expected from 1HFY27 and full ramp-up expected in 2HFY27. Furthermore, scale-up of LFP CAM is expected from 2HFY27. The company expects meaningful growth in battery materials segment in FY27 and FY28 with the current order book looking healthy. Hence, management is expecting full utilisation of its current battery materials capacities by FY28E.

Exhibit 1. Quarterly financial snapshot

Consolidated (INR mn)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	3QFY26E	% QoQ	% YoY	% difference
Net Sales	9,917	11,330	11,760	11,880	11,480	12,250	12,810	12,100	11,360	12,430	-6%	-1%	-9%
COGS	3,569	3,927	4,070	3,740	3,190	4,130	4,470	3,490	3,770	3,580	8%	18%	
Gross Profit	6,348	7,403	7,690	8,140	8,290	8,120	8,340	8,610	7,590	8,850	-12%	-8%	-14%
Gross margin	64.0%	65.3%	65.4%	68.5%	72.2%	66.3%	65.1%	71.2%	66.8%	71.2%	-434bps	-540bps	
Employee cost	833	880	1,030	1,100	1,150	1,050	1,060	1,280	1,210	1,300	-5%	5%	
Employee cost as % of sales	8%	8%	9%	9%	10%	9%	8%	11%	11%	10%	7bps	63bps	
Other expenditure	3453	4148	4040	4090	4200	4010	3840	3690	3630	3800	-2%	-14%	
Other exp. as % of sales	35%	37%	34%	34%	37%	33%	30%	30%	32%	31%	146bps	-463bps	
EBIDTA	2,062	2,376	2,620	2,950	2,940	3,060	3,440	3,640	2,750	3,750	-24%	-6%	-27%
EBITDA margin	21%	21%	22%	25%	26%	25%	26.9%	30.1%	24.2%	30.2%	-587bps	-140bps	
Depreciation	719	812	850	900	910	890	900	910	890	900	-2%	-2%	
EBIT	1343	1564	1770	2050	2030	2170	2540	2730	1860	2850	-32%	-8%	
Interest expense	372	337	370	420	420	260	300	330	330	300	0%	-21%	
Other income	132	183	90	90	140	260	230	60	70	260	17%	-50%	
Exceptional Item	0	0	0	0	0	0	0	0	-170	0	NA	NA	
PBT	1,103	1,410	1,490	1,720	1,750	2,170	2,470	2,460	1,430	2,810	-42%	-18%	
Tax	302	401	410	510	490	260	630	670	410	717	-39%	-16%	
PAT	801	1,010	1,080	1,210	1,260	1,910	1,840	1,790	1,020	2,094	-43%	-19%	-51%
PAT margin	8%	9%	9%	10%	11%	16%	14%	15%	9%	17%	-581bps	-200bps	
Basic EPS (INR)	7.29	9.19	9.83	11.01	11.46	17.38	16.74	16.29	9.28	19.05	-43%	-19%	
Tax rate	27.4%	28.4%	27.5%	29.7%	28.0%	12.0%	25.5%	27.2%	28.7%	25.5%	144bps	67bps	

Source: Company, Company, JM Financial

Exhibit 2. Quarterly segmental snapshot

INR mn	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	3QFY26E	% QoQ	% YoY	% diff vs JMFe
Bulk Chemicals	1,760	1,690	1,540	1,820	1,610	1,480	1,580	1,680	1,600	6%	-8%	5%
Fluoropolymers	6,450	6,850	7,060	6,510	7,140	7,980	7,640	7,440	7,800	-3%	14%	-5%
Fluorochemicals	3,020	2,970	3,040	2,930	3,260	3,020	2,580	1,950	2,700	-24%	-33%	-28%
Others	100	250	240	220	240	330	300	290	320	-3%	32%	-9%
Total	11,330	11,760	11,880	11,480	12,250	12,810	12,100	11,360	12,420	-6%	-1%	-9%

Source: Company, JM Financial

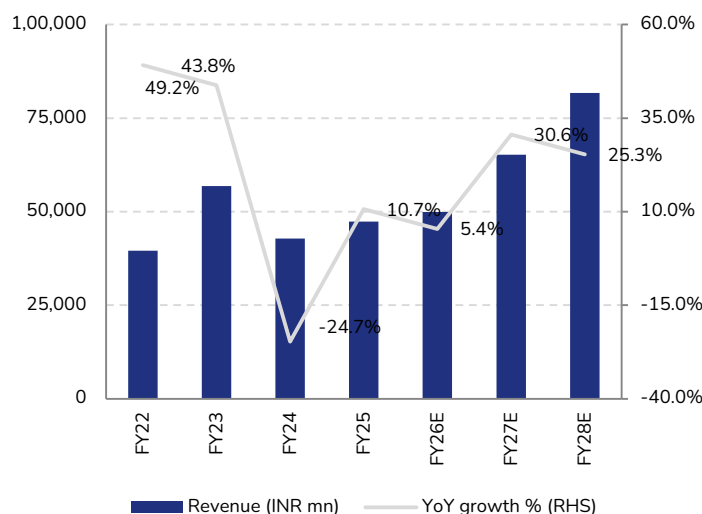
Assumptions and estimates

Exhibit 3. Change in estimates

	New	Old	Difference
EBITDA (INR Mn)			
FY26	13,279	15,187	-12.6%
FY27	18,365	19,639	-6.5%
FY28	22,585	23,351	-3.3%
PAT (INR Mn)			
FY26	6,062	7,556	-19.8%
FY27	8,908	9,967	-10.6%
FY28	10,957	11,664	-6.1%
EPS (INR)			
FY26	55	69	-19.8%
FY27	81	91	-10.6%
FY28	100	106	-6.1%

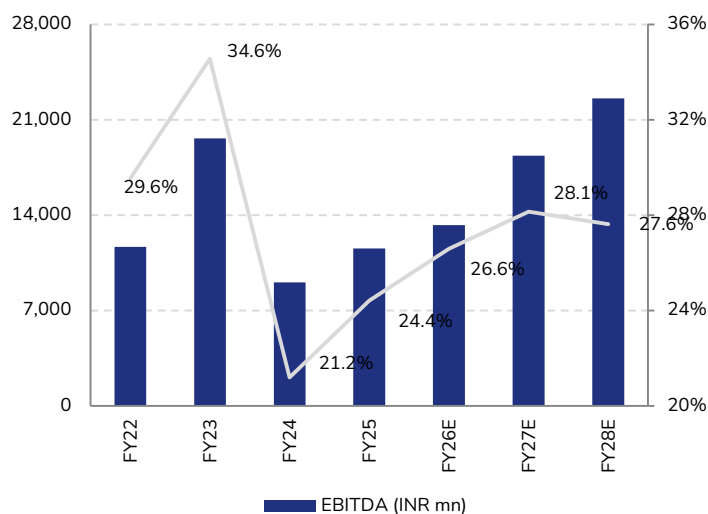
Source: JM Financial

Exhibit 4. Revenue likely to register 28% CAGR over FY26E-28E



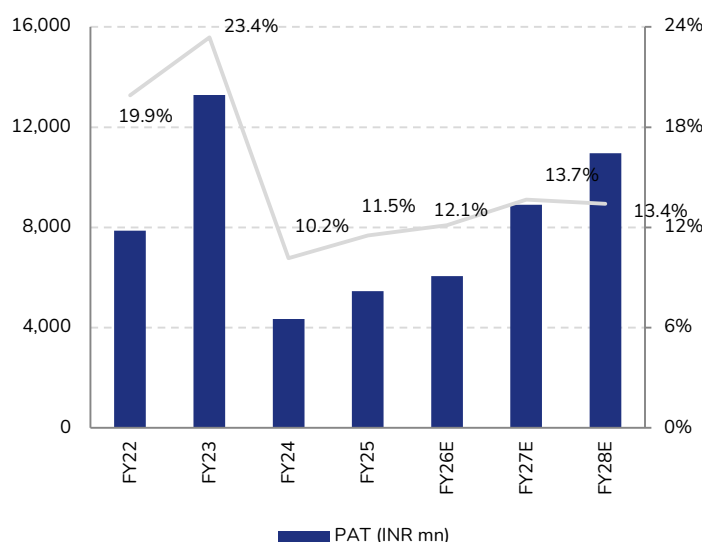
Source: Company, JM Financial

Exhibit 5. EBITDA likely to post 30% CAGR over FY26E-28E



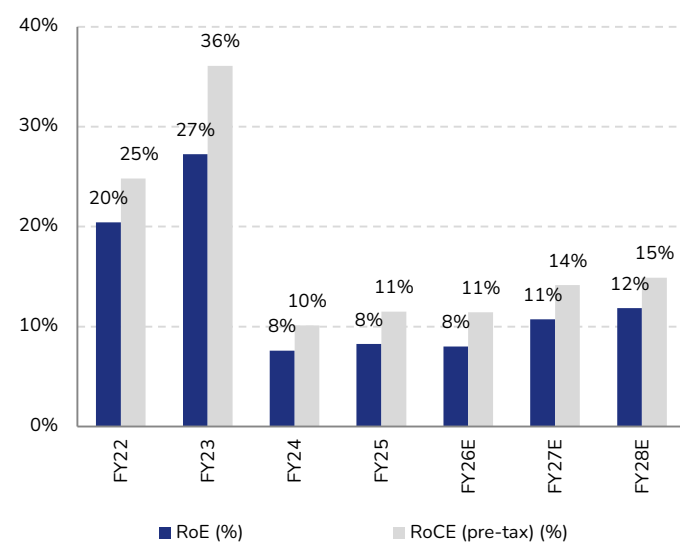
Source: Company, JM Financial

Exhibit 6. GFL's PAT likely to register 34% CAGR over FY26E-28E



Source: Company, JM Financial

Exhibit 7. RoE/RoCE (pre-tax) likely to touch 12%/15% by FY28E



Source: Company, JM Financial

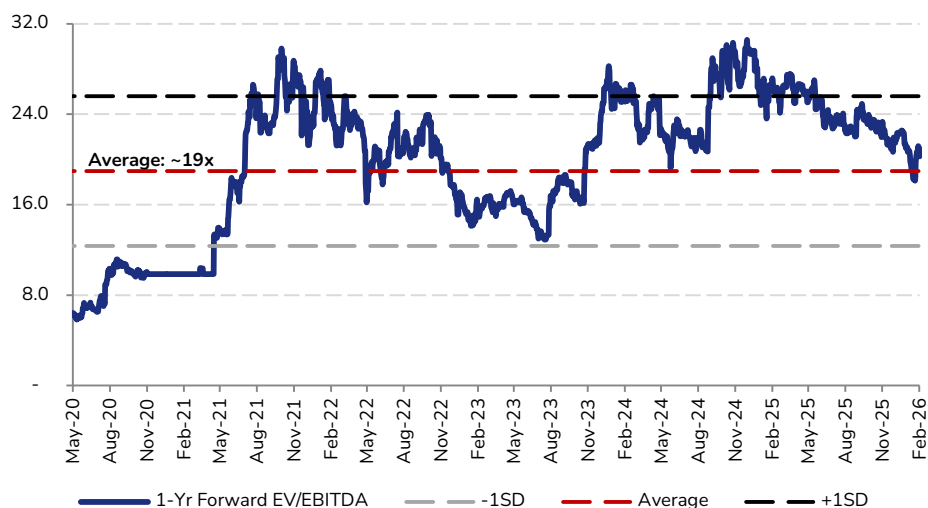
Valuation

Exhibit 8. Our SotP-based Mar'27E TP for GFL stands at INR 3,505/share

Segments	EBITDA (INR mn)	Multiple (x)	Methodology	Valuation (INR mn)	Value per share (INR)
Base Business (A)	19,594	15		284,117	2,588
*Battery Chemicals Business (B)	15,133	12	12x FY30E EBITDA discounted to Mar'28	136,290	1,241
Enterprise value (A) + (B)				420,407	3,829
Less: Net Debt/(cash)				35,409	322
Equity value				384,998	3,505
Mar'28E consolidated EPS	-	-			99.8
Implied EV/EBITDA multiple (x)					21
Implied P/E multiple (x)					35

Source: JM Financial; *Note: excluded ~4% minority interest from Mar'30 battery chemicals EBITDA

Exhibit 9. GFL is trading at ~20x 1-Y forward consensus EV/EBITDA



Source: Bloomberg, JM Financial

Exhibit 10. Chemical companies' peer valuation

Company	Rating	CMP (INR)	TP (INR)	P/E (x)				P/B (x)				EV/EBITDA (x)				ROE (%)			
				FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
SRF	BUY	2,840	3,520	67.3	45.6	33.3	30.5	6.7	5.9	5.2	4.5	32.3	25.4	19.7	16.9	10.4	13.8	16.6	15.9
PI Industries	REDUCE	3,224	3,465	29.5	31.0	29.6	26.7	4.8	4.3	3.8	3.4	20.8	20.9	19.4	17.3	17.5	14.6	13.6	13.4
Deepak Nitrite	BUY	1,656	2,005	32.4	40.4	27.3	24.6	4.2	3.8	3.4	3.0	21.2	26.3	18.1	15.9	13.6	9.9	13.3	13.1
Clean Science	BUY	773	1,085	31.1	36.2	27.9	21.0	5.8	5.0	4.3	3.6	20.3	23.2	18.0	13.8	20.2	14.9	16.5	18.5
Navin Fluorine	BUY	6,589	8,270	116.9	49.3	38.4	31.9	12.8	8.7	7.4	6.2	65.0	31.1	25.6	21.1	11.5	21.0	20.7	21.2
Fine Organic	REDUCE	4,602	4,225	33.5	32.6	33.3	31.3	6.0	5.2	4.6	4.1	25.0	23.8	22.5	19.7	19.5	17.1	14.7	13.9
Galaxy Surfactants	REDUCE	1,871	2,185	21.8	22.6	19.8	18.8	2.8	2.6	2.4	2.3	12.9	13.4	11.8	10.8	13.4	12.0	12.8	12.5
PCBL Chemical	REDUCE	314	305	27.3	42.9	24.1	22.0	3.2	3.2	2.9	2.7	12.6	15.3	12.3	11.4	12.5	7.4	12.6	12.8
Aether Industries	BUY	968	1,230	75.6	50.7	40.3	31.1	5.8	5.2	4.6	4.0	53.1	32.5	26.0	20.3	7.9	10.8	12.0	13.7
Acutaas Chemicals	ADD	2,095	2,125	106.9	54.1	43.3	34.4	13.1	10.7	8.6	7.0	72.9	38.1	30.3	24.1	16.2	21.7	22.1	22.4
Anupam Rasayan	SELL	1,371	800	161.4	101.5	67.5	47.7	5.3	4.8	4.4	4.0	41.1	31.9	26.4	21.2	3.3	5.0	6.8	8.8
Archean Chemicals	REDUCE	581	545	35.5	55.5	23.5	15.9	3.8	3.7	3.2	2.7	22.6	27.6	14.2	10.0	11.3	6.8	14.6	18.5
Tatva Chintan Pharma Chem	SELL	1,181	835	483.7	64.2	53.8	42.4	3.7	3.5	3.3	3.1	81.4	31.0	24.8	19.9	0.8	5.7	6.4	7.6
Paradeep Phosphates	REDUCE	124	135	19.3	12.3	11.6	10.4	2.2	1.9	1.6	1.4	9.1	7.4	7.0	6.5	12.8	16.3	14.8	14.2
Gujarat Fluorochemicals	REDUCE	3,373	3,505	68.0	61.2	41.7	33.9	5.1	4.7	4.3	3.8	33.4	29.5	21.8	18.0	8.3	8.0	10.8	11.9
Tata Chemicals	ADD	699	805	54.5	44.0	28.8	20.5	0.8	0.8	0.8	0.8	12.1	11.9	9.2	8.0	1.5	1.9	2.8	3.9

Source: Companies, JM Financial

Financial Tables (Consolidated)

Income Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	42,808	47,370	49,940	65,243	81,733
Sales Growth	-24.7%	10.7%	5.4%	30.6%	25.3%
Other Operating Income	0	0	0	0	0
Total Revenue	42,808	47,370	49,940	65,243	81,733
Cost of Goods Sold/Op. Exp	14,533	15,130	15,981	21,530	28,198
Personnel Cost	3,504	4,330	4,994	6,524	8,173
Other Expenses	15,697	16,340	15,686	18,824	22,777
EBITDA	9,074	11,570	13,279	18,365	22,585
EBITDA Margin	21.2%	24.4%	26.6%	28.1%	27.6%
EBITDA Growth	-53.8%	27.5%	14.8%	38.3%	23.0%
Depn. & Amort.	2,861	3,550	4,384	5,327	6,302
EBIT	6,213	8,020	8,894	13,038	16,283
Other Income	1,069	580	410	400	300
Finance Cost	1,331	1,470	1,432	1,869	2,354
PBT before Excep. & Forex	5,951	7,130	7,872	11,569	14,229
Excep. & Forex Inc/Loss(-)	0	0	0	0	0
PBT	5,951	7,130	7,872	11,569	14,229
Taxes	1,601	1,670	1,811	2,661	3,273
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	0	0	0	0	0
Reported Net Profit	4,350	5,460	6,062	8,908	10,957
Adjusted Net Profit	4,350	5,460	6,062	8,908	10,957
Net Margin	10.2%	11.5%	12.1%	13.7%	13.4%
Diluted Share Cap. (mn)	109.9	110.0	110.0	110.0	110.0
Diluted EPS (INR)	39.6	49.6	55.1	81.0	99.6
Diluted EPS Growth	-67.3%	25.4%	11.0%	47.0%	23.0%
Total Dividend + Tax	220	330	329	329	329
Dividend Per Share (INR)	2.0	3.0	3.0	3.0	3.0

Source: Company, JM Financial

Cash Flow Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	5,951	7,130	7,872	11,569	14,229
Depn. & Amort.	2,861	3,550	4,384	5,327	6,302
Net Interest Exp. / Inc. (-)	1,054	1,270	1,022	1,469	2,054
Inc (-) / Dec in WCap.	-1,440	-4,150	-1,308	-7,789	-8,393
Others	-214	-470	0	0	0
Taxes Paid	-1,949	-1,880	-1,811	-2,661	-3,273
Operating Cash Flow	6,264	5,450	10,160	7,915	10,919
Capex	-9,666	-8,700	-14,000	-15,000	-15,000
Free Cash Flow	-3,402	-3,250	-3,840	-7,085	-4,081
Inc (-) / Dec in Investments	2	-2,710	0	0	0
Others	0	210	410	400	300
Investing Cash Flow	-9,665	-11,200	-13,590	-14,600	-14,700
Inc / Dec (-) in Capital	0	0	0	0	0
Dividend + Tax thereon	-220	-330	-329	-329	-329
Inc / Dec (-) in Loans	5,191	-90	5,000	8,650	6,500
Others	-1,495	6,410	-1,432	-1,869	-2,354
Financing Cash Flow	3,476	5,990	3,238	6,451	3,817
Inc / Dec (-) in Cash	75	236	-192	-234	36
Opening Cash Balance	240	314	550	359	125
Closing Cash Balance	314	550	359	125	161

Source: Company, JM Financial

Balance Sheet (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	59,363	72,530	78,262	86,841	97,468
Share Capital	110	110	110	110	110
Reserves & Surplus	59,254	72,420	78,152	86,731	97,358
Preference Share Capital	0	0	0	0	0
Minority Interest	0	460	460	460	460
Total Loans	19,958	19,880	24,880	33,530	40,030
Def. Tax Liab. / Assets (-)	2,654	2,340	2,340	2,340	2,340
Total - Equity & Liab.	81,976	95,210	105,942	123,171	140,298
Net Fixed Assets	53,522	58,060	67,676	77,349	86,048
Gross Fixed Assets	56,663	60,449	74,449	89,449	104,449
Intangible Assets	0	0	0	0	0
Less: Depn. & Amort.	15,979	19,529	23,913	29,239	35,541
Capital WIP	10,913	15,240	15,240	15,240	15,240
Investments	1,670	4,460	4,460	4,460	4,460
Current Assets	37,139	43,510	44,955	54,468	65,006
Inventories	15,713	18,200	19,187	25,067	31,402
Sundry Debtors	8,446	11,970	12,619	16,486	20,653
Cash & Bank Balances	314	550	359	125	161
Loans & Advances	273	250	250	250	250
Other Current Assets	12,393	12,540	12,540	12,540	12,540
Current Liab. & Prov.	10,355	10,820	11,149	13,106	15,216
Current Liabilities	6,198	6,950	7,279	9,236	11,346
Provisions & Others	4,157	3,870	3,870	3,870	3,870
Net Current Assets	26,784	32,690	33,806	41,362	49,791
Total - Assets	81,976	95,210	105,942	123,171	140,298

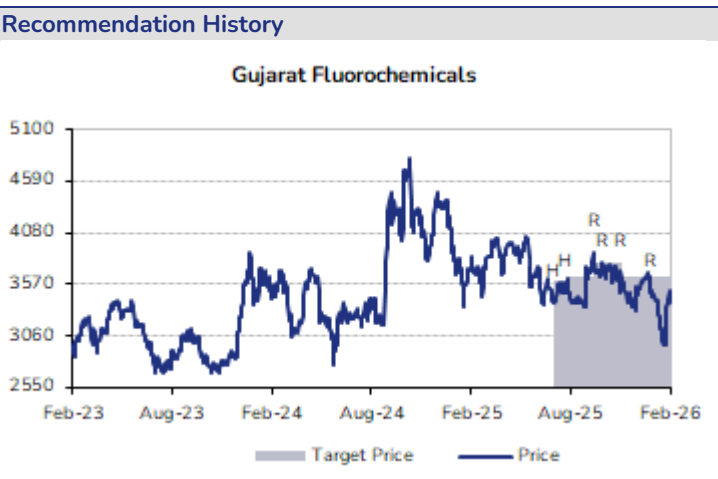
Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	10.2%	11.5%	12.1%	13.7%	13.4%
Asset Turnover (x)	0.5	0.5	0.5	0.6	0.6
Leverage Factor (x)	1.4	1.4	1.4	1.4	1.4
RoE	7.6%	8.3%	8.0%	10.8%	11.9%

Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	540.4	659.4	711.5	789.5	886.1
ROIC	6.2%	7.4%	7.3%	9.3%	10.0%
ROE	7.6%	8.3%	8.0%	10.8%	11.9%
Net Debt/Equity (x)	0.3	0.2	0.3	0.3	0.4
P/E (x)	85.5	68.2	61.4	41.8	34.0
P/B (x)	6.3	5.1	4.8	4.3	3.8
EV/EBITDA (x)	43.0	33.5	29.6	21.9	18.1
EV/Sales (x)	9.1	8.2	7.9	6.2	5.0
Debtor days	72	92	92	92	92
Inventory days	134	140	140	140	140
Creditor days	56	62	64	65	65

Source: Company, JM Financial

History of Recommendation and Target Price			
Date	Recommendation	Target Price	% Chg.
11-Jul-25	Hold	3,600	
5-Aug-25	Hold	3,645	1.3
22-Sep-25	Reduce	3,780	3.7
7-Oct-25	Reduce	3,780	0.0
12-Nov-25	Reduce	3,650	-3.5
6-Jan-26	Reduce	3,650	0.0



APPENDIX I

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

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Rating System: Definition of ratings	
Rating	Meaning
BUY	Expected return \geq 15% over the next twelve months.
ADD	Expected return \geq 5% and $<$ 15% over the next twelve months.
REDUCE	Expected return \geq -10% and $<$ 5% over the next twelve months.
SELL	Expected return $<$ -10% over the next twelve months.

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

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