

Hindustan Zinc | BUY

In-line results; growth projects to drive earnings

Hindustan Zinc reported 1Q consol. EBITDA of INR39bn, in-line with JMfe. EBITDA declined by ~20% QoQ driven by lower LME and lower scale. Zinc CoP for the quarter stood at USD1,010 vs USD994/t in 4QFY25 – expected to be towards the lower-end of the guidance for FY26. Key takeaways from the call are a) volume guidance for FY26 maintained at 1,090-1,110kt refined metal / 700-710 tons for silver b) Zinc CoP guidance for FY26 also maintained at USD1,025 -1,250 c) 160ktpa roaster at Debari to be commissioned in mid-2QFY26 d) 510ktpa fertilizer plant to be commissioned by 1QFY27 – to be fully ramped-up by 2HFY27 with a revenue potential of ~INR20-25bn and EBITDA potential of ~INR4-4.5bn on a steady state basis. The company's net debt position as on 30th Jun'25 stood at INR42bn vs INR12bn as of 31st Mar'25. Company expects pre-growth capex free cash flow to be ~INR450-500bn over the next 5 years and capex to be ~INR320-350bn during the same period – leading to stable leverage levels. We remain positive on HZL given its presence in the lower end of the global cost curve facilitated by high grade captive mines sufficient to meet requirements for decades, 100% captive power plants, sizeable scale, diversified revenue stream with increasing contribution from silver sales. Maintain BUY.

- **Margins contract given lower scale and lower LME:** The Company registered net sales of INR77bn, down ~15% QoQ, driven by lower LME and lower scale in 1Q. Zinc CoP for 1Q stood at USD1,010 – lowest 1Q CoP since underground transition. The company expects Zinc CoP for FY26 to be towards the lower end of the guidance. Consequently, EBITDA for the quarter came in at INR39bn (down ~20% QoQ) given lower scale and lower realizations. Mined metal production for 1Q stood at 250kt, down 15% QoQ given seasonally higher base in 4QFY25. Volumes were also impacted during the quarter due to some shutdowns undertaken by the company – production to restore to normalcy post August. Adj. PAT came in at INR22.3bn, down 25% QoQ.
- **Capacity expansion on track; focus on renewable energy:** The expansion to 2mn tons of capacity is expected to be done in phases with Phase-I adding 250ktpa of refined metal capacity at a capex of ~INR120bn – to be funded through internal accruals and debt. Company expects pre-growth Capex FCF to be ~INR450-500bn over the next 5 years and capex to be ~INR320-350bn during the same period – leading to stable leverage levels. Company has also guided for the 160ktpa roaster at Debari to be commissioned by mid-2QFY26. 510 ktpa fertilizer plant to be commissioned by 1QFY27 – to be fully ramped-up by 2HFY27 with a revenue potential of ~INR20-25bn and EBITDA potential of ~INR4-4.5bn on a steady state basis. Share of renewable energy increased to ~19% in 1Q, up from ~13% in FY25.
- **FY26 guidance intact:** Volume guidance for FY26 maintained at 1,090-1,110kt refined metal / 700-710 tons for silver. The CoP guidance for Zinc maintained at USD1,025 to USD1,050 for FY26. Post the 250ktpa expansion, company expects revenue to reach ~INR400bn with EBITDA to be in the range of ~INR210bn.

| Financial Summary | | | | | (INR mn) |
|------------------------|---------|---------|---------|---------|----------|
| Y/E March | FY24A | FY25A | FY26E | FY27E | FY28E |
| Net Sales | 289,320 | 340,830 | 362,669 | 392,607 | 405,259 |
| Sales Growth (%) | -15.2 | 17.8 | 6.4 | 8.3 | 3.2 |
| EBITDA | 136,560 | 173,880 | 183,300 | 203,399 | 214,064 |
| EBITDA Margin (%) | 47.2 | 51.0 | 50.5 | 51.8 | 52.8 |
| Adjusted Net Profit | 77,590 | 104,360 | 110,465 | 122,129 | 127,959 |
| Diluted EPS (INR) | 18.4 | 24.7 | 26.1 | 28.9 | 30.3 |
| Diluted EPS Growth (%) | -26.2 | 34.5 | 5.9 | 10.6 | 4.8 |
| ROIC (%) | 57.7 | 75.3 | 69.2 | 63.5 | 54.2 |
| ROE (%) | 55.2 | 73.2 | 76.8 | 70.6 | 59.9 |
| P/E (x) | 23.8 | 17.7 | 16.7 | 15.1 | 14.4 |
| P/B (x) | 12.2 | 13.9 | 12.0 | 9.6 | 7.8 |
| EV/EBITDA (x) | 13.4 | 10.7 | 10.2 | 9.2 | 8.7 |
| Dividend Yield (%) | 3.0 | 6.6 | 4.6 | 4.6 | 4.6 |

Source: Company data, JM Financial. Note: Valuations as of 17/Jul/2025



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Recommendation and Price Target

| | |
|----------------------------|-------|
| Current Reco. | BUY |
| Previous Reco. | BUY |
| Current Price Target (12M) | 550 |
| Upside/(Downside) | 25.9% |
| Previous Price Target | 550 |
| Change | 0.0% |

Key Data – HZ IN

| | |
|--------------------------|---------------------|
| Current Market Price | INR437 |
| Market cap (bn) | INR1,846.9/US\$21.5 |
| Free Float | 9% |
| Shares in issue (mn) | 4,225.0 |
| Diluted share (mn) | 4,225.0 |
| 3-mon avg daily val (mn) | INR3,072.0/US\$35.7 |
| 52-week range | 673/378 |
| Sensex/Nifty | 82,259/25,111 |
| INR/US\$ | 86.1 |

Price Performance

| % | 1M | 6M | 12M |
|-----------|-------|-------|-------|
| Absolute | -10.1 | -4.3 | -34.0 |
| Relative* | -11.0 | -10.9 | -34.7 |

* To the BSE Sensex

JM Financial Research is also available on:
Bloomberg - JMFR <GO>,
Thomson Publisher & Reuters,
S&P Capital IQ, FactSet and Visible Alpha

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

Key Conference Call takeaways:

- **FY26 guidance maintained at:**
 - Mined metal: 1,125 (+/-10) ktpa
 - Refined Metals: 1,100 (+/-10) ktpa
 - Silver: 700-710 metric tonnes
 - Zinc CoP: USD1,025- 1,050
 - Growth Capex: USD550 mn
- Phase-I of expansion to 2 mtpa remains on track with orders for Phase-II expansion to be placed by September.
- **Project updates:**
 - 160 ktpa Roaster at Debari to be commissioned in mid 2QFY26
 - 510 ktpa fertilizer plant to be commissioned by 1QFY27 – to be fully ramped-up by 2HFY27 with a revenue potential of ~INR20-25bn and EBITDA potential of ~INR4-4.5bn on a steady state basis.
 - Debottlenecking at Dariba and Chanderiya to be completed by 2QFY26.
 - Hot Acid leaching plant to be completed by 4QFY26.
- Volumes were also impacted during the quarter due to some shutdowns undertaken by the company – production to restore to normalcy post August.
- Zinc CoP for 1Q stood at USD1,010 – lowest 1Q CoP since underground transition. Company expects CoP for FY26 to be towards the lower-end of guidance.
- Company expects pre-growth Capex FCF to be ~INR450-500bn over the next 5 years and capex to be ~INR320-350bn during the same period – leading to stable leverage levels.
- Coal mix in 1Q - Domestic: 55% and Imported: 45%.

Exhibit 1. Operational Performance

| Operational parameters | 1QFY26 | 1QFY26E | % Var | 1QFY25 | YoY % | 4QFY25 | QoQ % |
|-------------------------------------|----------|----------|-------|----------|-------|----------|-------|
| Volumes (tons) | | | | | | | |
| Zinc | 2,02,000 | 2,02,000 | 0.0 | 2,11,000 | -4.3 | 2,18,000 | -7.3 |
| Lead | 48,000 | 48,000 | 0.0 | 51,000 | -5.9 | 56,000 | -14.3 |
| Silver (kgs) | 1,49,000 | 1,49,000 | 0.0 | 1,67,000 | -10.8 | 1,77,000 | -15.8 |
| Actual realization (USD/ton) | | | | | | | |
| Zinc | 2,854 | 2,898 | -1.5 | 3,026 | -5.7 | 3,098 | -7.9 |
| Lead | 2,122 | 2,121 | 0.1 | 2,346 | -9.6 | 2,115 | 0.3 |
| Silver (USD/kg) | 1,119 | 1,148 | -2.5 | 1,025 | 9.2 | 1,100 | 1.7 |
| LME Spot Prices | | | | | | | |
| Zinc | 2,659 | 2,659 | | 2,876 | -7.5 | 2,865 | -7.2 |
| Lead | 1,964 | 1,964 | | 2,212 | -11.2 | 1,990 | -1.3 |

Source: Company, JM Financial

Exhibit 2. Quarterly Performance

(INR mn)

| Y/E March (INR mn) | 1QFY26 | 1QFY26E | % Var | 1QFY25 | YoY % | 4QFY25 | QoQ % |
|---|---------------|---------------|------------|---------------|-------------|---------------|--------------|
| Net Sales | 77,710 | 77,051 | 0.9 | 81,300 | -4.4 | 90,870 | -14.5 |
| Refined metals volume (k tons) | 250 | 250 | 0% | 262 | -4.6 | 274 | -8.8 |
| Refined metals realization (US\$/ton) | 2,714 | 2,749 | -1% | 2,894 | -6.2 | 2,897 | -6.3 |
| Mining, manf. and power exp. (Incl. Change in Invent.) | 28,110 | 27,553 | 2.0 | 29,930 | -6.1 | 28,790 | -2.4 |
| Mining, manf. and power/t | 1,12,440 | 1,10,210 | | 1,14,237 | | 1,05,073 | |
| Change in inventory | -120 | 0 | | 660 | | -2,570 | |
| Change in inventory per ton | -480 | 0 | | 2,519 | | -9,380 | |
| Gross profit | 49,600 | 49,498 | | 51,370 | | 62,080 | |
| Gross margin (%) | 63.8% | 64.2% | | 63.2% | | 68.3% | |
| Gross margin/t | 1,98,400 | 1,97,992 | | 1,96,069 | | 2,26,569 | |
| Royalty expense | 9,090 | 9,631 | -5.6 | 9,620 | -5.5 | 11,610 | -21.7 |
| Royalty/t | 36,360 | 38,525 | | 36,718 | | 42,372 | |
| Royalty as a % of sales | 12% | 13% | | 12% | | 13% | |
| Staff Cost | 1,920 | 2,300 | -16.5 | 2,290 | -16.2 | 2,270 | -15.4 |
| Staff Cost/t | 7,680 | 9,200 | | 8,740 | | 8,285 | |
| Total expenditure | 39,120 | 39,484 | -0.9 | 41,840 | -6.5 | 42,670 | -8.3 |
| Reported COP w/o royalty (USD/t) | 1,010 | 1,030 | | 1,107 | -8.8 | 994 | 1.6 |
| EBITDA | 38,590 | 37,567 | 2.7 | 39,460 | -2.2 | 48,200 | -19.9 |
| EBITDA (%) | 49.7 | 48.8 | | 48.5 | | 53.0 | |
| EBITDA /ton | 1,54,360 | 1,50,267 | | 1,50,611 | 2.5 | 1,75,912 | -12.3 |
| Other income | 2,790 | 2,458 | 13.5 | 2,680 | 4.1 | 2,270 | 22.9 |
| Depreciation | 9,130 | 10,200 | -10.5 | 8,440 | 8.2 | 10,140 | -10.0 |
| EBIT | 32,250 | 29,824 | | 33,700 | -4.3 | 40,330 | -20.0 |
| Interest | 2,400 | 2,600 | -7.7 | 2,560 | | 2,510 | |
| PBT | 29,850 | 27,224 | | 31,140 | -4.1 | 37,820 | -21.1 |
| XO items | 0 | 0 | | 0 | | 0 | |
| Tax | 7,510 | 6,806 | | 7,690 | | 7,790 | |
| Eff. Tax rate (%) | 25.2 | 25.0 | | 24.7 | | 20.6 | |
| Reported PAT | 22,340 | 20,418 | 9.4 | 23,450 | -4.7 | 30,030 | -25.6 |
| Adjusted PAT | 22,340 | 20,418 | 9.4 | 23,450 | -4.7 | 30,030 | -25.6 |
| Net debt/ cash | 42 | - | | 3 | | 12 | |

Source: Company, JM Financial

Exhibit 3. Fair Value

(INR bn)

| | FY28E |
|---------------------------------|------------|
| EPS | 30 |
| P/E Target multiple (x) | 18.0 |
| Target price (INR/share) | 550 |

Source: JM Financial

Exhibit 4. Key Assumptions Table

| | FY24 | FY25 | FY26E | FY27E | FY28E |
|----------------|-------|-------|-------|-------|-------|
| Zinc (USD/ton) | 2,489 | 2,910 | 2,850 | 2,850 | 2,900 |
| Lead (USD/ton) | 2,117 | 2,081 | 2,000 | 2,150 | 2,150 |
| INR/USD | 83.4 | 84.0 | 86.0 | 87.0 | 87.0 |

Sales volume assumptions

| | FY24 | FY25 | FY26E | FY27E | FY28E |
|---------------|------|------|-------|-------|-------|
| Zinc (ktpa) | 817 | 826 | 864 | 912 | 912 |
| Lead (ktpa) | 216 | 223 | 228 | 228 | 228 |
| Silver (ktpa) | 746 | 674 | 706 | 713 | 721 |

Financial assumptions

| | FY24 | FY25 | FY26E | FY27E | FY28E |
|---------|----------|----------|----------|----------|----------|
| Revenue | 2,89,320 | 3,40,830 | 3,62,669 | 3,92,607 | 4,05,259 |
| EBITDA | 1,36,560 | 1,73,880 | 1,83,300 | 2,03,399 | 2,14,064 |
| PAT | 77,590 | 1,04,360 | 1,10,465 | 1,22,129 | 1,27,959 |
| EPS | 18.4 | 24.7 | 26.1 | 28.9 | 30.3 |

Source: Company, JM Financial

Exhibit 5. Change in estimates

| | Unit | OLD | | | NEW | | | % Change | | |
|---------------------|--------|----------|----------|----------|----------|----------|----------|----------|-------|-------|
| | | FY26E | FY27E | FY28E | FY26E | FY27E | FY28E | FY26E | FY27E | FY28E |
| Net Sales | INR mn | 3,64,119 | 3,98,310 | 4,05,531 | 3,62,669 | 3,92,607 | 4,05,259 | -0.4% | -1.4% | -0.1% |
| EBITDA | INR mn | 1,84,739 | 2,08,504 | 2,14,182 | 1,83,300 | 2,03,399 | 2,14,064 | -0.8% | -2.4% | -0.1% |
| PAT | INR mn | 1,09,206 | 1,25,400 | 1,28,366 | 1,10,465 | 1,22,129 | 1,27,959 | 1.2% | -2.6% | -0.3% |
| EPS | | 25.8 | 29.7 | 30 | 26.1 | 28.9 | 30.3 | 1.3% | -2.7% | -0.4% |
| Target Price | INR | 550 | | | 550 | | | 0.0% | | |
| Rating | | BUY | | | BUY | | | | | |

Source: JM Financial

Exhibit 6. EBITDA sensitivity with commodity, currency and CoP

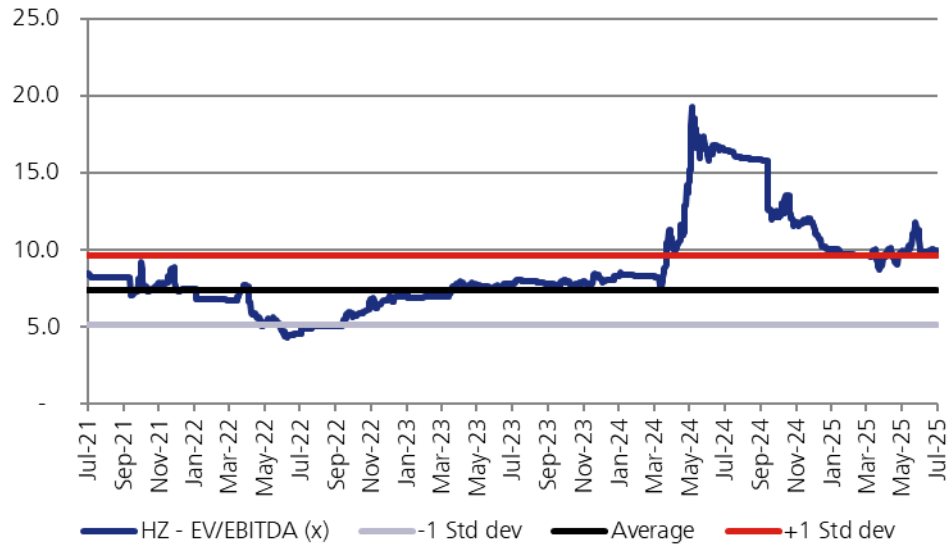
| Impact of change in Commodity Prices on annual EBITDA | | |
|---|----------|-------------------------|
| Commodity | Change | Impact on EBITDA (₹ Cr) |
| Zinc | \$100/MT | 660-690 |
| Lead | \$100/MT | 130-150 |
| Silver | \$1/toz | 170-190 |

| Impact of exchange rate change on annual EBITDA | | |
|---|--------|-------------------------|
| Currency | Change | Impact on EBITDA (₹ Cr) |
| INR/USD | ₹ 1 | 190-210 |

| Impact of change in zinc COP on annual EBITDA | | |
|---|---------|-------------------------|
| Particular | Change | Impact on EBITDA (₹ Cr) |
| Zinc COP | \$25/MT | 210-230 |

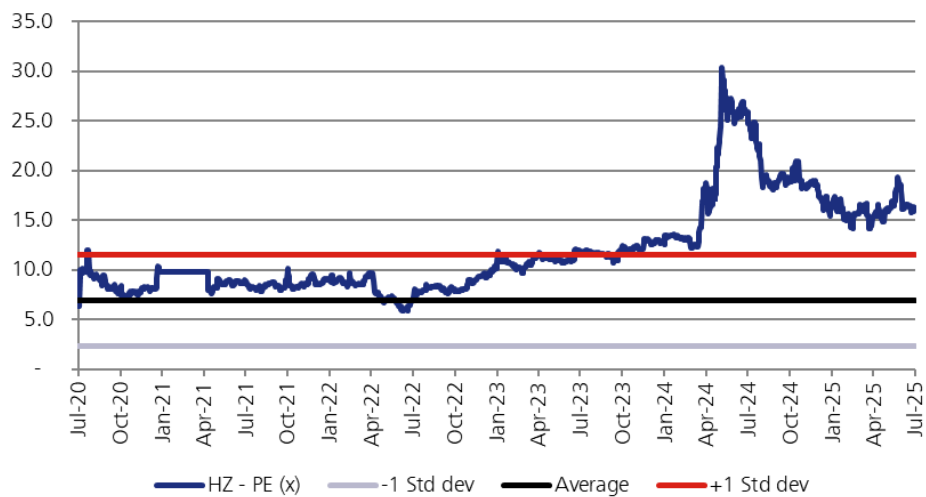
Source: Company, JM Financial

Exhibit 7. Hindustan Zinc: 1yr forward EV/EBITDA valuation



Source: Bloomberg, JM Financial

Exhibit 8. Hindustan Zinc: 1yr forward PE valuation



Source: Bloomberg, JM Financial

Financial Tables (Consolidated)

| Income Statement (INR mn) | | | | | |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|
| Y/E March | FY24A | FY25A | FY26E | FY27E | FY28E |
| Net Sales | 289,320 | 340,830 | 362,669 | 392,607 | 405,259 |
| Sales Growth | -15.2% | 17.8% | 6.4% | 8.3% | 3.2% |
| Other Operating Income | 0 | 0 | 0 | 0 | 0 |
| Total Revenue | 289,320 | 340,830 | 362,669 | 392,607 | 405,259 |
| Cost of Goods Sold/Op. Exp | 18,230 | 30,265 | 32,873 | 35,418 | 36,870 |
| Personnel Cost | 8,280 | 8,390 | 8,736 | 9,120 | 9,120 |
| Other Expenses | 126,250 | 128,295 | 137,759 | 144,669 | 145,205 |
| EBITDA | 136,560 | 173,880 | 183,300 | 203,399 | 214,064 |
| EBITDA Margin | 47.2% | 51.0% | 50.5% | 51.8% | 52.8% |
| EBITDA Growth | -22.0% | 27.3% | 5.4% | 11.0% | 5.2% |
| Depn. & Amort. | 34,680 | 36,400 | 36,042 | 40,942 | 45,842 |
| EBIT | 101,880 | 137,480 | 147,259 | 162,458 | 168,223 |
| Other Income | 10,740 | 9,830 | 10,028 | 10,682 | 12,889 |
| Finance Cost | 9,550 | 10,950 | 10,000 | 10,300 | 10,500 |
| PBT before Excep. & Forex | 103,070 | 136,360 | 147,287 | 162,839 | 170,612 |
| Excep. & Forex Inc./Loss(-) | 0 | 0 | 0 | 0 | 0 |
| PBT | 103,070 | 136,360 | 147,287 | 162,839 | 170,612 |
| Taxes | 25,480 | 32,000 | 36,822 | 40,710 | 42,653 |
| Extraordinary Inc./Loss(-) | 0 | -830 | 0 | 0 | 0 |
| Assoc. Profit/Min. Int.(-) | 0 | 0 | 0 | 0 | 0 |
| Reported Net Profit | 77,590 | 103,530 | 110,465 | 122,129 | 127,959 |
| Adjusted Net Profit | 77,590 | 104,360 | 110,465 | 122,129 | 127,959 |
| Net Margin | 26.8% | 30.6% | 30.5% | 31.1% | 31.6% |
| Diluted Share Cap. (mn) | 4,225.0 | 4,225.0 | 4,225.0 | 4,225.0 | 4,225.0 |
| Diluted EPS (INR) | 18.4 | 24.7 | 26.1 | 28.9 | 30.3 |
| Diluted EPS Growth | -26.2% | 34.5% | 5.9% | 10.6% | 4.8% |
| Total Dividend + Tax | 54,925 | 122,525 | 84,500 | 84,500 | 84,500 |
| Dividend Per Share (INR) | 13.0 | 29.0 | 20.0 | 20.0 | 20.0 |

Source: Company, JM Financial

| Cash Flow Statement (INR mn) | | | | | |
|------------------------------|----------------|-----------------|----------------|----------------|----------------|
| Y/E March | FY24A | FY25A | FY26E | FY27E | FY28E |
| Profit before Tax | 103,070 | 136,360 | 147,287 | 162,839 | 170,612 |
| Depn. & Amort. | 34,680 | 36,400 | 36,042 | 40,942 | 45,842 |
| Net Interest Exp. / Inc. (-) | 0 | 0 | 0 | 0 | 0 |
| Inc (-) / Dec in WCap. | 14,070 | 230 | -18,763 | -9,435 | -19,049 |
| Others | 0 | -830 | 0 | 0 | 0 |
| Taxes Paid | -25,480 | -32,000 | -36,822 | -40,710 | -42,653 |
| Operating Cash Flow | 126,340 | 140,160 | 127,744 | 153,636 | 154,752 |
| Capex | -32,580 | -50,050 | -44,950 | -70,000 | -70,000 |
| Free Cash Flow | 93,760 | 90,110 | 82,794 | 83,636 | 84,752 |
| Inc (-) / Dec in Investments | -3,450 | 13,030 | -13,030 | 0 | 0 |
| Others | -16,165 | 115 | -3,311 | 0 | 0 |
| Investing Cash Flow | -52,195 | -36,905 | -61,291 | -70,000 | -70,000 |
| Inc / Dec (-) in Capital | 0 | 0 | 0 | 0 | 0 |
| Dividend + Tax thereon | -54,925 | -122,525 | -84,500 | -84,500 | -84,500 |
| Inc / Dec (-) in Loans | -31,590 | 19,290 | 40,710 | 10,000 | 10,000 |
| Others | 0 | 0 | 0 | 0 | 0 |
| Financing Cash Flow | -86,515 | -103,235 | -43,790 | -74,500 | -74,500 |
| Inc / Dec (-) in Cash | -12,370 | 20 | 22,663 | 9,136 | 10,252 |
| Opening Cash Balance | 14,120 | 1,750 | 1,770 | 24,433 | 33,568 |
| Closing Cash Balance | 1,750 | 1,770 | 24,433 | 33,568 | 43,820 |

Source: Company, JM Financial

| Balance Sheet (INR mn) | | | | | |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|
| Y/E March | FY24A | FY25A | FY26E | FY27E | FY28E |
| Shareholders' Fund | 151,950 | 133,260 | 154,257 | 191,887 | 235,346 |
| Share Capital | 8,450 | 8,450 | 8,450 | 8,450 | 8,450 |
| Reserves & Surplus | 143,500 | 124,810 | 145,807 | 183,437 | 226,896 |
| Preference Share Capital | 0 | 0 | 0 | 0 | 0 |
| Minority Interest | 0 | 0 | 0 | 0 | 0 |
| Total Loans | 87,220 | 106,510 | 147,220 | 157,220 | 167,220 |
| Def. Tax Liab. / Assets (-) | 23,110 | 22,920 | 23,110 | 23,110 | 23,110 |
| Total - Equity & Liab. | 262,280 | 262,690 | 324,587 | 372,217 | 425,676 |
| Net Fixed Assets | 198,490 | 212,140 | 219,581 | 248,640 | 272,798 |
| Gross Fixed Assets | 419,880 | 460,830 | 514,880 | 584,880 | 654,880 |
| Intangible Assets | 0 | 0 | 0 | 0 | 0 |
| Less: Depn. & Amort. | 238,350 | 274,750 | 312,259 | 353,200 | 399,042 |
| Capital WIP | 16,960 | 26,060 | 16,960 | 16,960 | 16,960 |
| Investments | 104,520 | 91,490 | 104,520 | 104,520 | 104,520 |
| Current Assets | 35,940 | 41,270 | 88,941 | 112,365 | 126,931 |
| Inventories | 19,260 | 18,890 | 30,683 | 34,855 | 37,753 |
| Sundry Debtors | 1,550 | 1,170 | 9,664 | 12,555 | 12,959 |
| Cash & Bank Balances | 1,750 | 1,770 | 24,433 | 33,568 | 43,820 |
| Loans & Advances | 13,380 | 19,440 | 24,161 | 31,387 | 32,398 |
| Other Current Assets | 0 | 0 | 0 | 0 | 0 |
| Current Liab. & Prov. | 76,670 | 82,210 | 88,455 | 93,308 | 78,573 |
| Current Liabilities | 74,470 | 66,970 | 86,255 | 91,108 | 76,373 |
| Provisions & Others | 2,200 | 15,240 | 2,200 | 2,200 | 2,200 |
| Net Current Assets | -40,730 | -40,940 | 486 | 19,057 | 48,358 |
| Total - Assets | 262,280 | 262,690 | 324,587 | 372,217 | 425,676 |

Source: Company, JM Financial

| Dupont Analysis | | | | | |
|---------------------|-------|-------|-------|-------|-------|
| Y/E March | FY24A | FY25A | FY26E | FY27E | FY28E |
| Net Margin | 26.8% | 30.6% | 30.5% | 31.1% | 31.6% |
| Asset Turnover (x) | 1.1 | 1.3 | 1.2 | 1.1 | 1.0 |
| Leverage Factor (x) | 1.9 | 1.8 | 2.0 | 2.0 | 1.9 |
| RoE | 55.2% | 73.2% | 76.8% | 70.6% | 59.9% |

| Key Ratios | | | | | |
|---------------------|-------|-------|-------|-------|-------|
| Y/E March | FY24A | FY25A | FY26E | FY27E | FY28E |
| BV/Share (INR) | 36.0 | 31.5 | 36.5 | 45.4 | 55.7 |
| ROIC | 57.7% | 75.3% | 69.2% | 63.5% | 54.2% |
| ROE | 55.2% | 73.2% | 76.8% | 70.6% | 59.9% |
| Net Debt/Equity (x) | -0.1 | 0.1 | 0.1 | 0.1 | 0.1 |
| P/E (x) | 23.8 | 17.7 | 16.7 | 15.1 | 14.4 |
| P/B (x) | 12.2 | 13.9 | 12.0 | 9.6 | 7.8 |
| EV/EBITDA (x) | 13.4 | 10.7 | 10.2 | 9.2 | 8.7 |
| EV/Sales (x) | 6.3 | 5.5 | 5.1 | 4.8 | 4.6 |
| Debtor days | 2 | 1 | 10 | 12 | 12 |
| Inventory days | 24 | 20 | 31 | 32 | 34 |
| Creditor days | 178 | 146 | 176 | 176 | 146 |

Source: Company, JM Financial

History of Recommendation and Target Price

| Date | Recommendation | Target Price | % Chg. |
|-----------|----------------|--------------|--------|
| 20-Oct-20 | Buy | 233 | |
| 20-Jan-21 | Buy | 308 | 32.2 |
| 27-Apr-21 | Buy | 340 | 10.4 |
| 22-Jul-21 | Buy | 340 | 0.0 |
| 22-Oct-21 | Buy | 340 | 0.0 |
| 21-Jan-22 | Buy | 327 | -3.8 |
| 22-Apr-22 | Buy | 355 | 8.6 |
| 21-Jul-22 | Buy | 310 | -12.6 |
| 21-Oct-22 | Buy | 315 | 1.5 |
| 19-Jan-23 | Buy | 350 | 11.2 |
| 23-Apr-23 | Buy | 335 | -4.3 |
| 22-Jul-23 | Buy | 310 | -7.5 |
| 20-Oct-23 | Buy | 325 | 4.8 |
| 19-Jan-24 | Buy | 315 | -3.1 |
| 19-Apr-24 | Buy | 385 | 22.1 |
| 2-Aug-24 | Buy | 540 | 40.4 |
| 18-Oct-24 | Buy | 540 | 0.0 |
| 28-Jan-25 | Buy | 540 | -0.1 |
| 25-Apr-25 | Buy | 530 | -1.8 |
| 17-Jun-25 | Buy | 550 | 3.7 |

Recommendation History



APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610

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| Definition of ratings | |
|-----------------------|---|
| Rating | Meaning |
| Buy | Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields. |
| Hold | Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months. |
| Sell | Price expected to move downwards by more than 10% from the current market price over the next twelve months. |

* REITs refers to Real Estate Investment Trusts.

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