

Estimate changes



TP change



Rating change



Bloomberg	TMX IN
Equity Shares (m)	119
M.Cap.(INRb)/(USD\$b)	403.7 / 4.6
52-Week Range (INR)	5840 / 3151
1, 6, 12 Rel. Per (%)	-17/-20/-4
12M Avg Val (INR M)	877

Financials Snapshot (INR b)

Y/E MARCH	FY25E	FY26E	FY27E
Net Sales	102.1	115.1	131.5
EBITDA	8.9	11.3	13.5
PAT	6.5	7.8	9.3
EPS (INR)	57.3	68.9	82.4
GR. (%)	9.9	20.2	19.6
BV/Sh (INR)	437.6	491.5	558.9

Ratios

ROE (%)	13.8	14.8	15.7
RoCE (%)	12.0	12.8	13.7

Valuations

P/E (X)	59.1	49.2	41.1
P/BV (X)	7.7	6.9	6.1
EV/EBITDA (X)	43.1	33.8	28.2
Div Yield (%)	0.4	0.4	0.4

Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	62.0	62.0	62.0
DII	12.7	12.7	15.9
FII	21.0	20.9	17.5
Others	4.4	4.4	4.7

FII Includes depository receipts

CMP: INR3,388

TP: INR3,350 (-1%)

Sell

Challenging quarter

Thermax (TMX)'s 3QFY25 results came in below our estimates, impacted by lower-than-expected revenue booking and cost overruns. Revenue grew by 8% YoY, whereas PAT declined by 19% YoY as EBITDA margin contracted to 7.5%. Margins were impacted by cost overruns in FGD projects in Industrial Infra, floods in Chennai impacting Green Solutions segment margins, and increased costs incurred for expanding the scope of work in Chemicals. Order inflows declined by 8% YoY, mainly led by a sharp decline in domestic order inflows due to delays in enquiry finalizations across base industries. TMX expects a revival in inflows and execution in 4QFY25 and expects enquiry finalization in FY26 for large sectors. We cut our estimates by 9%/13%/13% for FY25/FY26/FY27 to factor in weak inflows, execution and margins. We maintain Sell with a TP of INR3,350, based on core business valuation at 42x Mar'27E EPS and the addition of subsidiary valuations.

Results impacted by execution issues and cost overruns

- TMX reported muted revenue of INR25.1b (+8% YoY) (MOFSL est. INR28.2b), led by 6%/3%/53%/19% YoY growth in the Industrial Products/Industrial Infra/ Green Solutions/Chemical segments. Company could not book revenues worth INR5b Gross margin contracted ~40bp YoY/60bp QoQ to 44.2%, owing to an adverse mix in the Industrial Infra and Chemical segments. This, coupled with operating de-leverage, led to an EBITDA margin contraction of ~60bp YoY to 7.5%, while EBITDA at INR1.9b grew by a mere 1% YoY, far below our estimates. With a weak operational performance and lower other income (down 46% YoY), adj. PAT declined 19% YoY to INR1.1b, 34% below our estimates. Order inflows declined 8% YoY to INR23b, while the order book stood at INR113.8b, up 6% YoY. For 9MFY25, the company reported revenue/EBITDA/adj. PAT growth of 11%/16%/7%. Except Industrial Products, segmental performance was weak
- Industrial Products reported 6% YoY revenue growth, while order inflows grew 40% YoY. PBIT margin saw a 130bp YoY expansion to 11.3%. Industrial Infra revenue grew 3% YoY to INR11.3b, while orders declined 46% on delays in order finalization and non-participation in government projects. PBIT margin at 0.1% declined 340bp YoY on account of losses in FGD projects where company had to take a hit of INR160m for FGD project as well as incremental costs associated with bio-CNG project. Green Solutions clocked 53% revenue growth, while orders declined 51% YoY. PBIT margin declined 130bp YoY to 9.5% as profitability was impacted by floods in Chennai. For Chemicals, revenue grew 19% YoY with order inflow growth of 10% YoY. Margins at 13.8% saw a ~680bp YoY contraction as a certain high-margin delivery spilled over to 4QFY25.

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

Base order inflows remain weak

Base order inflows for TMX remained weak at INR23b, with domestic inflows down by 24% YoY, while export inflows surged, particularly in Industrial Product segment. The enquiry pipeline from user industries such as steel, metals and mining, refineries, ethanol and distilleries continued to get pushed, and TMX is hopeful of order finalizations during 4QFY25 to FY26. Within the Industrial Product segment, the company is targeting projects across heating solutions, cooling solutions, air pollution control and water, and within this, the heating solutions vertical is currently growing at a slower pace. Within Industrial Infra, the company is selective in choosing projects but would not completely shy away from large projects as it would help to cover up fixed costs. Within Green Solutions, it continues to focus on growing both TOESL and FEPL, albeit at a slower pace. The company also expects inflows to improve in the Chemicals segment.

New initiatives witnessing slower traction than initial expectations

New initiatives that the company had taken in the last few years are taking some time to meet initial expectations. TOESL is doing well, while FEPL performance was impacted by flooding in Tamil Nadu and may continue to witness losses in FY26 too. TMX intends to grow its FEPL portfolio to 1GW, but at a slower pace now. It plans to invest another INR5b over the next 2-3 years. The company also sees a potentially good opportunity for heat pumps, while coal gasification-related projects are dependent on the government.

Financial outlook

We expect a CAGR of 12%/19%/16% in revenue/EBITDA/PAT over FY24-27. Growth will be driven by: 1) 17% CAGR in order inflows, 2) a gradual recovery in EBIT margins of the Industrial Product and Chemical divisions to 10.5% and 17.0%, respectively, by FY27E, and 3) control over working capital and NWC (at 17 days).

Valuation and view

The stock is currently trading at 59x/49x/41x FY25E/FY26E/FY27E EPS. We maintain Sell with a TP of INR3,350 based on 42x Mar'27 EPS and with value of investments in subsidiaries.

Key risks and concerns

Slowdown in order inflows, a sharp rise in commodity prices, slower-than-expected revival in private sector capex, and increased competition are the key risks to our estimates.

Thermax

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY24				FY25E				FY24	FY25E	FY25E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		3QE	Var. (%)	
Net Sales	19,330	23,025	23,244	27,637	21,844	26,116	25,078	29,092	93,235	1,02,130	28,249	-11
YoY Change (%)	16.8	10.9	13.4	19.6	13.0	13.4	7.9	5.3	15.2	9.5	21.5	
Total Expenditure	18,008	20,978	21,369	24,905	20,433	23,336	23,188	26,249	85,261	93,205	25,603	
EBITDA	1,322	2,046	1,874	2,732	1,412	2,780	1,890	2,844	7,974	8,925	2,647	-29
Margins (%)	6.8	8.9	8.1	9.9	6.5	10.6	7.5	9.8	8.6	8.7	9.4	
Depreciation	294	330	358	499	360	421	351	363	1,481	1,494	440	-20
Interest	134	198	266	278	275	294	287	269	876	1,125	348	-18
Other Income	531	659	584	553	841	598	315	578	2,326	2,332	447	-29
PBT before EO expense	1,425	2,177	1,834	2,507	1,617	2,663	1,568	2,790	7,943	8,638	2,306	-32
Extra-Ord expense	506	0	-1,261						-755	0		
PBT	919	2,177	3,095	2,507	1,617	2,663	1,568	2,790	8,698	8,638	2,306	-32
Tax	315	589	721	633	519	683	425	559	2,258	2,185	583	
Rate (%)	34.3	27.0	23.3	25.2	32.1	25.6	27.1	20.0	26.0	25.3	25.3	
Reported PAT	600	1,586	2,371	1,876	1,094	1,980	1,137	2,241	6,432	6,452	1,722	-34
Adj PAT	932	1,586	1,403	1,952	1,094	1,980	1,137	2,241	5,873	6,452	1,722	-34
YoY Change (%)	58.1	45.3	11.0	24.9	17.4	24.9	-19.0	14.8	42.7	0.3	22.7	
Margins (%)	4.8	6.9	6.0	7.1	5.0	7.6	4.5	7.7	6.3	6.3	6.1	

INR m	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Segmental revenue										
Industrial Products	8,359	9,894	10,226	12,074	9,608	10,576	10,801	13,525	40,552	44,511
Industrial Infra	9,162	10,851	10,974	13,565	9,251	12,426	11,317	12,538	44,552	45,532
Green Solutions	1,132	1,246	1,235	1,458	1,737	1,751	1,892	1,879	5,071	7,259
Chemical	1,608	1,879	1,606	1,541	1,708	1,903	1,916	2,539	6,634	8,066
Less: Intersegmental	(931)	(845)	(797)	(1,001)	(691)	(541)	(849)	(1,157)	(3,574)	(3,238)
Total revenues	19,330	23,025	23,244	27,637	21,613	26,116	25,078	29,323	93,235	1,02,130
Segmental EBIT										
Industrial Products	560	988	1,015	1,407	867	1,145	1,215	1,446	3,970	4,674
Margin (%)	6.7	10.0	9.9	11.7	9.0	10.8	11.3	10.7	9.8	10.5
Industrial Infra	303	573	389	825	(184)	882	13	427	2,089	1,138
Margin (%)	3.3	5.3	3.5	6.1	(2.0)	7.1	0.1	3.4	4.7	2.5
Green Solutions	100	80	133	137	230	216	180	209	449	835
Margin (%)	8.8	6.4	10.8	9.4	13.2	12.3	9.5	11.1	8.9	11.5
Chemical	265	345	331	296	304	306	264	417	1,238	1,291
Margin (%)	16.5	18.4	20.6	19.2	17.8	16.1	13.8	16.4	18.7	16.0

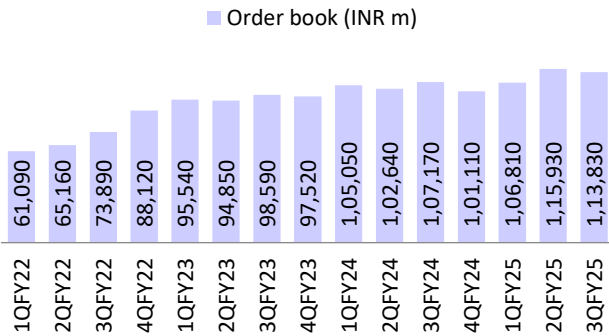


Conference call highlights

- **Order pipeline** – The strongest order pipeline in more than three years, particularly in power, steel, cement, refining, and petrochemical industries. Large projects had been forming but were delayed due to design changes and shifting timelines by customers. Additionally, the company has been selectively approaching larger government projects, owing to its past experience. January saw a major INR2b order closure, with 4QFY25 expected to cross INR30b in new orders and revenue. There is a need to secure consistent project inflows to manage the base cost of INR1b.
- **Industrial Products** – This segment has shown strong profitability and consistency, with 40% growth in order inflow and ~30% growth in the order book. The company has been focusing on expanding its heat pumps, gas upgradation, and zero liquid discharge solutions. Services within industrial products are highly profitable, with efforts to double service revenue. International expansion in biomass and waste-to-energy segments is a key growth driver. On the domestic side, a favorable policy environment for air pollution, water and wastewater, ZLD, ethanol, semiconductors, biomass, WTE, etc. will continue to bode well for the business going ahead.
- **Industrial Infra** There is a conscious reduction in exposure to government projects, while a selective approach will be adopted for future bids. A significant improvement in orders is expected next year. Investment is increasing in wastewater treatment, air pollution control, and desalinization plants. A push toward cleaner energy and industrial sustainability is driving new business opportunities.
- **Bio-CNG projects** - Bio-CNG has been a major area of investment, with over INR1b already spent. The company is facing issues due to low conversion rates from rice-based feedstock, volatility in moisture levels of feedstock, and government-regulated pricing environment. There is lobbying for subsidies on bio-CNG-derived fertilizers, which are a by-product of bio-CNG. The company has multiple plants stabilizing operations and expects orders to resume in 2HFY26. Business grew from Nil to INR0.5b+ and TMX is targeting INR2-3b in revenue in the next few years.
- **Green Solutions - TOESL**: Expects much higher ordering (INR0.5-1b) in 4Q, with a pipeline of ~INR10b. Business is self-sustaining, with low funding requirement. **FEPL**: Another disappointing quarter with heavy flooding in Chennai. FY26 losses will narrow down from the FY25 levels. While the 1GW target remains intact, the timeline will be a bit longer. Loan funding increased by ~INR3b.
- **Chemicals** – Faced a temporary dip in profitability due to a mix impact, but it is expected to recover in 4Q. TMX is investing in construction chemicals, flooring solutions (Vebro partnership), and a new yet-to-be-announced product segment. It acquired a new building for chemical expansion. TMX targets 16-18% PBIT margins in 4Q and sustained growth next year.
- **Subsidiaries – TBWES**: Doing extremely well with 8% margin and robust order book. There was an ~INR150m hit owing to a government customer.

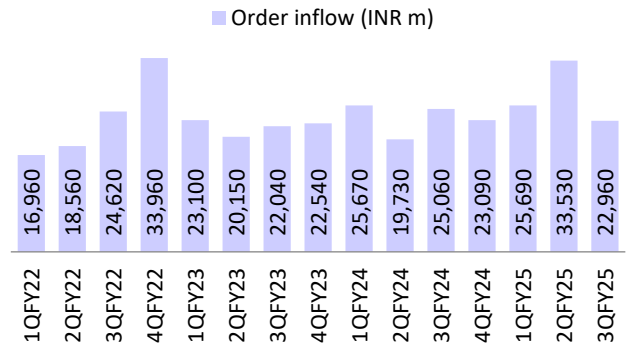
Key Exhibits

Exhibit 1: Order book has largely been stable while enquiry pipeline conversion is yet to materialize (INR m)



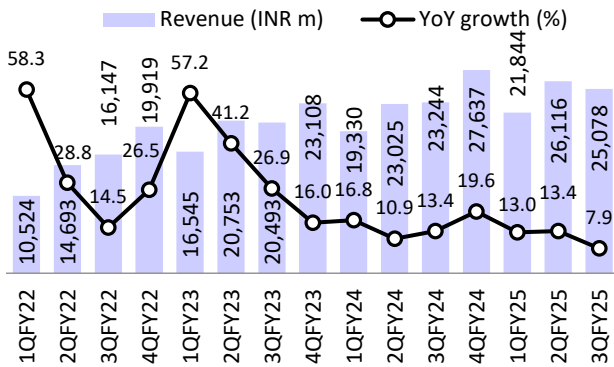
Source: Company, MOFSL

Exhibit 2: Order inflow declined 8% YoY, as large ordering momentum has been weak (INR m)



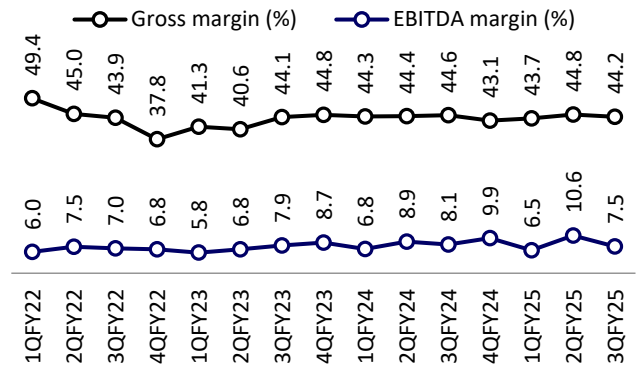
Source: Company, MOFSL

Exhibit 3: Revenue grew 8% YoY in 3QFY25 (INR m)



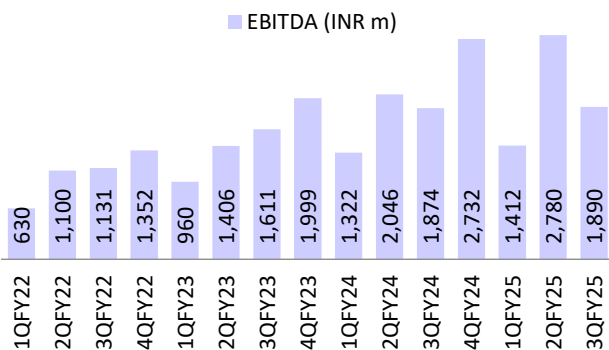
Source: Company, MOFSL

Exhibit 4: Margin contracted ~60bp YoY to 7.5% (%)



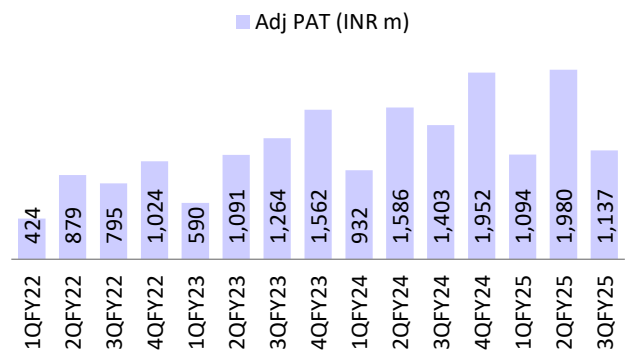
Source: Company, MOFSL

Exhibit 5: EBITDA was flat YoY in 3QFY25 (INR m)



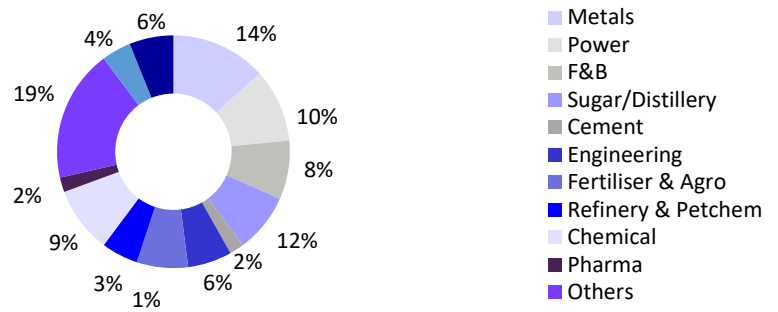
Source: Company, MOFSL

Exhibit 6: Adj PAT declined 19% YoY in 3QFY25 (INR m)



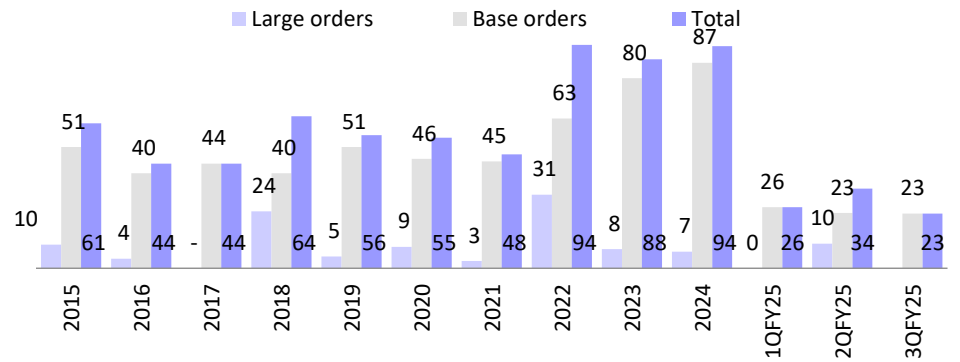
Source: Company, MOFSL

Exhibit 7: 3QFY25 order inflow breakup – INR22.9b



Source: Company, MOFSL

Exhibit 8: Large orders have been patchy (INR b)



Source: Company, MOFSL

Exhibit 9: TOESL has seen EBITDA margin and RoCE improvements in FY24 (INR m)

	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Income statement							
Total Income	654	1,018	1,288	1,274	2,180	3,486	4,575
Expenditure	503	849	1,134	1,040	1,974	3,217	3,720
EBITDA	150	169	154	235	206	269	855
EBITDA %	23.0	16.6	12.0	18.4	9.4	7.7	18.7
Depreciation	2.5	2.7	3.4	4.9	4.5	7.2	5.0
EBIT	148	166	151	230	201	262	850
Interest	9	7	9	18	22	52	92
PBT	139	159	142	212	179	210	758
Tax	38	45	16	40	48	50	91
Tax%	27.3	28.3	11.1	18.9	26.9	23.8	11.9
PAT	101	114	126	172	131	160	668
Balance sheet							
Share capital	187	187	187	423	723	723	1,083
Reserves	292	406	420	531	663	819	1,079
Net worth	478	592	606	954	1,386	1,542	2,161
Debt	28	-	115	117	578	909	1,196
Total liabilities	506	592	721	1,071	1,964	2,451	3,357
Net block	4	5	13	17	68	17	34
Cash and inv in subsidiary	132	184	60	327	328	341	532
Net WC and other assets	370	403	648	727	1,568	2,094	2,791
Total assets	506	592	721	1,071	1,964	2,451	3,357
RoE	21.1	19.3	20.9	18.0	9.5	10.4	30.9
RoCE	21.2	20.1	18.6	17.4	7.5	8.1	22.3

Exhibit 10: FEPL has seen a revenue ramp-up, but interest expenses remain high in its consolidated financials (INR m)

	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Income statement							
Total Income	197	219	185	28	266	193	911
Expenditure	222	235	232	17	252	347	556
EBITDA	-25	-16	-47	10	13	-154	355
EBITDA %	-12.6	-7.4	-25.4	36.6	5.0	-79.5	39.0
Depreciation	46	25	41	15	2	16	247
EBIT	-71	-41	-88	-5	11	-170	108
Interest	10	13	17	17	1	35	435
PBT	-81	-54	-105	-21	10	-205	-327
Tax	-	-	-	-	-	4	3
Tax%	-	-	-	-	-	2.1	0.9
PAT	-81	-54	-105	-21	10	-209	-330
Balance sheet							
Share capital	135	135	135	135	395	1,534	4,040
Reserves	-160	-215	-318	-340	-67	-336	-264
Net worth	-25	-80	-183	-205	327	1,198	3,776
Debt	111	135	190	195	41	5,994	8,890
Total liabilities	85	55	6	-10	368	7,193	12,666
Net block	77	119	22	2	338	5,018	11,860
Cash	8	10	38	108	393	1,234	333
Net WC and other assets	-0	-74	-54	-120	-362	940	473
Total assets	85	55	6	-10	368	7,193	12,666
RoE	317.8	68.0	57.0	10.4	3.0	-17.4	-8.8
RoCE	-82.8	-74.5	-1,461.1	48.2	2.9	-2.3	0.8

Source: Company, MOFSL

Financial outlook

Exhibit 11: Expect 12% revenue CAGR to be driven by 17% order inflow CAGR over FY24-27

	2023	2024	2025E	2026E	2027E
Industry Products					
Revenue	33,375	40,552	44,511	51,794	61,253
Growth (%)	29.6	21.5	9.8	16.4	18.3
Order inflow	41,720	43,290	51,948	59,740	67,506
Growth (%)	44.3	3.8	20.0	15.0	13.0
Order backlog	28,420	35,000	44,121	53,751	61,688
Growth (%)	42.0	23.2	26.1	21.8	14.8
EBIT	2,739	3,970	4,674	5,438	6,432
EBIT Margin (%)	8.2	9.8	10.5	10.5	10.5
Industrial Infra					
Revenue	39,280	44,552	45,532	50,183	54,710
Growth (%)	31.5	13.4	2.2	10.2	9.0
Order inflow	37,790	40,990	45,262	53,322	62,056
Growth (%)	(35.1)	8.5	5.0	20.0	15.0
Order backlog	63,080	56,820	56,551	59,689	67,036
Growth (%)	(1.0)	(9.9)	(0.5)	5.6	12.3
EBIT	2,168	2,089	1,138	2,007	2,462
EBIT Margin (%)	5.5	4.7	2.5	4.0	4.5
Green Solutions					
Revenue	3,627	5,071	7,259	7,298	8,310
Growth (%)	67.3	39.8	43.2	0.5	13.9
Order inflow	1,950	2,410	4,579	7,784	9,341
Growth (%)	53.5	23.6	90.0	70.0	20.0
Order backlog	5,920	7,910	5,230	5,717	6,748
Growth (%)	66.0	33.6	(33.9)	9.3	18.0
EBIT	150	449	835	839	956
EBIT Margin (%)	4.1	8.9	11.5	11.5	11.5
Chemical segment					
Revenue	6,728	6,634	8,066	9,482	11,471
Growth (%)	24.9	(1.4)	21.6	17.6	21.0
Order inflow	6,430	6,840	8,208	9,850	11,820
Growth (%)	13.0	6.4	20.0	20.0	20.0
Order backlog	1,090	1,380	1,522	1,889	2,238
Growth (%)	(15.0)	26.6	10.3	24.1	18.4
EBIT	865	1,238	1,291	1,612	1,950
EBIT Margin (%)	12.8	18.7	16.0	17.0	17.0
Sum of all segments					
Revenues	80,898	93,235	1,02,130	1,15,079	1,31,539
Growth (%)	32.0	15.2	9.5	12.7	14.3
EBIT	6,409	9,566	9,763	11,631	13,670
Margin (%)	7.9	10.3	9.6	10.1	10.4
Order inflow	87,890	93,530	1,09,997	1,30,696	1,50,723
Growth (%)	(6.6)	6.4	17.6	18.8	15.3
Order backlog	98,510	1,01,110	1,07,424	1,21,047	1,37,710
Growth (%)	11	3	6	13	14

Source: Company, MOFSL

Exhibit 12: We cut our estimates factoring in lower order inflows and lower margins

(INR M)	FY25E			FY26E			FY27E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	1,02,130	1,10,474	(7.6)	1,15,079	1,24,646	(7.7)	1,31,539	1,44,229	(8.8)
EBITDA	8,925	10,101	(11.6)	11,326	12,829	(11.7)	13,478	15,295	(11.9)
EBITDA (%)	8.7	9.1	-40 bps	9.8	10.3	-45 bps	10.2	10.6	-36 bps
Adj. PAT	6,452	7,102	(9.1)	7,758	8,906	(12.9)	9,282	10,725	(13.5)
EPS (INR)	57.3	63.1	(9.1)	68.9	79.1	(12.9)	82.4	95.2	(13.5)

Source: MOFSL

Financials and Valuation

Consolidated Income Statement							(INR m)
Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Total Income from Operations	47,913	61,283	80,898	93,235	1,02,130	1,15,079	1,31,539
Change (%)	-16.4	27.9	32.0	15.2	9.5	12.7	14.3
Raw Materials	25,386	34,850	46,247	52,196	56,682	63,869	73,004
Gross Profit	22,526	26,433	34,651	41,039	45,448	51,210	58,535
Employee Cost	7,588	8,129	9,542	11,483	12,882	13,246	14,608
Other Expenses	11,387	14,090	19,134	21,582	23,641	26,639	30,449
Total Expenditure	44,361	57,070	74,923	85,261	93,205	1,03,753	1,18,061
% of Sales	92.6	93.1	92.6	91.4	91.3	90.2	89.8
EBITDA	3,552	4,214	5,976	7,974	8,925	11,326	13,478
Margin (%)	7.4	6.9	7.4	8.6	8.7	9.8	10.2
Depreciation	1,146	1,132	1,169	1,481	1,494	1,935	2,185
EBIT	2,406	3,081	4,807	6,493	7,431	9,390	11,293
Int. and Finance Charges	206	252	376	876	1,125	1,245	1,245
Other Income	1,077	1,270	1,602	2,326	2,332	2,240	2,378
PBT bef. EO Exp.	3,277	4,100	6,033	7,943	8,638	10,386	12,426
EO Items	-525	0	0	755	0	0	0
PBT after EO Exp.	2,752	4,100	6,033	8,698	8,638	10,386	12,426
Total Tax	686	978	1,524	2,258	2,185	2,628	3,144
Tax Rate (%)	24.9	23.9	25.3	26.0	25.3	25.3	25.3
Minority Interest	0	0	2	8	0	0	0
Reported PAT	2,066	3,122	4,507	6,432	6,452	7,758	9,282
Adjusted PAT	2,460	3,122	4,507	5,873	6,452	7,758	9,282
Change (%)	15.8	26.9	44.4	30.3	9.9	20.2	19.6
Margin (%)	5.1	5.1	5.6	6.3	6.3	6.7	7.1

Consolidated Balance Sheet							(INR m)
Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Equity Share Capital	225	225	225	225	225	225	225
Total Reserves	32,289	34,700	38,446	44,173	49,049	55,118	62,711
Net Worth	32,514	34,925	38,671	44,398	49,274	55,343	62,936
Minority Interest	0	0	22	0	0	0	0
Total Loans	3,051	3,554	8,105	12,560	15,560	15,560	15,560
Deferred Tax Liabilities	-1,540	-1,271	-1,057	-963	-963	-963	-963
Capital Employed	34,024	37,208	45,741	55,995	63,871	69,940	77,533
Gross Block	20,168	20,442	22,145	30,206	36,206	41,206	46,206
Less: Accum. Deprn.	7,777	8,525	9,694	11,175	12,669	14,604	16,789
Net Fixed Assets	12,390	11,917	12,451	19,031	23,537	26,601	29,416
Capital WIP	242	474	4,338	5,248	5,773	6,350	6,985
Total Investments	2,375	14,765	16,370	17,681	17,681	17,681	17,681
Curr. Assets, Loans & Adv.	48,452	46,153	54,141	58,485	65,571	74,171	86,162
Inventory	4,047	7,270	7,556	7,649	8,379	9,441	10,791
Account Receivables	13,380	15,972	18,766	22,671	24,834	27,982	31,985
Cash and Bank Balance	19,392	9,535	11,316	9,753	12,190	14,023	17,410
Loans and Advances	943	1,087	1,476	1,852	2,029	2,286	2,613
Other Current Assets	10,690	12,288	15,027	16,560	18,140	20,440	23,363
Curr. Liability & Prov.	29,434	36,101	41,559	44,450	48,691	54,864	62,712
Other Current Liabilities	27,224	33,709	39,128	40,972	44,881	50,572	57,805
Provisions	2,210	2,392	2,431	3,478	3,809	4,292	4,906
Net Current Assets	19,018	10,051	12,581	14,035	16,880	19,307	23,451
Appl. of Funds	34,024	37,208	45,741	55,995	63,871	69,940	77,533

Financials and Valuation

Ratios							
Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Basic (INR)							
EPS	21.9	27.7	40.0	52.2	57.3	68.9	82.4
Cash EPS	32.0	37.8	50.4	65.3	70.6	86.1	101.8
BV/Share	288.8	310.2	343.4	394.3	437.6	491.5	558.9
DPS	7.0	9.0	10.0	10.0	14.0	15.0	15.0
Payout (%)	45.9	32.5	25.0	17.5	24.4	21.8	18.2
Valuation (x)							
P/E	228.8	180.3	124.9	95.8	59.1	49.2	41.1
Cash P/E	156.1	132.3	99.2	76.5	48.0	39.4	33.3
P/BV	17.3	16.1	14.6	12.7	7.7	6.9	6.1
EV/Sales	11.4	9.1	6.9	6.1	3.8	3.3	2.9
EV/EBITDA	153.8	132.1	93.6	70.9	43.1	33.8	28.2
Dividend Yield (%)	0.1	0.2	0.2	0.2	0.4	0.4	0.4
FCF per share	60.9	21.4	-16.9	-41.8	-1.7	22.4	35.0
Return Ratios (%)							
RoE	7.8	9.3	12.2	14.1	13.8	14.8	15.7
RoCE	7.7	9.0	11.2	12.6	12.0	12.8	13.7
RoIC	12.7	19.2	27.5	26.0	21.5	23.3	25.1
Working Capital Ratios							
Fixed Asset Turnover (x)	2.4	3.0	3.7	3.1	2.8	2.8	2.8
Asset Turnover (x)	1.4	1.6	1.8	1.7	1.6	1.6	1.7
Inventory (Days)	31	43	34	30	30	30	30
Debtor (Days)	102	95	85	89	89	89	89
Creditor (Days)	207	201	177	160	160	160	160
Leverage Ratio (x)							
Current Ratio	1.6	1.3	1.3	1.3	1.3	1.4	1.4
Interest Cover Ratio	11.7	12.2	12.8	7.4	6.6	7.5	9.1
Net Debt/Equity	-0.6	-0.6	-0.5	-0.3	-0.3	-0.3	-0.3
Consolidated Cash Flow Statement							
							(INR m)
Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
OP/(Loss) before Tax	2,752	4,101	6,033	8,698	8,638	10,386	12,426
Depreciation	1,146	1,132	1,169	1,481	1,494	1,935	2,185
Interest & Finance Charges	118	135	260	837	1,125	1,245	1,245
Direct Taxes Paid	-938	-1,030	-1,512	-1,863	-2,185	-2,628	-3,144
(Inc)/Dec in WC	4,734	-5	-628	-4,760	-408	-595	-756
CF from Operations	7,811	4,333	5,321	4,392	8,663	10,344	11,956
Others	-117	-1,084	-726	-1,919	-2,332	-2,240	-2,378
CF from Operating incl EO	7,695	3,248	4,596	2,473	6,331	8,103	9,578
(Inc)/Dec in FA	-834	-838	-6,499	-7,185	-6,525	-5,577	-5,635
Free Cash Flow	6,861	2,411	-1,904	-4,712	-194	2,526	3,943
(Pur)/Sale of Investments	-5,789	-4,263	-993	1,222	0	0	0
Others	266	885	696	872	2,332	2,240	2,378
CF from Investments	-6,357	-4,216	-6,797	-5,092	-4,193	-3,337	-3,257
Inc/(Dec) in Debt	891	762	4,481	4,306	3,000	0	0
Interest Paid	-118	-135	-256	-821	-1,125	-1,245	-1,245
Dividend Paid	0	-788	-1,021	-1,128	-1,576	-1,689	-1,689
Others		-45	-98	-102	0	0	0
CF from Fin. Activity	772	-206	3,485	2,854	299	-2,934	-2,934
Inc/Dec of Cash	2,110	-1,173	1,284	235	2,437	1,833	3,387
Opening Balance	4,761	19,392	9,535	11,316	9,753	12,190	14,023
Closing Balance	19,392	9,535	11,316	9,753	12,190	14,023	17,410

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