13 November 2025
2QFY26 Results Update | Sector: Automobile

Samvardhana Motherson

Estimate changes	↑
TP change	↑
Rating change	↔

Bloomberg	MOTHERSO IN
Equity Shares (m)	10554
M.Cap.(INRb)/(USDb)	1151.8 / 13
52-Week Range (INR)	116 / 72
1, 6, 12 Rel. Per (%)	2/10/-7
12M Avg Val (INR M)	2260

MOTHERSO: Financials & Valuations

INR Billion	2026E	2027E	2028E
Sales	1,242	1,360	1,505
EBITDA	108.0	129.7	146.9
Adj. PAT	36.9	52.1	62.7
EPS (Rs)	3.5	4.9	5.9
EPS Growth (%)	-2.9	41.1	20.3
BV/Share (Rs)	35.0	38.4	42.6
Ratios			
Net D:E	-0.1	-0.2	-0.3
RoE (%)	10.2	13.3	14.5
RoCE (%)	9.1	11.1	12.1
Payout (%)	30.0	30.0	30.0
Valuations			
P/E (x)	31.5	22.4	18.6
P/BV (x)	3.1	2.8	2.6
Div. Yield (%)	0.9	1.3	1.6
FCF Yield (%)	7.7	6.0	7.2

Shareholding pattern (%)

As Of	Sep-25	Jun-25	Sep-24
Promoter	48.6	48.6	58.1
DII	21.0	20.8	19.9
FII	12.0	12.6	13.5
Others	18.4	18.0	8.5

FII includes depository receipts

CMP: INR109 TP: INR129 (+18%) Buy

Margins remain resilient despite adverse macro

Margins likely to improve in 2H

- Samvardhana Motherson's (SAMIL) 2QFY26 adjusted PAT at INR8.6b was well above our estimate of INR6.3b, growing 15% YoY. Its margin has remained stable YoY at 8.7% despite the adverse global macro headwinds, which is commendable.
- Given the better-than-expected performance in 2Q despite adverse global macro, we raise our earnings estimates by 9%/4% for FY26/FY27. We expect SAMIL to continue to outperform global automobile sales, fueled by rising premiumization and EV transition, a robust order backlog in autos and non-autos, and successful integration of recent acquisitions. Given the long-term growth opportunities, **we reiterate our BUY rating on the stock** with a revised TP of INR129, based on 24x Sep'27E EPS.

Margins remain stable YoY despite adverse macro

- **Consolidated revenue** grew 8.5% YoY to INR 301.7b (in line with our estimate of INR 298.3b). Adjusted PAT of INR8.6b in 2Q beat our estimate of INR6.3b. Adj. PAT grew ~15% YoY, aided by improved business performance and a reduction in finance costs.
- EBITDA margin was largely stable YoY at 8.7%, which was above our estimate of 7.8%. Margins have remained stable despite the adverse global macro headwinds, which is commendable. Transformative measures are ongoing in Western and Central Europe, with improvements already visible and expected to accelerate in 2HFY26.
- On a segmental basis, the two segments that dragged overall performance were wiring harness (margin down 70bp YoY to 10.5% and below our est. of 11.3%) and emerging business (margin down 380bp to 8.7% and below our estimate of 9%). The wiring harness business was hit by cyclicality in the American CV market, while the emerging business faced business mix issues.
- Most of the other segments' performance was largely in line: Modules and Polymers margins remained stable YoY at 7.4%, Vision Systems remained flat at 9.2%, and Integrated Assemblies gained 30bp to 12.2%.
- Net debt has increased to INR116b from INR112b QoQ due to higher working capital on tariff-led uncertainties.
- Total capex spend as of 1H stood at INR26.5b, with full-year guidance at INR60b. Cash flow from operations stood at INR34.2b, and hence, SAMIL was net cash positive, generating a cash balance of INR7.7b in 1HFY26.

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Key highlights from the management commentary

- SAMIL continued to outperform industry growth with its 2Q revenues up 8.5% relative to global LV market growth of ~3%
- Management expects net debt / EBITDA to reduce to 0.9x by FY26 end
- Capex guidance is maintained at INR60b for FY26 with current quarter capex standing at INR14.5b (INR26.5b for 1HFY26)
- Order book worth USD87.2b has been generated with USD3b in non-auto related orders. EV share in automotive booked business has dipped from 24% at the end of FY25 to 22% in this quarter.
- SAMIL has incurred ~USD10m in tariff-related costs. Given that most of their facilities are close to customers, their impact has been minimal, considering the global scale of their business.
- Management noted that the Nexperia chip crisis will have minimal impact on their business as customers are actively working around it, and the company remains optimistic about the resolution soon.

Valuation and view

Given the better-than-expected performance in 2Q despite adverse global macro, we raise our earnings estimates by 9%/4% for FY26/FY27. Management has alluded to its next five-year revenue growth aspiration, which now stands at a staggering USD108b. We expect SAMIL to continue to outperform global automobile sales, fueled by rising premiumization and EV transition, a robust order backlog in autos and non-autos, and successful integration of recent acquisitions. While the ongoing tariff issue may lead to some near-term slowdown in some of its key geographies, we expect SAMIL to be the least impacted by these tariffs as it has all its facilities close to its customers and can effectively realign supplies as per customer needs. Further, this is likely to lead to industry consolidation, with players like SAMIL likely to emerge as key beneficiaries in the long run. Given the long-term growth opportunities, **we reiterate our BUY rating** with a revised TP of INR129, based on 24x Sept-27E EPS.

Quarterly performance (Consol.) **(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E		var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**288,680**	**278,119**	**276,659**	**293,168**	**302,120**	**301,730**	**316,887**	**321,301**	**1,136,626**	**1,242,038**	**298,356**	1
YoY Change (%)	28.5	18.2	7.9	9.1	4.7	8.5	14.5	9.6	15.4	9.3	7.3	
EBITDA	**27,753**	**24,479**	**26,858**	**26,429**	**24,583**	**26,107**	**28,203**	**29,091**	**105,519**	**107,985**	**23,415**	11
Margins (%)	9.6	8.8	9.7	9.0	8.1	8.7	8.9	9.1	9.3	8.7	7.8	
Depreciation	10,646	11,028	11,124	12,137	12,297	12,179	12,500	12,959	44,934	49,934	12,350	
Interest	4,445	5,462	4,661	4,256	4,250	3,865	3,700	3,825	18,824	15,641	4,100	
Other income	709	862	1,112	1,164	805	1,212	1,250	1,474	5,577	4,741	1,250	
PBT before EO expense	**13,371**	**8,852**	**12,185**	**11,200**	**8,841**	**11,275**	**13,253**	**13,781**	**47,338**	**47,151**	**8,215**	37
Extra-Ord expense	0	-1,730	0	1,730	1,365	362	0	0	0	1,727	0	
PBT after EO Expense	**13,371**	**10,582**	**12,185**	**9,470**	**7,476**	**10,914**	**13,253**	**13,781**	**47,338**	**45,424**	**8,215**	
Tax Rate (%)	26.0	33.2	27.7	12.2	30.1	34.7	22.0	20.2	23.6	26.0	27.0	
Min. Int & Share of profit	-51	-1,152	26	-672	-300	-1,270	-554	-399	-1,848	-2,523	-343	
Reported PAT	**9,942**	**8,797**	**8,786**	**8,775**	**5,118**	**8,270**	**10,892**	**11,403**	**38,030**	**35,683**	**6,340**	
Adj PAT	**9,942**	**7,470**	**8,790**	**10,030**	**6,210**	**8,559**	**10,892**	**11,403**	**38,030**	**36,943**	**6,340**	35
YoY Change (%)	65.5	65.7	62.2	9.4	-37.5	14.6	23.9	13.7	51.5	-2.9	-15.1	

E: MOFSL Estimates

Key performance indicators

(INR Million)

Y/E March	FY25				FY26E				FY25	FY26E	2QE
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			
Business-wise Revenue (INR m)											
Wiring harness	83,260	81,110	78,290	85,940	86,400	85,496	88,706	89,352	328,610	349,954	84,423
Modules & Polymer products	151,930	146,400	146,140	153,590	150,080	153,738	159,147	157,736	598,060	620,702	150,781
Vision systems	49,970	48,070	47,290	49,720	51,370	50,838	52,299	54,607	195,060	209,114	51,506
Integrated assemblies	25,230	25,280	26,600	23,980	28,190	25,801	31,023	29,266	101,090	117,065	28,299
Emerging businesses	25,910	29,050	26,930	32,280	37,020	40,013	41,472	46,663	114,180	165,168	40,670
Less: Inter-segment	12,330	12,070	9,910	13,200	12,030	12,099	12,684	12,950	47,550	49,763	13,088
Less: Revenues of Associates/JVs	35,290	39,720	38,680	39,140	38,910	42,058	43,077	46,158	152,830	170,202	44,235
Net Revenues	**288,680**	**278,120**	**276,660**	**293,170**	**302,120**	**301,730**	**316,887**	**318,516**	**1,136,620**	**1,242,038**	**298,356**
Business-wise EBITDA Margins (%)											
Wiring harness	11.7	11.2	11.8	12.4	11.4	10.5	10.8	10.4	11.8	10.8	11.3
Modules & Polymer products	8.7	7.4	8.0	6.5	6.4	7.4	7.2	8.8	7.7	7.5	6.8
Vision systems	9.5	9.2	9.2	12.0	9.2	9.2	9.2	9.8	10.0	9.4	9.2
Integrated assemblies	10.1	11.9	13.3	10.6	11.4	12.2	12.0	11.1	11.5	11.4	11.8
Emerging businesses	12.2	13.3	13.4	12.1	8.3	9.5	10.5	11.3	12.7	10.0	9.0
Consol EBITDA Margins (%)	**9.6**	**8.8**	**9.7**	**9.0**	**8.1**	**8.7**	**8.9**	**9.1**	**9.6**	**8.8**	**7.8**

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

CONFERENCE CALL

Highlights from the management commentary

- **Operation updates:** SAMIL currently has 10 greenfield projects at various stages of completion spread across India, Poland, the UAE, and Morocco. During the current quarter, two of these were operationalized – one for the wiring harness division and another for consumer electronics. The remaining are expected to start operations over FY26-FY28: Technology and Industrial Solutions greenfield project SOP planned by 4QFY26, Lighting and Electronics by 2QFY27, Modules and Polymers and Elastomers by 1QFY27, and Vision Systems by 1QFY28.
- SAMIL additionally announced three strategic acquisitions during the quarter. The acquisition of Yutaka Giken deepens their partnership with Honda Motors while simultaneously adding advanced capabilities in motor rotors, stator assemblies, drive and brake systems, and thermal management solutions. The purchase of Rubbertec in Australia enhances its elastomer product portfolio and strengthens vertical integration within the polymer business. The acquisition of Rider Dome in Singapore marks SAMIL's entry into Advanced Rider Assistance Systems (ARAS) for the two-wheeler segment, positioning it for growth in intelligent safety systems.
- **SAMIL outperforms industry:** While SAMIL revenue grew 8.5% YoY in 2Q, the global LV market growth stood at ~3%. Revenue growth included the benefit from currency translation (Euro-INR) of about 3% and the Atsumitec acquisition (~3%). However, when one compares the sharp decline seen in the US Class 8 market (which was down 25% YoY) where SAMIL has an exposure, it is clear that SAMIL has outperformed the industry even on a like-for-like basis.
- **Financial performance and capital allocation:** Effective net debt rose to INR116b (vs. INR113b QoQ) due to expanded working capital and sharp forex volatility; leverage ratio stood at 1.1x (flat QoQ). Management expects the same to reduce further to 0.9x by FY26-end.
- Capex guidance is maintained at INR60b for FY26, with current quarter capex standing at INR14.5b (INR26.5b for 1HFY26).

Segmental updates

- **Wiring Harness**: Revenue grew 4.7% YoY to INR85.5b, with margins slightly lower at 10.5% (vs. 11.2% YoY) due to weak demand in the US Class 8 market, and early-stage greenfield integration cost. Revenue growth was supported by content increase and the ramp-up of new programs. One new greenfield facility is expected to start SOP in Q1FY27.
- **Vision Systems**: Both revenue and margins were flat YoY at INR50.8b and 9.2% respectively. New model launches and OEM programs in Europe and Asia helped maintain the revenue trajectory. A new greenfield plant is planned in the UAE for 1QFY28.
- **Integrated Assemblies**: Revenue was up 8.2% YoY at INR25.8b; margins expanded 30bps YoY to 11.8% on operating efficiencies and new order wins. Three greenfield sites in China and Mexico are coming up to support new/existing customers.
- **Emerging business** margins declined 380b YoY to 9.5% due to: 1) start-up costs of greenfields at the Consumer Electronics division; 2) weak business mix.

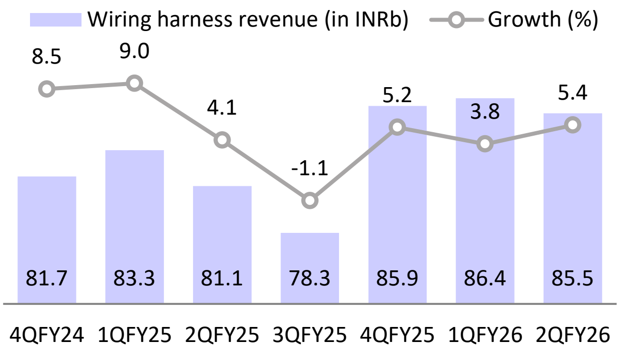
- **Modules and Polymers** business grew 12.3% YoY to INR153.7b. Strategic acquisitions in Europe, internal restructuring, and completion of transitory work, coupled with the use of automation and AI for efficiency gains, have led to this robust growth. Margins remained flat YoY at 7.4%.
- **Consumer Electronics**: The Consumer Electronics vertical achieved a 36% sequential revenue increase (September run rate) and continues to ramp up production. Two plants are operational, and Motherson's largest-ever facility is scheduled for SOP by 3QFY27.
- **Aerospace**: The Aerospace business achieved 37% YoY revenue growth in H1 FY26. SAMIL has been empaneled as a Tier-1 supplier with Airbus, opening high-value complex RFQ opportunities. With 17 facilities across four countries, the division offers near-shore and cost-efficient manufacturing options to OEMs.
- Aerospace and consumer electronics combined booked business reached USD3b, up from USD2.7b in Mar'25.

Other key takeaways

- Order book worth USD87.2b has been generated with USD3b in non-auto related orders. EV share in automotive booked business has dipped from 24% at the end of FY25 to 22% in this quarter. The primary reason for this dip was a slowdown in EV adoption.
- SAMIL has incurred ~USD10m in tariff-related costs. Given that most of their facilities are close to customers, their impact has been minimal, considering the global scale of their business.
- SAMIL is currently supplying to 7 out of the top 10 new energy vehicle Chinese players and is actively supporting them in their production outside China.
- Management noted that the Nexperia chip crisis will have minimal impact on their business as customers are actively working around it, and they remain optimistic about its resolution soon.
- The company has increased its exposure to Gen-AI by setting up a global capability center that is expected to open by Q4FY26. They plan to add ~5000 engineers over the course of the next 5 years.

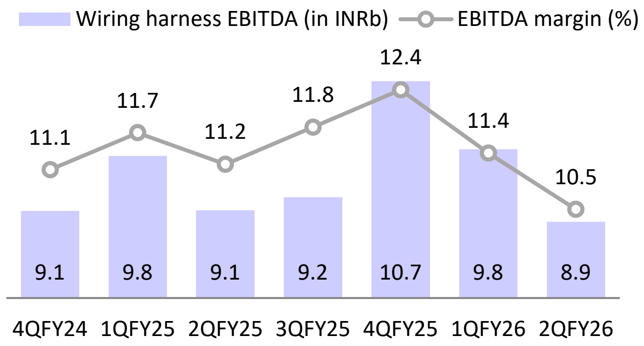
Key exhibits

Exhibit 1: Trends in wiring harness revenue and growth



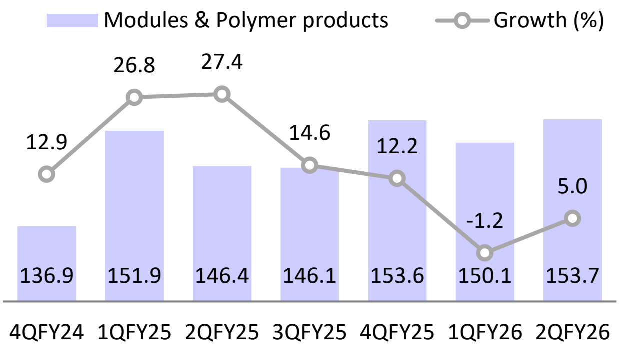
Source: Company, MOFSL

Exhibit 2: Wiring harness EBITDA and EBITDA margin trends



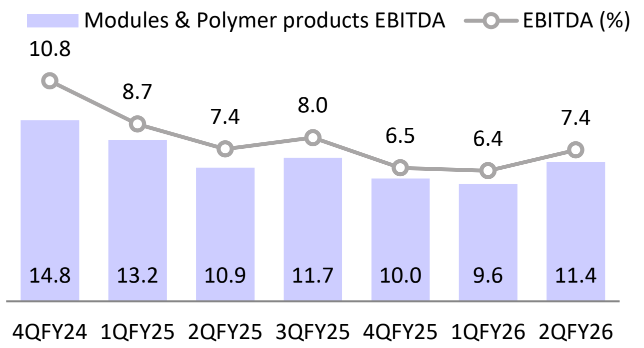
Source: Company, MOFSL

Exhibit 3: Trends in modules and polymer products revenue



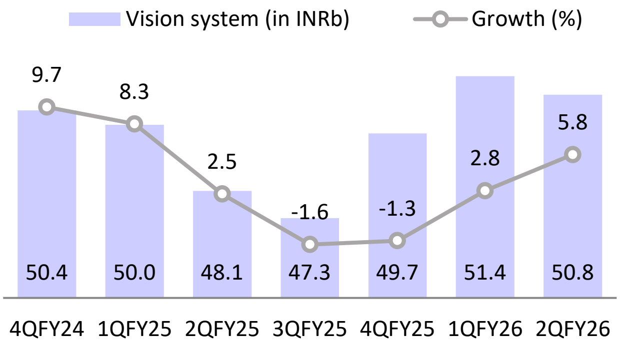
Source: Revenues in INRb, Company, MOFSL

Exhibit 4: Modules & polymer product EBITDA margin trends



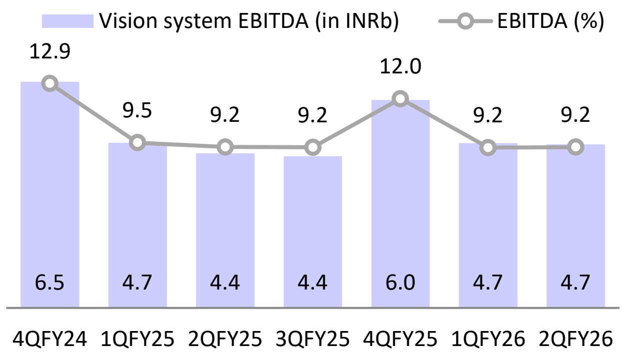
Source: EBITDA in INRb, Company, MOFSL

Exhibit 5: Trend in vision systems revenue



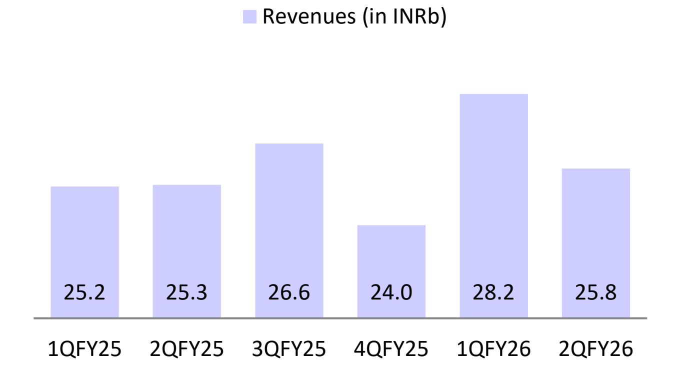
Source: Company, MOFSL

Exhibit 6: Vision systems EBITDA margin



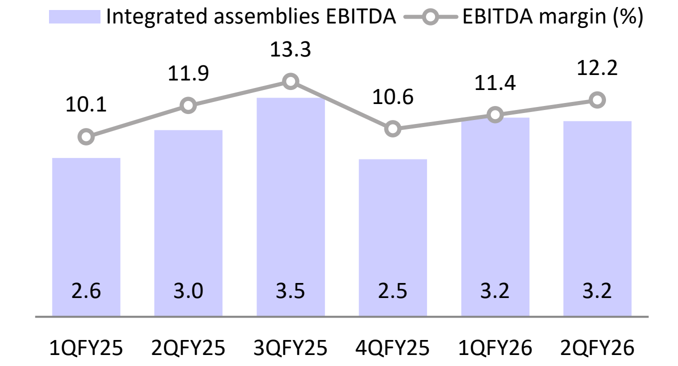
Source: Company, MOFSL

Exhibit 7: Trend in integrated assemblies revenue



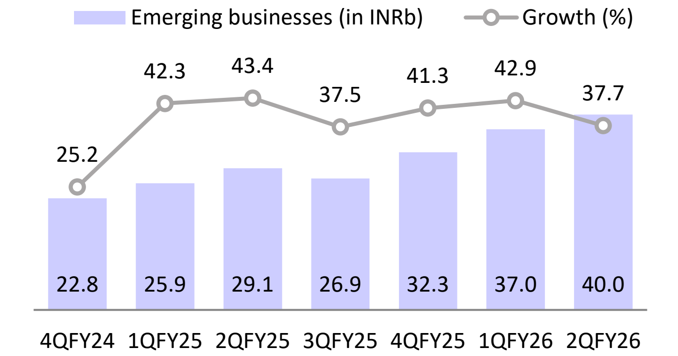
Source:, Company, MOFSL

Exhibit 8: Integrated assemblies EBITDA margin



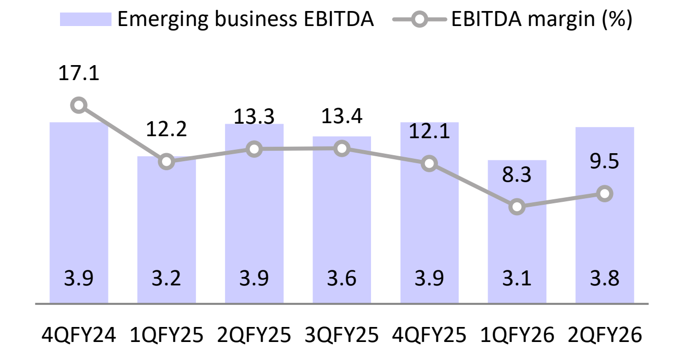
Source: EBITDA in INRb, Company, MOFSL

Exhibit 9: Trend in emerging businesses' revenue



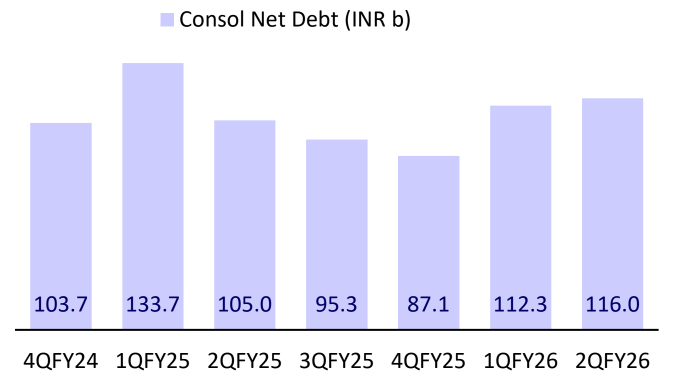
Source: Company, MOFSL

Exhibit 10: Emerging businesses' EBITDA margin



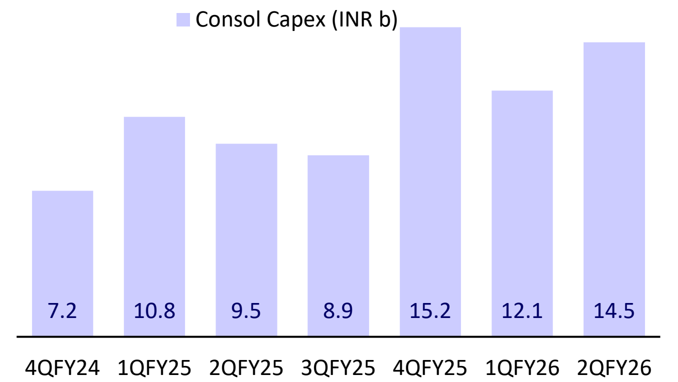
Source: EBITDA in INR b, Company, MOFSL

Exhibit 11: Trend in Capex (INR b)



Source: Company, MOFSL

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



Source: Company, MOFSL

Valuation and view

- **Well-diversified business model:** Over the years, SAMIL has developed a well-diversified business model that focuses on its principle of 3CX10 (vs. 3CX15 earlier) – this implies no country, customer, or client should account for more than 10% of its revenue. This has helped the company achieve steady growth regardless of the end-market demand environment (achieved 9% revenue CAGR vs. 3% compounded volume decline in the global auto industry over the last five years). It is among the top 3 players globally for exterior rear-view mirrors, a market leader in PV wiring harnesses in India, and a major player in wiring harnesses for CVs in North America and Europe. Additionally, the company is a critical supplier of polymer parts to luxury OEMs worldwide, one of the leading lighting suppliers in India, and one of the largest shock absorber exporters from India.
- **To be a key beneficiary of evolving megatrends in Autos:** SAMIL is emerging as one of the major beneficiaries of the rising premiumization trend and EV transition, which in turn should drive higher content going forward. The following are some of the indicators of increasing content per vehicle for SAMIL: when transitioning to sedans and SUVs, content surges 1.4-1.5x for wiring harnesses, 1.4-1.7x for bumpers, 1.2-2.5x for door panels, and 1.7-3.0x for rear-view mirrors. Similarly, transitioning from ICE to EVs results in a 2.4x increase in the content for 4W wiring harnesses, an 8x increase for 2W wiring harnesses, a 1.5x increase for bumpers, a 3.3x increase for door panels, and a 1.4x increase for mirrors. These favorable trends have led to a notable ramp-up in its order book.
- **Closure of recent acquisitions provides huge growth opportunities:** Taking advantage of the global macro headwinds and at the customer's behest, SAMIL has acquired 15 entities since Sep'22, whose combined pro forma net revenue stood at USD2.8b. Apart from this, these entities offer multiple synergy benefits, which include the company's entry into the Japanese supplier network (Yachio + Ichikoh), evolution as a cockpit assembler (SAS), complementary new segment addition (Yachio + Dr. Schneider), and strong opportunities in aerospace and medical equipment (Cirma, AD Industries, Irillic, and SMAST). These acquisitions provide SAMIL with significant growth opportunities in the long run, in our view.
- **Aggressive targets indicate ambitions; a disciplined approach has been the key:** SAMIL has a track record of setting ambitious five-year targets since 2000. Its 2025 targets include revenue of USD36b, RoCE and dividend payout of 40%, and 3CX10. While most of its targets until 2015 have been achieved, it missed its 2020 target by a margin and is likely to miss its target even in 2025. However, management has always refrained from acquiring entities solely to meet its targets, as was evident immediately after Covid-19. Thus, while its aggressive targets highlight management's growth aspirations, its disciplined approach would help generate long-term shareholder returns, in our view. The same can also be highlighted by the fact that it has acquired 15 entities since Sep'22, after patiently waiting throughout the entire Covid period for the right opportunity.
- **Valuation and view:** Given the better-than-expected performance in 2Q despite adverse global macro, we raise our earnings estimates by 9%/4% for FY26/FY27. Management has alluded to its next five-year revenue growth aspiration, which now stands at a staggering USD108b. We expect SAMIL to continue to outperform global automobile sales, fueled by rising premiumization and EV transition, a robust order backlog in autos and non-autos, and successful

integration of recent acquisitions. While the ongoing tariff issue may lead to some near-term slowdown in some of its key geographies, we expect SAMIL to be the least impacted by these tariffs as it has all its facilities close to its customers and can effectively realign supplies as per customer needs. Further, this is likely to lead to industry consolidation, with players like SAMIL likely to emerge as key beneficiaries in the long run. Given the long-term growth opportunities, **we reiterate our BUY rating** with a revised TP of INR129, based on 24x Sept-27E EPS.

Exhibit 13: Our revised estimates (consolidated)

(INR M)	FY26E			FY27E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Net Sales	1,242,038	1,238,003	0.3	1,360,198	1,339,955	1.5
EBITDA	107,985	105,334	2.5	129,707	127,762	1.5
EBITDA (%)	8.7	8.5	20bp	9.5	9.5	0bp
Adj. PAT	36,943	33,766	9.4	52,110	49,902	4.4
EPS (INR)	3.5	3.2	9.4	4.9	4.7	4.4

Source: Company, MOFSL

Financials and valuations

Consolidated - Income Statement								(INR M)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Total Income from Operations	**582,250**	**637,740**	**787,881**	**984,947**	**1,136,626**	**1,242,038**	**1,360,198**	**1,504,810**
Change (%)	-4.1	9.5	23.5	25.0	15.4	9.3	9.5	10.6
Raw Materials	325,979	367,363	453,174	544,147	610,522	690,447	749,263	834,033
Employees Cost	140,996	153,746	179,314	235,385	283,870	298,063	312,966	328,615
Other Expenses	63,135	69,637	93,032	115,209	136,715	145,542	168,262	195,241
Total Expenditure	**530,110**	**590,746**	**725,519**	**894,741**	**1,031,107**	**1,134,053**	**1,230,490**	**1,357,889**
% of Sales	91.0	92.6	92.1	90.8	90.7	91.3	90.5	90.2
EBITDA	**46,880**	**46,994**	**62,362**	**90,206**	**105,519**	**107,985**	**129,707**	**146,922**
Margin (%)	8.1	7.4	7.9	9.2	9.3	8.7	9.5	9.8
Depreciation	30,260	29,582	31,358	38,105	44,934	49,934	54,974	60,014
EBIT	**16,620**	**17,412**	**31,003**	**52,101**	**60,585**	**58,051**	**74,733**	**86,907**
Interest Charges		5,426	7,809	18,112	18,824	15,641	11,919	9,715
PBT bef. EO Exp.	**16,620**	**14,562**	**24,890**	**35,865**	**47,338**	**47,151**	**68,028**	**82,928**
Tax Rate (%)	33.6	43.1	29.6	27.4	23.6	27.0	27.0	27.0
MI and Income from associates	440	-290	2,178	658	-1,848	-2,523	-2,449	-2,141
Reported PAT	**10,590**	**8,304**	**15,306**	**27,162**	**38,030**	**35,683**	**52,110**	**62,679**
Adjusted PAT	**10,590**	**8,237**	**15,344**	**25,108**	**38,030**	**36,943**	**52,110**	**62,679**
Change (%)	30.8	-22.2	86.3	63.6	51.5	-2.9	41.1	20.3

Consolidated - Balance Sheet								(INR M)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Equity Share Capital	4,518	4,518	6,776	6,776	7,115	10,673	10,673	10,673
Total Reserves	121,088	201,365	217,739	254,773	341,688	363,109	399,586	443,461
Net Worth	**125,606**	**205,882**	**224,515**	**261,549**	**348,804**	**373,782**	**410,259**	**454,134**
Minority Interest	40,233	17,763	19,254	20,606	22,482	25,738	29,481	33,787
Total Loans	107,580	127,609	121,657	173,513	146,437	137,937	126,937	115,937
Deferred Tax Liabilities	-10,224	-11,486	-13,645	-20,746	-24,413	-24,413	-24,413	-24,413
Capital Employed	**263,195**	**339,768**	**351,781**	**434,922**	**493,309**	**513,042**	**542,263**	**579,444**
Net Fixed Assets	**192,782**	**175,128**	**188,750**	**237,877**	**259,358**	**269,424**	**269,449**	**264,435**
Goodwill	24,718	33,743	37,726	57,501	65,540	65,540	65,540	65,540
Capital WIP	8,769	13,097	14,779	24,978	26,457	26,457	26,457	26,457
Total Investments	**2,581**	**7,212**	**6,834**	**8,976**	**72,906**	**106,906**	**160,906**	**214,906**
Curr. Assets, Loans&Adv.	**178,716**	**194,908**	**227,640**	**350,435**	**432,388**	**399,381**	**407,110**	**433,606**
Inventory	49,956	64,417	78,228	91,386	107,873	114,046	124,765	137,363
Account Receivables	56,931	65,731	85,135	156,371	174,307	146,630	160,412	176,610
Cash and Bank Balance	59,367	48,775	45,381	67,432	56,426	77,631	55,085	45,868
Loans and Advances	12,463	15,985	18,897	35,246	93,782	61,075	66,848	73,765
Curr. Liability & Prov.	**207,430**	**211,447**	**253,091**	**394,549**	**410,751**	**402,076**	**434,610**	**472,911**
Account Payables	111,407	124,775	141,363	226,172	236,692	260,361	286,397	315,037
Other Current Liabilities	89,575	81,567	106,258	156,687	164,114	128,104	133,306	141,383
Provisions	6,449	5,104	5,471	11,690	9,945	13,611	14,906	16,491
Net Current Assets	**-28,714**	**-16,538**	**-25,451**	**-44,115**	**21,637**	**-2,695**	**-27,500**	**-39,305**
Other non-current asset	63,060	127,126	129,145	149,705	47,410	47,410	47,410	47,410
Appl. of Funds	**263,195**	**339,768**	**351,781**	**434,922**	**493,309**	**513,042**	**542,263**	**579,444**

Financials and valuations

Ratios								
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
Basic (INR)								
EPS	**1.0**	**0.8**	**1.4**	**2.4**	**3.6**	**3.5**	**4.9**	**5.9**
BV/Share	11.8	19.3	21.0	24.5	32.7	35.0	38.4	42.6
DPS	0.6	0.3	0.4	0.5	1.1	1.0	1.5	1.8
Payout (%)	64.0	35.4	28.8	20.0	30.0	30.0	30.0	30.0
Valuation (x)								
P/E	110.0	141.4	75.9	46.4	30.6	31.5	22.4	18.6
P/BV	9.3	5.7	5.2	4.5	3.3	3.1	2.8	2.6
EV/Sales	2.0	1.9	1.5	1.2	1.1	0.9	0.9	0.8
EV/EBITDA	24.0	25.7	18.7	13.2	11.1	10.6	8.9	7.8
Dividend Yield (%)	0.6	0.3	0.4	0.5	1.0	0.9	1.3	1.6
FCF per share (Eco. Int. basis)	2.9	0.0	2.3	3.3	1.7	8.4	6.6	7.9
Return Ratios (%)								
RoE	8.9	5.0	7.1	10.3	12.5	10.2	13.3	14.5
RoCE (post-tax)	4.2	3.8	6.7	10.0	10.9	9.1	11.1	12.1
RoIC	5.6	4.3	7.9	12.2	13.8	13.3	18.1	21.4
Working Capital Ratios								
Fixed Asset Turnover (x)	2.4	2.4	2.3	2.1	2.0	1.9	2.0	2.0
Asset Turnover (x)	2.2	1.9	2.2	2.3	2.3	2.4	2.5	2.6
Inventory (Days)	31	37	36	34	35	34	33	33
Debtor (Days)	36	38	39	58	56	43	43	43
Creditor (Days)	70	71	65	84	76	77	77	76
Leverage Ratio (x)								
Current Ratio	0.9	0.9	0.9	0.9	1.1	1.0	0.9	0.9
Interest Cover Ratio	NA	3.2	4.0	2.9	3.2	3.7	6.3	8.9
Net Debt/Equity	0.4	0.3	0.3	0.4	0.0	-0.1	-0.2	-0.3

Consolidated - Cash Flow Statement								(INR M)
Y/E March	**FY21**	**FY22**	**FY23**	**FY24**	**FY25**	**FY26E**	**FY27E**	**FY28E**
OP/(Loss) before Tax	16,129	19,088	24,048	38,402	52,613	45,424	68,028	82,928
Depreciation	29,764	29,964	31,358	38,105	44,934	49,934	54,974	60,014
Interest & Finance Charges	4,544	4,346	7,809	18,112	18,824	15,641	11,919	9,715
Direct Taxes Paid	-5,600	-8,324	-8,535	-14,353	-18,198	-12,265	-18,368	-22,391
(Inc)/Dec in WC	6,432	-20,797	-6,846	-674	-20,783	45,537	2,260	2,587
Others	-757	351	-1,405	-3,902	-14,528	5,779	6,193	6,447
CF from Operating incl EO	**50,512**	**24,627**	**46,431**	**75,689**	**62,862**	**150,050**	**125,007**	**139,301**
(Inc)/Dec in FA	-19,325	-24,363	-21,829	-40,101	-44,330	-60,000	-55,000	-55,000
Free Cash Flow	**31,187**	**264**	**24,602**	**35,589**	**18,532**	**90,050**	**70,007**	**84,301**
(Pur)/Sale of Investments	-45	-123	-279	-1,958	-1,869	-34,000	-54,000	-54,000
Others	436	1,367	-340	-24,559	-2,417	0	0	0
CF from Investments	**-18,934**	**-23,119**	**-22,448**	**-66,618**	**-48,616**	**-94,000**	**-109,000**	**-109,000**
Issue of Shares	0	0	-1,453	236	63,762	0	0	0
Inc/(Dec) in Debt	-11,324	2,456	-10,562	40,377	-56,568	-8,500	-11,000	-11,000
Interest Paid	-4,141	-5,528	-8,083	-15,096	-18,311	-15,641	-11,919	-9,715
Dividend Paid	-1,576	-6,457	-3,308	-6,751	-7,463	-10,705	-15,633	-18,804
Others	-3,859	-2,570	-3,972	-5,786	-6,672	0	0	0
CF from Fin. Activity	-20,900	-12,099	-27,377	12,980	-25,252	-34,846	-38,552	-39,519
Inc/Dec of Cash	**10,678**	**-10,591**	**-3,395**	**22,052**	**-11,006**	**21,204**	**-22,545**	**-9,218**
Opening Balance	48,688	59,367	48,775	45,381	67,432	56,426	77,631	55,085
Closing Balance	**59,367**	**48,775**	**45,381**	**67,432**	**56,426**	**77,631**	**55,085**	**45,868**

NOTES

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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

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