

Estimate change	↔
TP change	↔
Rating change	↔

Bloomberg	BJAUT IN
Equity Shares (m)	279
M.Cap.(INRb)/(USD\$)	2345.3 / 27.1
52-Week Range (INR)	12774 / 7475
1, 6, 12 Rel. Per (%)	-2/-4/3
12M Avg Val (INR M)	4738

Financials & Valuations (INR b)

Y/E MARCH	2025E	2026E	2027E
Sales	503	570	641
EBITDA	101.2	114.1	128.5
EBITDA (%)	20.1	20.0	20.0
Adj. PAT	80.2	91.8	105.4
EPS (INR)	287	329	378
EPS Gr. (%)	4.0	14.5	14.8
BV/Sh. (INR)	983	1,091	1,203
Ratios			
RoE (%)	30.7	31.7	32.9
RoCE (%)	30.2	30.8	31.3
Payout (%)	69.6	69.9	71.5
Valuation			
P/E (x)	29.2	25.5	22.2
P/BV (x)	8.5	7.7	7.0
Div. Yield (%)	2.4	2.7	3.2
FCF Yield (%)	2.5	3.4	3.8

Shareholding pattern (%)

As On	Dec-24	Sep-24	Dec-23
Promoter	55.0	55.0	54.9
DII	10.1	8.8	8.7
FII	12.5	14.3	14.7
Others	22.5	21.9	21.7

FII Includes depository receipts

CMP: INR8,393 **TP: INR8,770 (+5%)** **Neutral**

In-line result; favorable FX supports margins

Exports revive, but long-term outlook remains uncertain

- BJAUT delivered an in-line performance in 3QFY25, with volume growth of ~2%. Favorable FX and a higher spares mix helped BJAUT sustain margins at 20%+ despite a rising EV mix.
- We have marginally lowered our FY25/FY26 earnings estimates by 2% each. The key concern is that BJAUT has lost share in domestic 125cc+ segment on YTD basis. While exports seem to have revived in the near term, the longer-term outlook remains uncertain given the adverse macro globally. Hence, despite a correction in the stock price recently, BJAUT at ~25.5x FY26E/22.2x FY27E EPS appears fairly-valued. Therefore, we maintain a Neutral rating with a TP of **INR8,770, based on 24x Dec'26E consolidated EPS.**

Margins maintained at 20%+ despite increase in EV mix

- 3QFY25 standalone revenue/EBITDA/PAT grew ~6%/6%/3% YoY to INR128.1b/INR25.8b/INR21.2b (est. INR130.3b/INR25.8b/INR21.7b). 9MFY25 revenue/EBITDA/adj. PAT grew 14%/17%/14% YoY.
- Revenue growth was led by 2% YoY growth in volumes and ~4% YoY growth in ASP at INR104.6k (est. INR106.4k).
- The green energy portfolio contributes ~45% of revenue (vs. 30% YoY).
- Gross margin was flat QoQ at 28.7%, (-20bp YoY, est. 28.4%). Raw material basket remained flat QoQ. Net impact of pricing was also minimal in 3Q.
- EBITDA margin stood at 20.2% (+10bp YoY/flat QoQ, est. 19.8%) despite the ramp-up of EVs due to favorable currency and improved spares (+21% YoY).
- Despite lower other income, adj. PAT came in line with our estimate.
- Cash balance stood at INR150b. BJAUT has invested INR15b in its finance subsidiary BAFL. It has also invested INR4.5b in capex, two-thirds of which was invested in EVs.

Highlights from the management commentary

- **Domestic 2Ws:** Management expects the industry to post 6-8% growth in the near term. Given its focus on 125cc+ segment, BJAUT targets to outperform industry growth.
- **Exports:** Management expects exports to grow 20%+ for the next couple of quarters. The fastest-growing markets for BJAUT are Latin America (+30% YoY) and ASEAN. Even Africa has recovered, with Nigeria now clocking close to 30k units per month. However, BJAUT has refrained from giving a long-term outlook for exports given the current uncertainty in global markets.
- BJAUT expects the L5 segment to grow at 5-7%, driven by rising EV penetration and BJAUT targets to outperform industry growth with new launches.
- For its EV portfolio, BJAUT has posted EBIDTA in 3Q vs. just break-even in 2Q.
- Management has indicated that input cost is likely to see headwinds in 4Q, which is likely to be partially offset by favorable currency movement.

Valuation and view

- We have marginally lowered our FY25/FY26 earnings estimates by 2% each. BJAUT has lost market share in the domestic motorcycle segment by 150bp to 17%. The key concern is that it has lost share in 125cc+ segment as well on YTD basis.
- While exports seem to have revived in the near term, the longer-term outlook remains uncertain given the adverse macro globally. Further, the ramp-up of its CNG bike Freedom has been slower than expected. Hence, despite a correction in the stock price recently, BJAUT at ~25.5x FY26E/22.2x FY27E EPS appears fairly valued. Therefore, we maintain a Neutral rating with a TP of **INR8,770, based on 24x Dec'26E consolidated EPS.**

Quarterly Performance

	(INR m)										
	FY24				FY25E				FY24	FY25E	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE
Volumes ('000 units)	1,027	1,054	1,201	1,069	1,102	1,222	1,224	1,162	4,351	4,710	1,224
Growth YoY (%)	10.0	-8.4	22.1	24.3	7.3	15.9	2.0	8.7	10.8	8.2	2.0
Realization (INR/unit)	1,00,347	1,02,256	1,00,862	1,07,476	1,08,234	1,07,470	1,04,591	1,06,714	1,02,703	1,06,714	1,06,395
Growth YoY (%)	17.0	15.4	6.5	3.8	7.9	5.1	3.7	-0.7	10.7	3.9	5.5
Net Sales	1,03,098	1,07,773	1,21,135	1,14,847	1,19,280	1,31,275	1,28,069	1,23,949	4,46,852	5,02,572	1,30,278
Change (%)	28.8	5.6	30.0	29.0	15.7	21.8	5.7	7.9	22.7	12.5	7.5
EBITDA	19,539	21,329	24,299	23,063	24,154	26,522	25,807	24,749	88,229	1,01,232	25,839
EBITDA Margins (%)	19.0	19.8	20.1	20.1	20.2	20.2	20.2	20.0	19.7	20.1	19.8
Other Income	3,463	3,614	3,461	3,487	3,209	3,845	3,347	3,568	14,025	13,970	3,800
Interest	121	65	121	228	207	159	143	161	535	670	120
Depreciation	835	876	881	906	937	956	997	1,015	3,498	3,905	960
PBT after EO	22,046	24,000	26,758	25,416	26,219	27,139	28,015	27,141	98,220	1,08,514	28,559
Effective Tax Rate (%)	24.5	23.5	23.7	23.8	24.2	26.1	24.7	24.1	23.9	24.8	24.2
Adj. PAT	16,648	18,361	20,419	19,360	19,884	22,160	21,087	20,589	74,788	83,200	21,660
Change (%)	41.9	20.0	36.9	35.1	19.4	20.7	3.3	6.3	32.9	11.2	6.1

E: MOFSL Estimates



Key takeaways from the earnings call

■ Domestic motorcycles

- Management expects the industry to post 6-8% growth in the near term. Given its focus on 125cc+ segment, BJAUT targets to outperform industry growth.
- It plans to launch nine new variants in the 125cc+ segment between Dec24 and Marc'25, including the recently launched N125cc, upgrade for Pulsar 150cc to 160cc with improved features, etc.
- While its retail market share in 125cc+ segment has remained stable for YTD, it has lost share in 100cc segment due to aggressive discounts from competition.
- The 125cc+ segment continued to grow at 2x the pace of the 100cc segment in 3Q.
- BJAUT has launched another variant under Triumph. It will focus on network expansion and brand awareness of Triumph in tier 2/3 towns.
- Cost increase due to OBD2 is likely to be 1% on its portfolio.

■ Exports

- Management expects exports to grow 20%+ for the next couple of quarters.
- The fastest-growing markets for BJAUT are Latin America (+30% YoY) and ASEAN. Even Africa has recovered, with Nigeria now clocking close to 30k units per month.
- BJAUT enjoys healthy 55% market share in Nigeria. As per management, it has significantly outpaced each of these key export markets on YTD basis.
- Management has refrained from giving a long-term outlook for exports given the current uncertainty in global markets.

■ Update on 3W EVs

- BJAUT has sold 17k units of 3W EVs in 3Q. Its EV 3Ws have been well accepted in the market.
- It now enjoys a 37% market share in the passenger segment (up from 13% YoY) and mid-20% share in the cargo segment.
- The company has recently taken a price cut in 3W EV in select markets in line with competition. It will launch one large 3W variant in 4Q.
- It will also introduce an e-rik variant at 4Q end. The e-rik market is 45k per month and BJAUT is now looking to gain some share in this unorganized market.
- BJAUT expects the L5 segment to grow at 5-7%, driven by rising EV penetration, and it targets to outperform industry growth on the back of its new launches.

■ Chetak

- Chetak market share has improved to 22% in 3Q from 13% YoY.
- It has recently launched a premium Chetak variant under the 35 series. It hopes to gain to a stronger leadership position in EV scooter segment, especially in the premium segment, where its share has been low.
- This will also be a better margin product.
- For its total EV portfolio, BJAUT posted EBIDTA in 3Q vs. just break-even in 2Q.

■ Freedom CNG bike

- This bike has been very well accepted in markets where CNG penetration is good (viz. Delhi, Kerala). However, it is seeing low adoption in other markets.
- BJAUT has launched one more variant of Freedom recently.
- It targets to launch marketing campaigns to increase customer awareness about the product from 4Q onward.

■ KTM

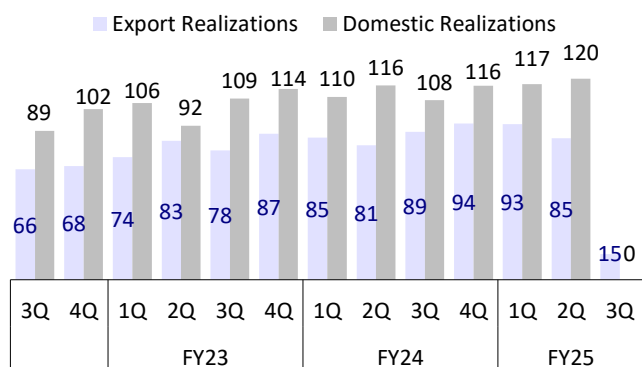
- Pierer Mobility is in the midst of putting together a plan for the restructuring of KTM by Feb'25. If all stakeholders approve, KTM may be revives from its current woes.
- From BJAUT's standpoint, the revival of KTM is pertaining only to export markets.
- KTM bikes produced in BJAUT plant in India are clocking sales of about 6k units per month.
- **Bajaj Auto Credit**
 - The finance arm of BJAUT has completed its pan-India rollout ahead of schedule.
 - It enjoys almost 70%+ share in BJAUT stores.
 - BACL now has AUM of INR70b. The credit arm posted minor PAT of INR520m for the first time in 3Q.
- **Bajaj Auto Technology Ltd**
 - The erstwhile Chetak Technology is now renamed as Bajaj Auto Technology Ltd
 - BJAUT intends to develop capabilities in the EV ecosystem toward electronics, controls, hybrids, fuel cells, software, etc.
 - It has already employed 50 people.
 - Once it scales up, it would start supporting BJAUT and its partners.

Trend in product mix

	3QFY25	3QFY24	YoY (%)	2QFY25	QoQ (%)
Motorcycles					
Domestic	5,10,281	6,21,836	-17.9	5,52,714	-7.7
% of total volumes	41.7	51.8		45.2	
Exports	4,66,766	3,84,740	21.3	3,96,407	17.7
% of total volumes	38.1	32.0		32.5	
Domestic Scooters	77,574	33,617	130.8	84,087	-7.7
% of total volumes	6.3	2.8		6.9	
Total 2Ws	10,54,621	10,40,193	1.4	10,33,208	2.1
% of total volumes	86.1	86.6		84.6	
Three Wheelers					
Domestic	1,19,250	1,22,828	-2.9	1,39,910	-14.8
% of total volumes	9.7	10.2		11.5	
Exports	50,601	37,976	33.2	48,386	4.6
% of total volumes	4.1	3.2		4.0	
Total 3Ws	1,69,851	1,60,804	5.6	1,88,296	-9.8
% of total volumes	13.9	13.4		15.4	
Total Volumes	12,24,472	12,00,997	2.0	12,21,504	0.2

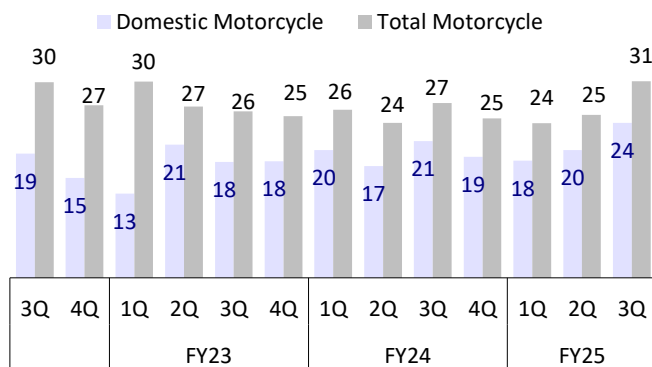
Source: Company, MOFSL

Exhibit 1: Trends in domestic and export realizations

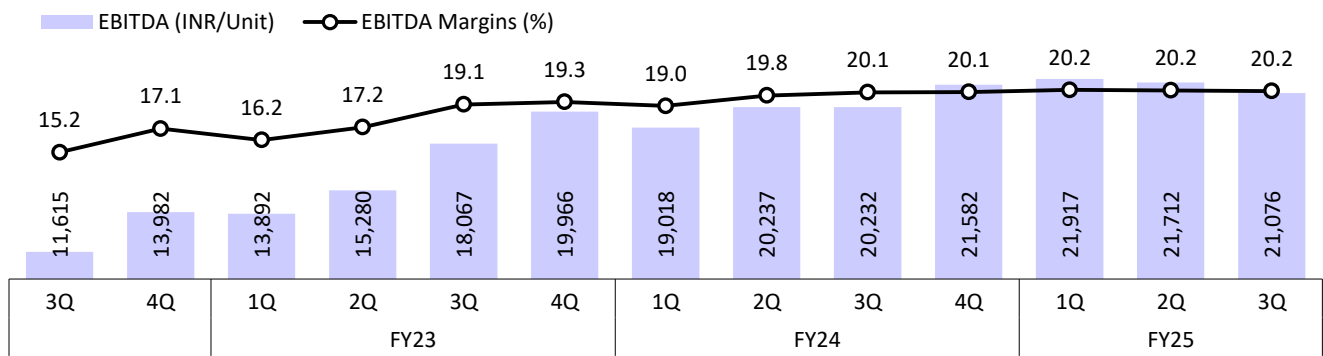


Sources: Company reports, MOFSL estimates

Exhibit 2: Trends in domestic and total 2W market share



Sources: Company reports, MOFSL estimates

Exhibit 3: EBITDA and EBITDA margin trends

Sources: Company reports, MOFSL estimates

Valuation and view

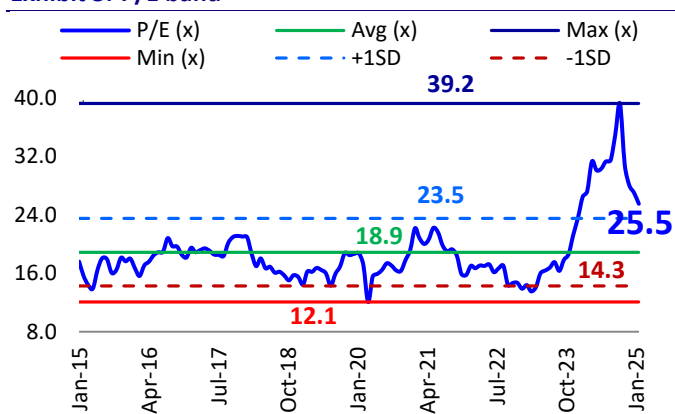
- Well placed to ride the premiumization trend:** The 125cc+ motorcycle segment's contribution has increased to 52% in FY24 from 38% in FY19. Given its continued focus on this segment over the last few years, BJAUT has emerged as a major beneficiary of this trend – BJAUT's contribution in this segment has risen sharply to 73% in FY24 from 41% in FY19. Given the strong presence in the 125cc segment and the major revamp of the Pulsar brand last year in the premium segment, along with a healthy presence of brands like Dominar and KTM, BJAUT seems very well placed to capitalize on the continued premiumization trend visible in India.
- BJAUT's plans to enter the entry segment with CNG bike face headwinds:** BJAUT had launched the world's first CNG-integrated motorcycle, Freedom 125. We think the company has clearly done everything within its stride to make the motorcycle both attractive (despite having a CNG tank) and accessible to customers. This bike has been very well accepted in markets where CNG penetration is good (viz. Delhi, Kerala). However, it is seeing low adoption in other markets. Thus, the ramp-up of Freedom is likely to take longer than earlier envisaged.
- Loss in market share in domestic motorcycle is a concern:** On YTD basis, BJAUT has lost 150bp market share to 17% in motorcycles. However, the key concern is that it has lost market share not only in the entry segment, but also in 125cc and 150-250cc segments.
- Scaling up its EV business:** Chetak's market share rose from ~13% in 3QFY24 to nearly 22% in 3QFY25. It has recently launched a premium Chetak variant under the 35 series. It hopes to gain to a stronger leadership position in EV scooter segment, especially in the premium segment, where its share has been low. The overall EV segment, including both Chetak and 3Ws, has now made some positive margins in absolute terms. Given e-3W is as profitable as ICE, BJAUT would continue to ramp up its penetration in e-3Ws.
- Export outlook remains uncertain:** While BJAUT is seeing some recovery in LatAm and ASEAN, demand remains weak in some of its key markets, including Nigeria, Bangladesh, Kenya, Egypt and Argentina. Some of these markets continue to face forex availability issues and the impact of severe inflation. While management expects export momentum to sustain in the next couple of quarters, it has refrained from giving a long-term outlook given uncertainties in key regions.

- Valuation and view:** We have marginally lowered our FY25/FY26 earnings estimates by 2% each. BJAUT has lost market share in the domestic motorcycle segment by 150bp to 17%. The key concern is that it has lost share in 125cc+ segment as well on YTD basis. While exports seem to have revived in the near term, the longer-term outlook remains uncertain given the adverse macro globally. Further, the ramp-up of its CNG bike Freedom has been slower than expected. Hence, despite the fall recently, BJAUT at ~25.5x/22.2x FY26E/27E EPS appears fairly valued. Therefore, we maintain a Neutral rating with a target price of **INR8,770, based on 24x Dec'26E consolidated EPS.**

Exhibit 4: Our revised estimates (INR m)

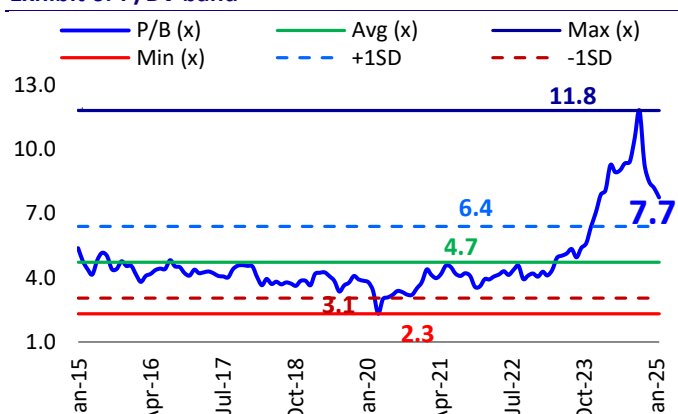
	FY25E			FY26E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Vols ('000 units)	4,710	4,710	0.0	5,200	5,200	0.0
Net Sales	5,02,572	5,05,729	-0.6	5,70,041	5,74,988	-0.9
EBITDA	1,01,232	1,01,341	-0.1	1,14,117	1,15,036	-0.8
EBITDA Margins (%)	20.1	20.0	10bp	20.0	20.0	0bp
Net Profit	80,200	81,605	-1.7	91,843	94,100	-2.4
EPS (INR)	287.3	292.3	-1.7	329.0	337.1	-2.4

Exhibit 5: P/E band



Source: MOFSL

Exhibit 6: P/BV band



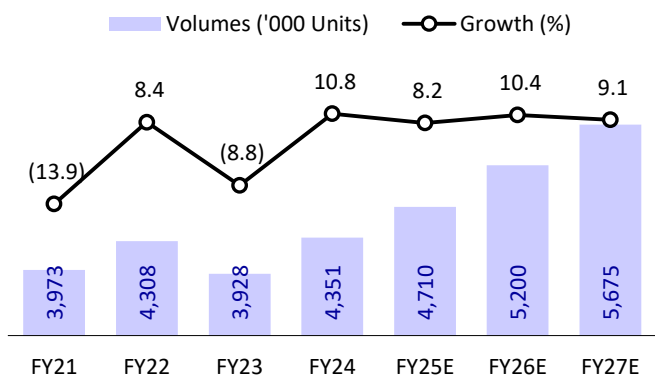
Source: MOFSL

Exhibit 7: Snapshot of Revenue Model

000 units	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
2Ws (units)									
Domestic	2,541	2,078	1,809	1,641	1,806	2,251	2,357	2,594	2,871
Growth (%)	28.7	-18.2	-12.9	-9.3	10.0	24.6	4.7	10.1	10.7
% of total volumes	50.6	45.0	45.5	38.1	46.0	51.7	50.1	49.9	50.6
Exports	1,696	1,869	1,797	2,196	1,637	1,477	1,682	1,883	2,034
Growth (%)	21.6	10.2	-3.9	22.2	-25.4	-9.8	13.8	12.0	8.0
% of total volumes	33.8	40.5	45.2	51.0	41.7	34.0	35.7	36.2	35.8
Total 2Ws	4,237	3,948	3,606	3,837	3,443	3,728	4,039	4,478	4,905
Growth (%)	25.7	-6.8	-8.7	6.4	-10.3	8.3	8.3	10.9	9.5
% of total volumes	84.4	85.5	90.8	89.1	87.7	85.7	85.8	86.1	86.4
3Ws									
Domestic	399	366	109	161	301	464	479	508	539
Growth (%)	8.1	-8.4	-70.1	47.1	87.1	54.3	3.3	6.0	6.0
% of total volumes	8.0	7.9	2.8	3.7	7.7	10.7	10.2	9.8	9.5
Exports	383	302	258	311	184	159	192	214	232
Growth (%)	43.1	-21.2	-14.6	20.6	-40.7	-13.8	20.5	12.0	8.0
% of total volumes	7.6	6.5	6.5	7.2	4.7	3.7	4.1	4.1	4.1
3Ws	783	668	367	472	485	623	671	723	770
Growth (%)	22.8	-14.7	-45.0	28.5	2.9	28.5	7.7	7.7	6.6
% of total volumes	15.6	14.5	9.2	10.9	12.3	14.3	14.2	13.9	13.6
Total Volumes	5,020	4,615	3,973	4,308	3,928	4,351	4,710	5,200	5,675
Growth (%)	25.3	-8.1	-13.9	8.4	-8.8	10.8	8.2	10.4	9.1
Avg. Net Realn (INR/unit)	52,928	56,462	60,588	65,467	79,010	88,611	90,654	93,388	96,265
Growth (%)	-5.1	6.7	7.3	8.1	20.7	12.2	2.3	3.0	3.1
Net Revenues (INR B)	296	291	271	321	354	436	485	550	619
Growth (%)	19.7	-1.5	-6.8	18.4	10.0	23.2	11.2	13.5	12.4
EBITDA (INR B)	52	51	49	51	65	88	101	114	128
EBITDA margins (%)	17.1	17.0	17.8	15.5	18.0	19.7	20.1	20.0	20.0
EBITDA (INR/Unit)	10,345	11,042	12,405	11,877	16,674	20,278	21,495	21,945	22,637
Growth (%)	7.3	-1.9	-3.3	3.8	28.0	34.7	14.7	12.7	12.6
Consol. PAT (INR B)	47	52	49	53	61	77	80	92	105
Consol. EPS	162	180	168	184	214	276	287	329	378

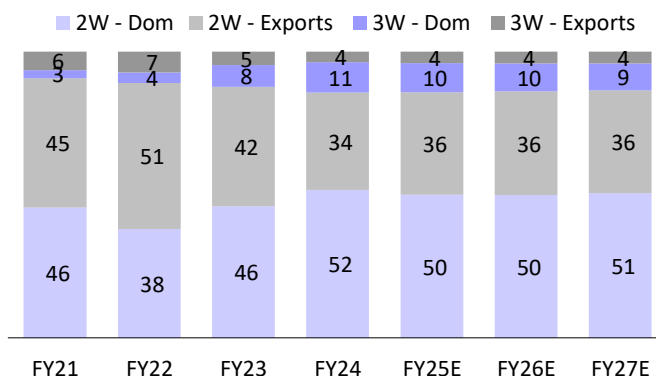
Story in charts

Exhibit 8: Trends in volume and volume growth



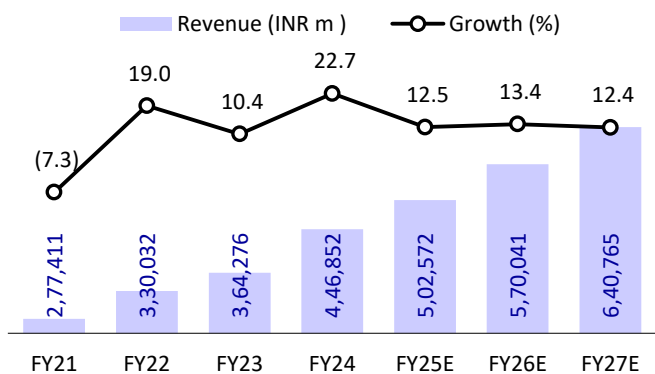
Sources: Company reports, MOFSL estimates

Exhibit 9: Product mix trend



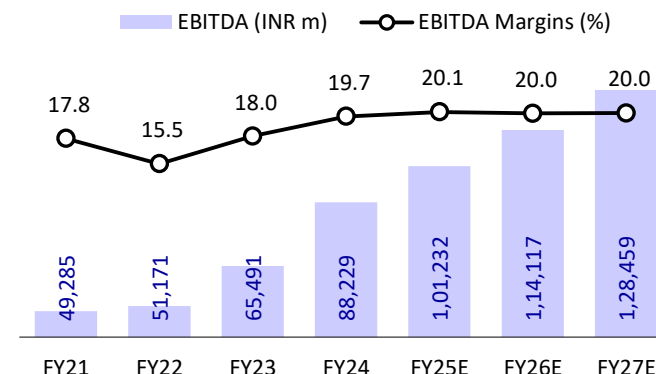
Sources: Company reports, MOFSL estimates

Exhibit 10: Trend in revenue growth



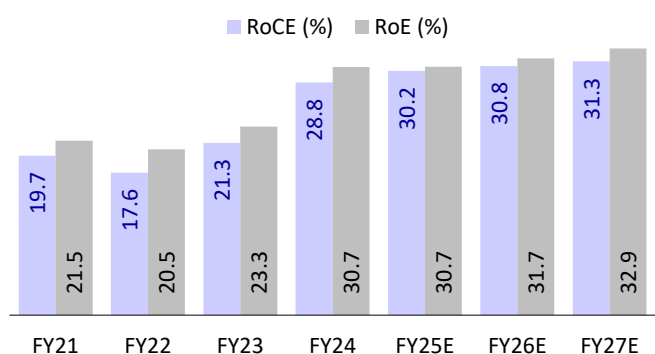
Sources: Company reports, MOFSL

Exhibit 11: Trends in EBITDA and EBITDA margin



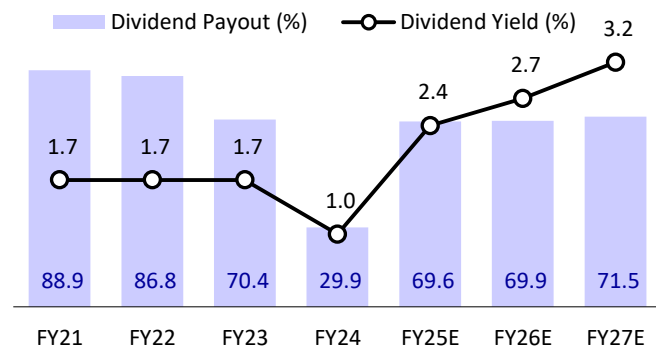
Sources: Company reports, MOFSL

Exhibit 12: Trends in return ratios



Sources: Company reports, MOFSL estimates

Exhibit 13: Dividend payout to remain healthy



Sources: Company reports, MOFSL estimates

Financials and valuations

Income Statement								(INR M)
Y/E March	2020	2021	2022	2023	2024	2025E	2026E	2027E
Volumes	46,15,212	39,72,914	43,08,433	39,27,857	43,50,933	47,09,532	52,00,061	56,74,764
Change (%)	-8.1	-13.9	8.4	-8.8	10.8	8.2	10.4	9.1
Net Sales	2,99,187	2,77,411	3,30,032	3,64,276	4,46,852	5,02,572	5,70,041	6,40,765
Change (%)	-1.4	-7.3	19.0	10.4	22.7	12.5	13.4	12.4
Total Expenditure	2,48,224	2,28,126	2,78,861	2,98,785	3,58,623	4,01,341	4,55,924	5,12,306
EBITDA	50,962	49,285	51,171	65,491	88,229	1,01,232	1,14,117	1,28,459
Change (%)	-1.9	-3.3	3.8	28.0	34.7	14.7	12.7	12.6
EBITDA Margins (%)	17.0	17.8	15.5	18.0	19.7	20.1	20.0	20.0
Depreciation	2,464	2,593	2,692	2,824	3,498	3,905	4,342	4,873
EBIT	48,498	46,692	48,480	62,667	84,731	97,327	1,09,774	1,23,586
Int. & Fin. Charges	32	67	87	395	535	670	450	450
Other Income	17,336	12,765	12,092	11,814	14,025	13,970	16,120	18,600
Non-recurring Exp.	0	0	-4,568	0	0	2,113	0	0
PBT	65,802	59,390	65,054	74,086	98,220	1,08,514	1,25,444	1,41,736
Tax	14,802	13,844	14,865	17,810	23,432	26,903	31,102	35,120
Effective Rate (%)	22.5	23.3	22.8	24.0	23.9	25	25	25
PAT	51,000	45,546	50,189	56,276	74,788	81,611	94,343	1,06,616
Change (%)	9.1	-10.7	10.2	12.1	32.9	9.1	15.6	13.0
Share in profit of ass. & others	1,119	3,024	11,469	4,326	2,294	-3,000	-2,500	-1,200
Adj. Consol PAT	52,119	48,570	53,122	60,602	77,082	80,200	91,843	1,05,416
Change (%)	11.1	(6.8)	9.4	14.1	27.2	4.0	14.5	14.8

Balance Sheet								(INR M)
Y/E March	2020	2021	2022	2023	2024	2025E	2026E	2027E
Share Capital	2,894	2,894	2,894	2,830	2,792	2,792	2,792	2,792
Reserves	1,96,361	2,49,129	2,63,794	2,51,429	2,45,813	2,71,588	3,01,720	3,32,957
Net Worth	1,99,255	2,52,023	2,66,688	2,54,259	2,48,605	2,74,380	3,04,511	3,35,749
Deferred Tax	3,464	5,221	4,033	3,452	5,069	7,240	9,749	12,583
Loans	1,669	1,601	1,588	1,576	9,906	9,906	9,906	9,906
Capital Employed	2,04,388	2,58,845	2,72,309	2,59,286	2,63,580	2,91,526	3,24,166	3,58,238
Gross Fixed Assets	41,573	43,443	46,312	55,045	62,326	69,600	77,600	87,600
Less: Depreciation	24,583	26,794	27,972	27,885	30,339	34,244	38,586	43,460
Net Fixed Assets	16,990	16,649	18,340	27,160	31,987	35,356	39,014	44,141
Capital WIP	602	160	768	819	275	1,000	1,000	1,000
Investments	1,81,960	2,26,310	2,38,188	2,29,233	2,44,925	2,62,925	2,89,925	3,21,925
Current Assets	48,181	72,183	61,923	54,064	65,320	77,999	91,494	1,00,507
Inventory	10,635	14,939	12,305	13,979	16,956	20,654	23,426	26,333
Sundry Debtors	17,251	27,169	15,164	17,761	21,224	27,538	31,235	35,110
Cash & Bank Balances	2,773	5,051	5,883	2,858	5,366	5,319	9,056	7,842
Loans & Advances	386	372	87	59	53	59	67	76
Others	17,136	24,653	28,484	19,408	21,721	24,429	27,709	31,147
Current Liab. & Prov.	43,345	56,457	46,910	51,991	78,926	85,755	97,267	1,09,335
Sundry Creditors	31,997	45,738	36,332	40,739	56,102	55,326	62,753	70,539
Other Liabilities	8,964	9,175	9,028	9,584	20,934	23,544	26,705	30,018
Provisions	2,385	1,544	1,551	1,668	1,891	6,885	7,809	8,778
Net Current Assets	4,836	15,727	15,013	2,073	-13,606	-7,756	-5,773	-8,828
Application of Funds	2,04,387	2,58,845	2,72,309	2,59,286	2,63,580	2,91,526	3,24,166	3,58,238

E: MOFSL Estimates

Financials and valuations

Ratios

Y/E March	2020	2021	2022	2023	2024	2025E	2026E	2027E
Basic (INR)								
Consol EPS	180.1	167.8	183.6	214.2	276.1	287.3	329.0	377.6
EPS growth (%)	11.1	-6.8	9.4	16.7	28.9	4.0	14.5	14.8
Consol Cash EPS	188.6	176.8	192.9	224.2	288.6	301.3	344.5	395.0
Book Value per Share	688.6	870.9	921.6	898.6	890.5	982.8	1,090.7	1,202.6
DPS	120.0	140.0	140.0	140.0	80.0	200.0	230.0	270.0
Payout (% of S/A PAT)	81.8	88.9	86.8	70.4	29.9	69.6	69.9	71.5
Valuation (x)								
P/E	46.6	50.0	45.7	39.2	30.4	29.2	25.5	22.2
Cash P/E	44.5	47.5	43.5	37.4	29.1	27.9	24.4	21.2
EV/EBITDA	44.1	44.6	42.7	32.7	23.8	20.6	18.0	15.7
EV/Sales	7.5	7.9	6.6	5.9	4.7	4.1	3.6	3.2
Price to Book Value	12.2	9.6	9.1	9.3	9.4	8.5	7.7	7.0
Dividend Yield (%)	1.4	1.7	1.7	1.7	1.0	2.4	2.7	3.2
Profitability Ratios (%)								
RoE	25.0	21.5	20.5	23.3	30.7	30.7	31.7	32.9
RoCE	23.8	19.7	17.6	21.3	28.8	30.2	30.8	31.3
RoIC	176	154	94	120	168	178	177	192
Turnover Ratios								
Debtors (Days)	21	36	17	18	17	20	20	20
Inventory (Days)	13	20	14	14	14	15	15	15
Creditors (Days)	39	60	40	41	46	40	40	40
Working Capital (Days)	-5	-5	-10	-9	-15	-5	-5	-5
Asset Turnover (x)	1.5	1.1	1.2	1.4	1.7	1.7	1.8	1.8
Fixed Asset Turnover	7.1	6.5	7.4	7.2	7.6	7.6	7.7	7.8

Cash Flow Statement

Y/E March	2020	2021	2022	2023	2024	2025E	2026E	2027E
(INR M)								
Profit before Tax	65,802	59,390	65,053	74,086	98,220	1,08,514	1,25,444	1,41,736
Depreciation & Amort.	2,464	2,593	2,692	2,824	3,498	3,905	4,342	4,873
Direct Taxes Paid	-16,777	-13,397	-17,015	-19,184	-23,826	-24,732	-28,593	-32,285
(Inc)/Dec in Working Capital	3,765	-5,105	6,006	7,230	10,171	-5,898	1,755	1,840
Other Items	-16,635	-12,339	-11,480	-9,838	-13,281	-13,300	-15,670	-18,150
CF from Oper. Activity	38,620	31,142	45,255	55,119	74,783	68,488	87,279	98,014
Extra-ordinary Items	-3	-4	-3,179	0	0	-2,113	0	0
CF after EO Items	38,618	31,139	42,076	55,119	74,783	66,376	87,279	98,014
(Inc)/Dec in FA+CWIP	-2,800	-2,509	-5,176	-8,064	-7,957	-8,000	-8,000	-10,000
Free Cash Flow	35,818	28,630	36,900	47,055	66,826	58,376	79,279	88,014
(Pur)/Sale of Invest.	20,367	-26,157	4,252	21,288	6,565	-4,030	-10,880	-13,400
CF from Inv. Activity	17,567	-28,665	-924	13,224	-1,392	-12,030	-18,880	-23,400
Inc. / Dec.in Networth	0	0	0	-30,939	-39,307	0	0	0
Inc/(Dec) in Debt	0	0	0	0	8,327	0	0	0
Interest Paid	-21	-108	-74	-380	-519	-670	-450	-450
Dividends Paid	-62,444	-87	-40,490	-40,470	-39,602	-55,836	-64,211	-75,379
CF from Fin. Activity	-62,465	-195	-40,563	-71,789	-71,101	-56,506	-64,661	-75,829
Inc/(Dec) in Cash	-6,281	2,278	588	-3,446	2,290	-2,160	3,738	-1,215
Add: Beginning Bal.	9,054	2,773	5,051	5,640	2,194	4,484	2,324	6,062
Closing Balance	2,773	5,051	5,640	2,194	4,484	2,324	6,062	4,847

E: MOFSL Estimates

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