

## Decent Q4; Near-term demand sentiment a key watchout

Consumer Durables ▶ Result Update ▶ May 20, 2026

CMP (Rs): 471 | TP (Rs): 650

**Eureka Forbes (EFL) reported a decent Q4 (revenue up 11.6% YoY), led by double-digit topline growth in the Electric Water Purifier (EWP) category after resolving the elevated e-com channel inventory issues witnessed in Q3. Growth momentum also remained strong across emerging categories, including robotic vacuum cleaners (nearly two-third of overall vacuum cleaner sales), air purifiers (4x revenue in Q4FY26 on a low base), and water softeners. Filters are expected to emerge as a growth lever for the services business going ahead. Despite geopolitical unrest, EFL maintained its long-term growth ambition (2x revenue/3x EBITDA growth by FY30), however, the management has adopted a cautious stance on FY27 margins, prioritizing margin protection alongside growth acceleration. This reflects rising commodity headwinds, leading to ~6-7% price hike from Apr-26 (first in four years). The management indicated that demand trends remain unaffected so far, and this will remain a key monitorable going ahead. Factoring flattish FY27 margins (vs FY26 levels) amid commodity inflation, we cut our FY27E/28E EBITDAM by ~63/58bps, resulting in an EPS cut of ~7/10%. Retain BUY with a lower TP of Rs650 (vs Rs700 earlier) based on 45x Mar-28E PER. Structural growth levers including low penetration across categories (EWP, vacuum, air purifiers) and strong leadership remain intact.**

**Q4 growth in line; margins better than expected**

Consolidated revenue of Rs6.8bn (+11.6% YoY) was largely in line with our/consensus estimate. Growth was led by double-digit growth in EWP and strong traction in emerging categories (robotic vacuums, air purifiers, softeners). Consol EBITDA stood at Rs856mn (+11%YoY), with margin of 12.5% (~80/184bps beat on our/consensus estimate). APAT rose ~9% YoY to Rs510mn (4% beat vs consensus) due to better operating profitability.

**Earnings call KTAs**

1) Q4 revenue was up 12%, with e-com related disruptions in EWP normalizing vs Q3. Products delivered teen growth, while EFL achieved its third year of margin expansion with ~12% 3Y revenue CAGR; 2) The management highlighted its product categories remain underpenetrated and expects growth acceleration ahead, led by improving volume traction/consumer awareness programs. 3) For FY27, the two key strategic priorities are accelerating growth and protecting margins at current levels. 4) The West Asia crisis has led to sharp inflation in key inputs (polymers, metals, currencies). To offset this, EFL took a ~6-7% price hike in Apr-26 (first in last 4Y). 5) The management indicated early trends remain encouraging (no material impact on volumes yet), with no channel-filling seen in Q4FY26 despite price hikes—a positive for Q1FY27; management remains cautiously optimistic, with mixed sentiment but no material demand impact yet. 6) They reiterated focus on agility, prioritizing cost control measures over further price hikes. 7) EFL reiterated its FY30 aspiration of ~2x/3x revenue/EBITDA growth; FY27 could play out as black swan year. 8) Robotics are currently imported; the Dixon partnership has initiated SKD assembly, with localization expected to progress gradually. 9) Filters are emerging as key growth lever, led by EFL's large installed Aquaguard base.

Target Price – 12M	Mar-26
<b>Change in TP (%)</b>	<b>(7.1)</b>
Current Reco.	BUY
Previous Reco.	BUY
Upside/(Downside) (%)	38.0

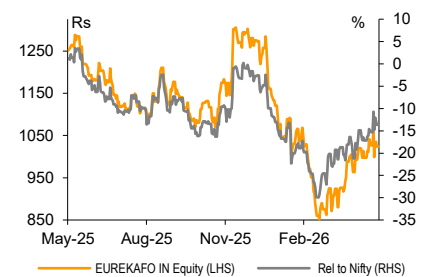
Stock Data	EUREKAFO IN
52-week High (Rs)	669
52-week Low (Rs)	355
Shares outstanding (mn)	193.4
Market-cap (Rs bn)	91
Market-cap (USD mn)	941
Net-debt, FY27E (Rs mn)	(5,539.9)
ADTV-3M (mn shares)	0.3
ADTV-3M (Rs mn)	115.6
ADTV-3M (USD mn)	1.2
Free float (%)	37.4
Nifty-50	23,659.0
INR/USD	96.8

**Shareholding, Mar-26**

Promoters (%)	62.6
FPIs/MFs (%)	13.7/6.2

**Price Performance**

(%)	1M	3M	12M
Absolute	(6.3)	(8.5)	(24.9)
Rel. to Nifty	(3.5)	(1.1)	(21.6)

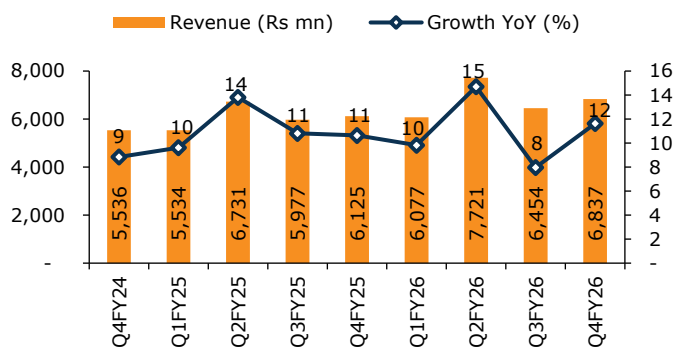
**1-Year share price trend (Rs)****Eureka Forbes: Financial Snapshot (Consolidated)**

Y/E Mar (Rs mn)	FY24	FY25	FY26	FY27E	FY28E
Revenue	21,893	24,369	27,091	30,256	34,145
EBITDA	1,986	2,656	3,133	3,499	4,239
Adj. PAT	1,108	1,602	2,030	2,250	2,819
Adj. EPS (Rs)	5.7	8.3	10.5	11.6	14.6
EBITDA margin (%)	9.1	10.9	11.6	11.6	12.4
EBITDA growth (%)	37.0	33.7	18.0	11.7	21.1
Adj. EPS growth (%)	66.9	44.6	26.7	10.8	25.3
RoE (%)	2.7	3.7	4.5	4.8	5.7
RoIC (%)	2.2	3.1	3.8	4.0	4.9
P/E (x)	95.3	55.4	56.0	40.5	32.3
EV/EBITDA (x)	45.3	33.9	28.7	25.7	21.2
P/B (x)	2.2	2.1	2.0	1.9	1.8
FCFF yield (%)	1.9	2.1	1.8	1.5	3.3

Source: Company, Emkay Research

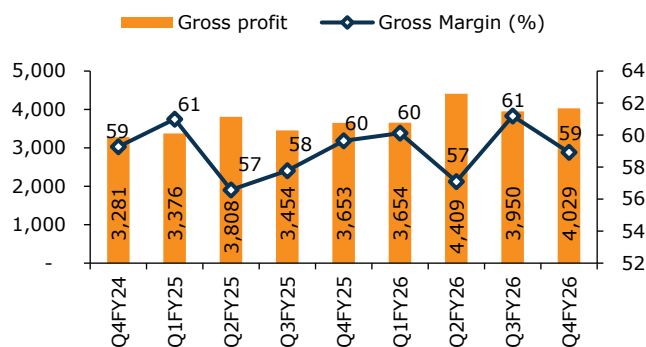
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**Exhibit 1: Revenue grew 12% YoY on the back of sustained growth in water purifiers and emerging categories like robotics, softeners, and air purifiers**



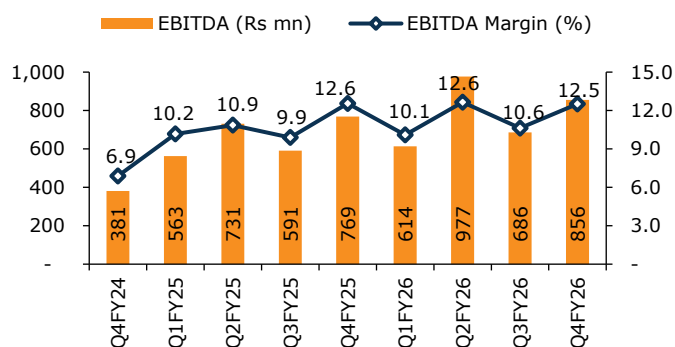
Source: Company, Emkay Research

**Exhibit 2: Gross margin sustained in the 58-60% range**



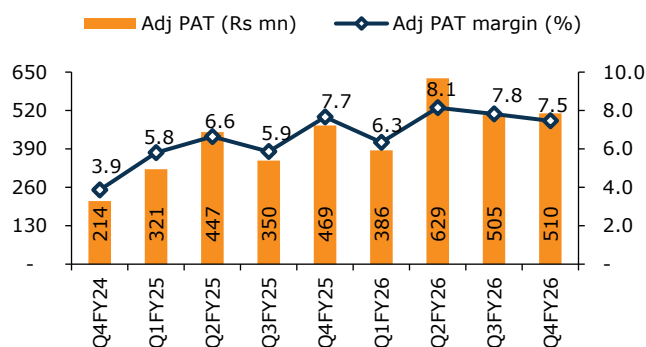
Source: Company, Emkay Research

**Exhibit 3: EBITDA grew 13% YoY, with margins broadly flat YoY...**



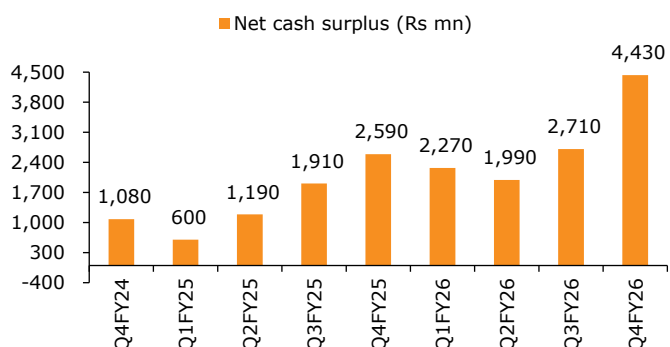
Source: Company, Emkay Research

**Exhibit 4: ...while adj PAT margins sustained in the 7.5-8% range**



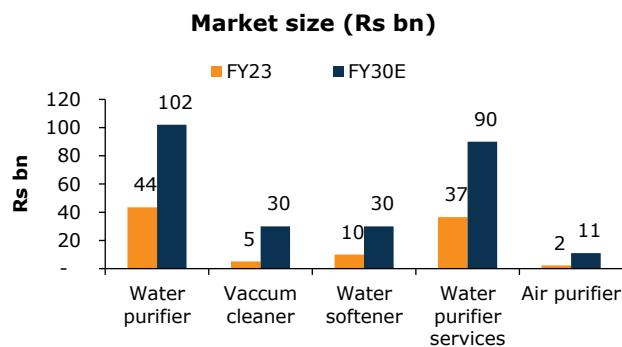
Source: Company, Emkay Research

**Exhibit 5: Balance sheet strength continues to stay healthy, with all-time high net cash surplus of Rs4,430mn**



Source: Company, Emkay Research

**Exhibit 6: Market size of underpenetrated categories provides a long runway for growth**



Source: Company, Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarqueresolutions)

**Exhibit 7: Q4FY26 witnessed a pick-up in growth for Eureka, with revenue growing ~12% YoY; EBITDA and PAT saw healthy growth at 11% and 9% YoY, respectively**

Quarterly snapshot (Rs mn)	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26	YoY (%)	QoQ (%)
<b>Revenue from operations</b>	<b>5,536</b>	<b>5,534</b>	<b>6,731</b>	<b>5,977</b>	<b>6,125</b>	<b>6,077</b>	<b>7,721</b>	<b>6,454</b>	<b>6,837</b>	<b>11.6</b>	<b>5.9</b>
Growth YoY (%)	9	10	14	11	11	10	15	8	12		
<b>Total operating expenses</b>	<b>5,154</b>	<b>4,971</b>	<b>6,001</b>	<b>5,386</b>	<b>5,356</b>	<b>5,464</b>	<b>6,744</b>	<b>5,768</b>	<b>5,982</b>	<b>11.7</b>	<b>3.7</b>
Growth YoY (%)	-	9.4	11.3	8.4	3.9	9.9	12.4	7.1	11.7		
Raw material	2,255	2,158	2,923	2,524	2,472	2,423	3,312	2,504	2,808	<b>13.6</b>	<b>12.1</b>
As a (%) of revenue	40.7	39.0	43.4	42.2	40.4	39.9	42.9	38.8	41.1		
Employee expense	849	852	842	795	816	876	862	848	933	<b>14.3</b>	<b>10.0</b>
As a (%) of revenue	15.3	15.4	12.5	13.3	13.3	14.4	11.2	13.1	13.6		
Other expense	2,051	1,961	2,236	2,068	2,068	2,165	2,570	2,415	2,241	<b>8.3</b>	<b>(7.2)</b>
As a (%) of revenue	37.1	35.4	33.2	34.6	33.8	35.6	33.3	37.4	32.8		
<b>EBITDA</b>	<b>381</b>	<b>563</b>	<b>731</b>	<b>591</b>	<b>769</b>	<b>614</b>	<b>977</b>	<b>686</b>	<b>856</b>	<b>11.3</b>	<b>24.7</b>
<b>EBITDA margin (%)</b>	<b>6.9</b>	<b>10.2</b>	<b>10.9</b>	<b>9.9</b>	<b>12.6</b>	<b>10.1</b>	<b>12.6</b>	<b>10.6</b>	<b>12.5</b>		
<b>Gross profit</b>	<b>3,281</b>	<b>3,376</b>	<b>3,808</b>	<b>3,454</b>	<b>3,653</b>	<b>3,654</b>	<b>4,409</b>	<b>3,950</b>	<b>4,029</b>	<b>10.3</b>	<b>2.0</b>
<b>Gross margin (%)</b>	<b>59.3</b>	<b>61.0</b>	<b>56.6</b>	<b>57.8</b>	<b>59.6</b>	<b>60.1</b>	<b>57.1</b>	<b>61.2</b>	<b>58.9</b>		
Less: Depreciation	140	138	141	151	151	159	164	171	200		
<b>EBIT</b>	<b>241</b>	<b>425</b>	<b>590</b>	<b>441</b>	<b>618</b>	<b>455</b>	<b>812</b>	<b>515</b>	<b>655</b>	<b>6.0</b>	<b>27.3</b>
<b>EBIT margin (%)</b>	<b>4.4</b>	<b>7.7</b>	<b>8.8</b>	<b>7.4</b>	<b>10.1</b>	<b>7.5</b>	<b>10.5</b>	<b>8.0</b>	<b>9.6</b>		
Add: Other income	19	23	34	44	32	74	60	54	49		
Less: Interest	16	17	17	12	11	10	22	27	18		
<b>PBT</b>	<b>244</b>	<b>432</b>	<b>607</b>	<b>473</b>	<b>639</b>	<b>519</b>	<b>850</b>	<b>541</b>	<b>686</b>	<b>7.3</b>	<b>26.7</b>
Less: Taxes	<b>31</b>	<b>110</b>	<b>160</b>	<b>123</b>	<b>170</b>	<b>134</b>	<b>221</b>	<b>37</b>	<b>175</b>		
Add/Less: Exceptional items	<b>151</b>	-	<b>(30)</b>	-	<b>(12)</b>	-	-	<b>404</b>	-		
<b>APAT</b>	<b>214</b>	<b>321</b>	<b>447</b>	<b>350</b>	<b>469</b>	<b>386</b>	<b>629</b>	<b>504</b>	<b>510</b>	<b>8.7</b>	<b>1.2</b>
<b>APAT margin (%)</b>	<b>3.9</b>	<b>5.8</b>	<b>6.6</b>	<b>5.9</b>	<b>7.7</b>	<b>6.3</b>	<b>8.1</b>	<b>7.8</b>	<b>7.5</b>		
<b>Reported PAT</b>	<b>365</b>	<b>321</b>	<b>417</b>	<b>350</b>	<b>458</b>	<b>386</b>	<b>629</b>	<b>908</b>	<b>510</b>	<b>11.5</b>	<b>(43.8)</b>
Reported PAT (%)	6.6	5.8	6.2	5.9	7.5	6.3	8.1	14.1	7.5		

Source: Company, Emkay Research

**Exhibit 8: EBITDA/APAT came in above our/consensus estimates****Actuals vs Estimates - Q4FY26**

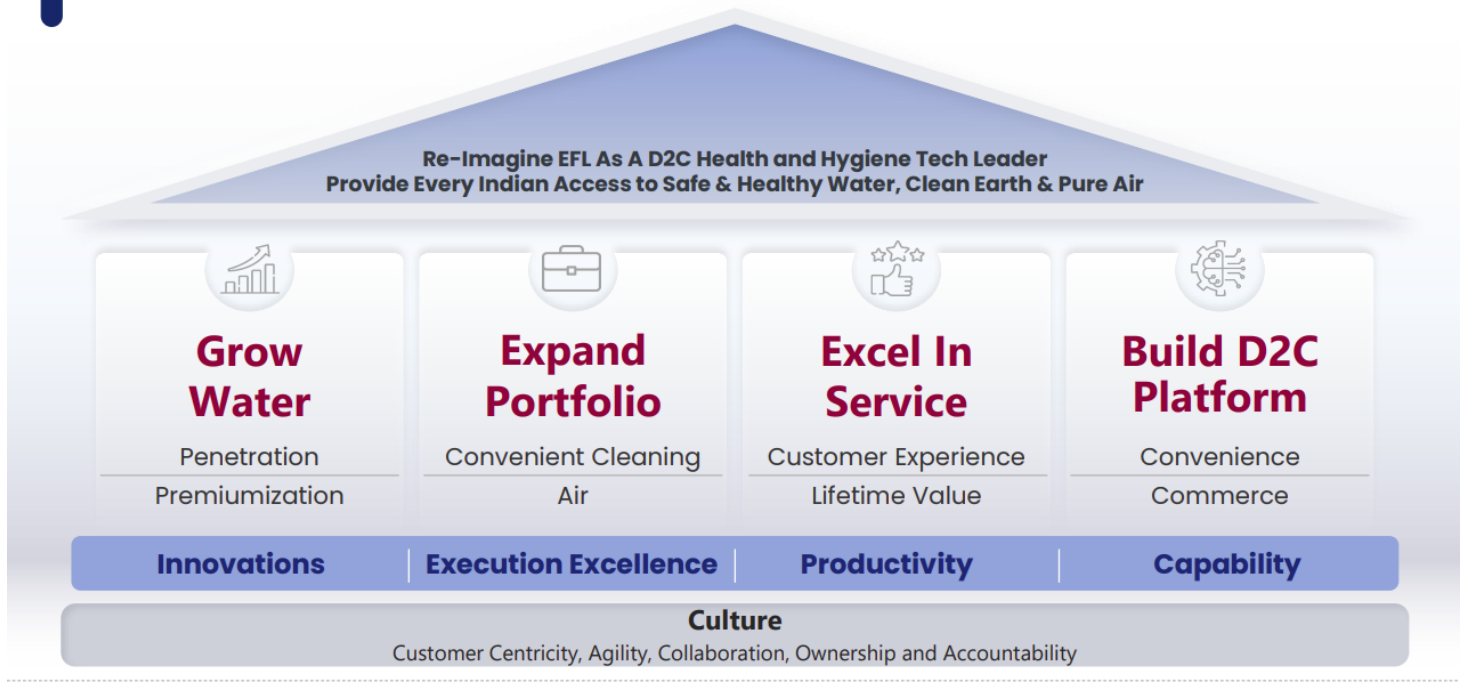
Consolidated (Rs mn)	Actual	Emkay	Variation	Consensus	Variation
Revenue	6,837	6,751	1.3%	6,737	1.5%
EBITDA	856	721	18.7%	789	8.4%
<b>EBITDA margin (%)</b>	<b>12.5</b>	<b>10.7</b>		<b>11.7</b>	
APAT	510	433	17.9%	490	4.2%
<b>APAT margin (%)</b>	<b>7.5</b>	<b>6.4</b>		<b>7.3</b>	

Source: Company, Bloomberg, Emkay Research

This report is intended for Team White Marquee Solutions (team.emkay@whitemarquesolutions)

Exhibit 9: EFL's D2C-led transformation strategy is anchored on growth, portfolio expansion, and customer experience

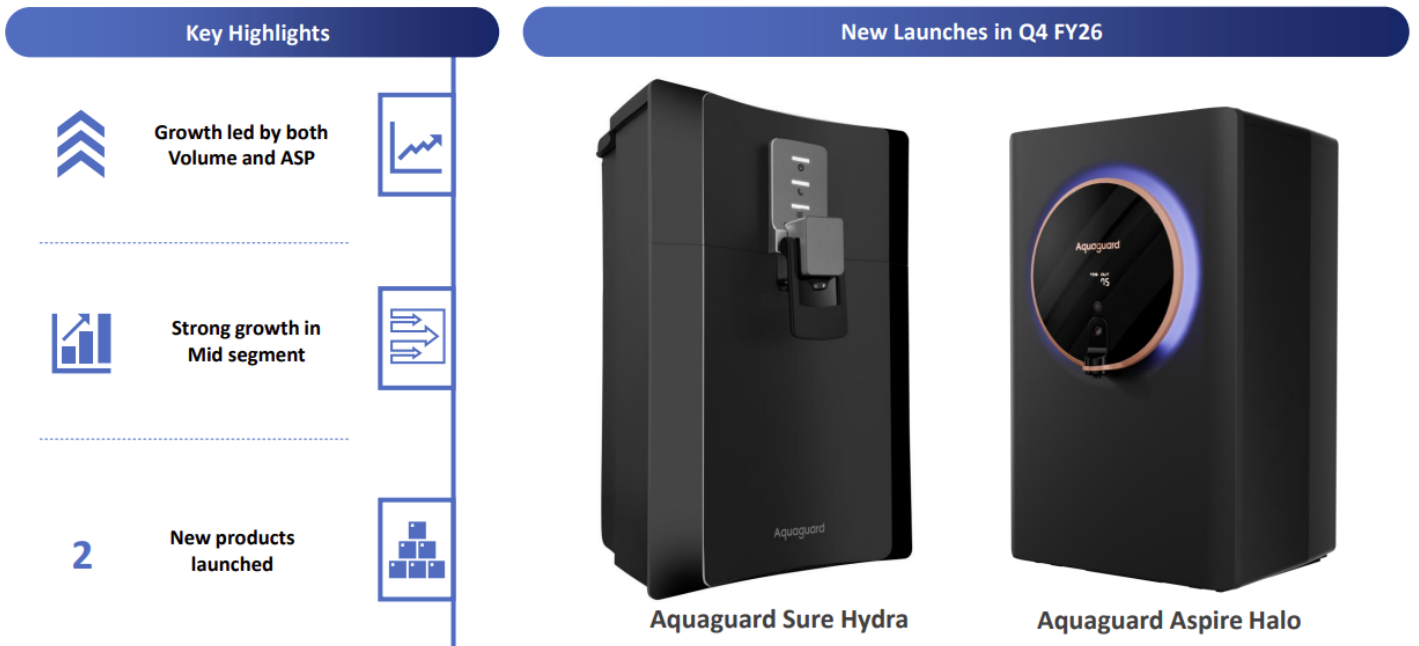
## EFL Transformation Strategy



Source: Company, Emkay Research

Exhibit 10: Double-digit revenue growth in Q4FY26, led by volume and ASP expansion

## Grow Water: Double-Digit Revenue Growth in Q4 FY26



Source: Company, Emkay Research

This report is intended for Team White Marque Solutions (team.emkay@whitemarquesolutions)

Exhibit 11: Robotics category scaling up rapidly, driving premiumization and majority share of vacuum cleaner sales

## Expand Portfolio: Functional Innovation Led Growth In Robotics

### Key Highlights

2/3<sup>rd</sup> Contribution to Vacuum Cleaner sales



3x Growth in FY26 over FY24



Increasing Share of Premium SKUs



Source: Company, Emkay Research

Exhibit 12: After-market segment sees strong traction, supported by digital-led filter awareness and improving service metrics

## Excel In Service: Strong Focus On Filter After-Market Opportunity

### Key Highlights

Influencer videos to raise filter awareness



1 Bn+ Influencer video views



Continuous improvement in Service KPIs

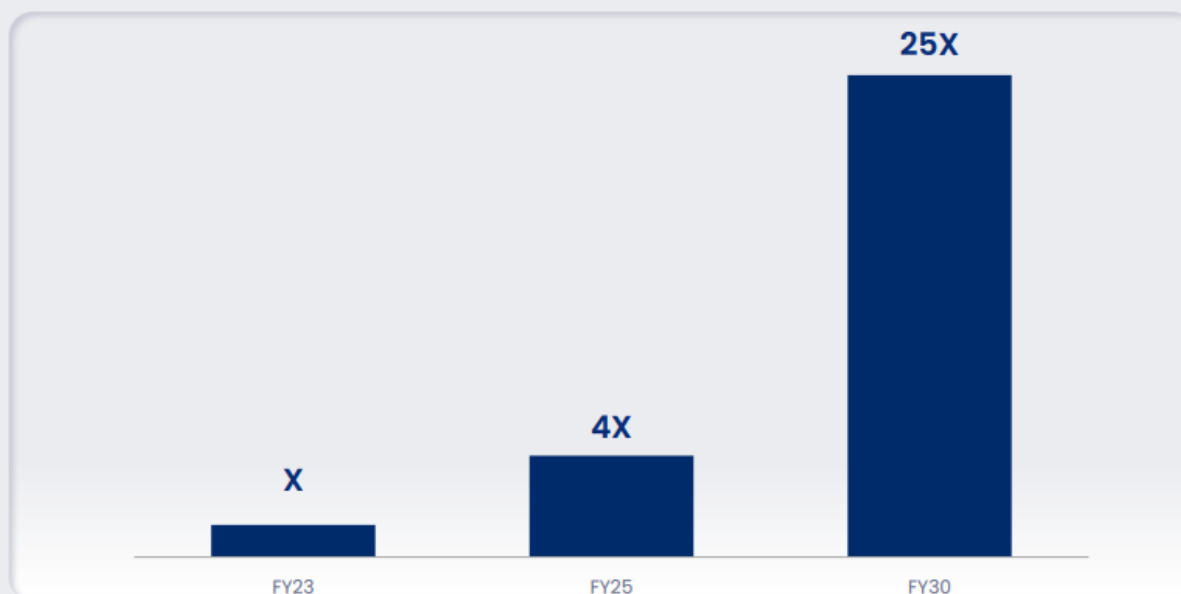


Source: Company, Emkay Research

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Exhibit 13: Robotics is expected to grow 6x from FY25 levels on the back of rising need for convenience and ease of use; it also solves a real pain-point of daily dust/dirt, especially in metros

## In Robotics, We Are Building A New Durables Category Which Will Be A Part Of Every Home



Source: Company, Emkay Research

Exhibit 14: We model 12%/16%/18% revenue/EBITDA/PAT CAGR over FY26E-28E

Particulars (Rs mn)							CAGR	
	FY23	FY24	FY25	FY26	FY27E	FY28E	FY23-25	FY26E-28E
Revenue	20,845	21,893	24,369	27,091	30,256	34,145	8%	12%
Growth YoY (%)	446.0	5.0	11.3	11.2	11.7	12.9		
Gross profit	12,513	13,007	14,292	16,042	17,796	20,151	7%	12%
Gross margin (%)	60.0	59.4	58.6	59.2	58.8	59.0		
<b>EBITDA</b>	<b>1,450</b>	<b>1,986</b>	<b>2,656</b>	<b>3,133</b>	<b>3,499</b>	<b>4,239</b>	<b>35%</b>	<b>16%</b>
<b>EBITDA margin (%)</b>	<b>7.0</b>	<b>9.1</b>	<b>10.9</b>	<b>11.6</b>	<b>11.6</b>	<b>12.4</b>		
Growth YoY (%)	690.8	37.0	33.7	18.0	11.7	21.1		
<b>Adj EBITDA (ex ESOP)</b>	<b>1,450</b>	<b>2,330</b>	<b>2,877</b>	<b>3,354</b>	<b>3,746</b>	<b>4,517</b>	<b>41%</b>	<b>16%</b>
<b>Adj EBITDA margin (%)</b>	<b>7.0</b>	<b>10.6</b>	<b>11.8</b>	<b>12.4</b>	<b>12.4</b>	<b>13.2</b>		
Depreciation	565	540	580	694	746	854		
% of gross block	1.6	1.5	1.6	1.9	2.0	2.2		
<b>EBIT</b>	<b>886</b>	<b>1,446</b>	<b>2,076</b>	<b>2,438</b>	<b>2,752</b>	<b>3,385</b>	<b>53%</b>	<b>18%</b>
<b>EBIT margin (%)</b>	<b>4.2</b>	<b>6.6</b>	<b>8.5</b>	<b>9.0</b>	<b>9.1</b>	<b>9.9</b>		
Other Income	102	88	146	237	332	449	19%	37%
% of cash and bank balance	51.3	14.8	8.3	7.1	7.2	7.1		
Interest	203	98	56	78	77	65		
% of debt	10.2	10.9	17.5	28.8	30.0	30.0		
<b>PBT</b>	<b>785</b>	<b>1,436</b>	<b>2,165</b>	<b>2,597</b>	<b>3,008</b>	<b>3,769</b>		
<b>Tax rate (%)</b>	<b>15.3</b>	<b>22.9</b>	<b>26.0</b>	<b>21.8</b>	<b>25.2</b>	<b>25.2</b>		
<b>Adjusted PAT</b>	<b>664</b>	<b>1,108</b>	<b>1,602</b>	<b>2,030</b>	<b>2,250</b>	<b>2,819</b>	<b>55%</b>	<b>18%</b>
EOI	400	151	-42	404	-	-		
<b>Reported PAT</b>	<b>264</b>	<b>957</b>	<b>1,644</b>	<b>1,626</b>	<b>2,250</b>	<b>2,819</b>	<b>150%</b>	<b>32%</b>
<b>PAT margin (%)</b>	<b>1.3</b>	<b>4.4</b>	<b>6.7</b>	<b>6.0</b>	<b>7.4</b>	<b>8.3</b>		
<b>EPS (Rs)</b>	<b>1.4</b>	<b>4.9</b>	<b>8.5</b>	<b>8.4</b>	<b>11.6</b>	<b>14.6</b>	<b>150%</b>	<b>32%</b>

Source: Company, Emkay Research

**Exhibit 15: Factoring in flattish margins in FY27 (vs FY26 levels) amid the West Asia crisis, we cut our EBITDAM by ~63/58bps for FY27E/28E, and hence an EPS cut of ~7/10%**

Rs mn	FY26		FY27E				FY28E			
	Actuals	% YoY	Earlier	Revised	% Change	% YoY	Earlier	Revised	% Change	% YoY
Revenue	27,091	11.2	30,558	30,256	-1.0	11.7	34,788	34,145	-1.8	12.9
EBITDA	3,133	18.0	3,727	3,499	-6.1	11.7	4,522	4,239	-6.3	21.1
Margin (%)	11.6	67 bps	12.2	11.6	(63) bps	(0) bps	13.0	12.4	(58) bps	85 bps
APAT	2,030	23.5	2,426	2,250	-7.3	10.8	3,135	2,819	-10.1	25.3
Dil EPS (Rs)	10.5	23.5	12.5	11.6	-7.3	10.8	16.2	14.6	-10.1	25.3

Source: Emkay Research

**Exhibit 16: We revise down our TP by 7% to Rs650 factoring in ~7/10% EPS cut over FY27E/28E and roll-fwd to Mar-28E**

Particulars (Rs bn)	FY23	FY24	FY25	FY26	FY27E	FY28E
<b>Revenue</b>	20.8	21.9	24.4	27.1	30.3	34.1
<b>growth</b>	446%	5%	11%	11%	12%	13%
<b>Gross margin</b>	60.0%	59.4%	58.6%	59.2%	58.8%	59.0%
<b>EBITDA</b>	1.5	2.0	2.7	3.1	3.5	4.2
<b>EBITDA margin</b>	7.0%	9.1%	10.9%	11.6%	11.6%	12.4%
<b>Adjusted PAT</b>	0.7	1.1	1.6	2.0	2.2	2.8
<b>PAT margin</b>	3.2%	5.1%	6.6%	7.5%	7.4%	8.3%
<b>Adjusted EPS (Rs)</b>	3.4	5.7	8.3	10.5	11.6	14.6
<b>growth</b>	2438%	67%	45%	27%	11%	25%
<b>PER target multiple (x) - Mar-28E</b>						45
<b>Target price (Rs)</b>						650
<b>CMP (Rs/share)</b>						472
<b>Upside/(Downside) %</b>						38%

Source: Company, Emkay Research

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## Eureka Forbes: Consolidated Financials and Valuations

## Profit &amp; Loss

Y/E Mar (Rs mn)	FY24	FY25	FY26	FY27E	FY28E
<b>Revenue</b>	<b>21,893</b>	<b>24,369</b>	<b>27,091</b>	<b>30,256</b>	<b>34,145</b>
Revenue growth (%)	5.0	11.3	11.2	11.7	12.9
<b>EBITDA</b>	<b>1,986</b>	<b>2,656</b>	<b>3,133</b>	<b>3,499</b>	<b>4,239</b>
EBITDA growth (%)	37.0	33.7	18.0	11.7	21.1
Depreciation & Amortization	540	580	694	746	854
<b>EBIT</b>	<b>1,446</b>	<b>2,076</b>	<b>2,438</b>	<b>2,752</b>	<b>3,385</b>
EBIT growth (%)	63.3	43.5	17.5	12.9	23.0
Other operating income	-	-	-	-	-
Other income	88	146	237	332	449
Financial expense	98	56	78	77	65
<b>PBT</b>	<b>1,436</b>	<b>2,165</b>	<b>2,597</b>	<b>3,008</b>	<b>3,769</b>
Extraordinary items	(151)	42	(404)	0	0
Taxes	248	535	567	758	950
Minority interest	-	-	-	-	-
Income from JV/Associates	-	-	-	-	-
<b>Reported PAT</b>	<b>957</b>	<b>1,644</b>	<b>1,626</b>	<b>2,250</b>	<b>2,819</b>
PAT growth (%)	262.5	71.9	(1.1)	38.3	25.3
<b>Adjusted PAT</b>	<b>1,108</b>	<b>1,602</b>	<b>2,030</b>	<b>2,250</b>	<b>2,819</b>
<b>Diluted EPS (Rs)</b>	<b>5.7</b>	<b>8.3</b>	<b>10.5</b>	<b>11.6</b>	<b>14.6</b>
Diluted EPS growth (%)	66.9	44.6	26.7	10.8	25.3
<b>DPS (Rs)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1.2</b>	<b>2.9</b>
<b>Dividend payout (%)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10.0</b>	<b>20.0</b>
EBITDA margin (%)	9.1	10.9	11.6	11.6	12.4
EBIT margin (%)	6.6	8.5	9.0	9.1	9.9
Effective tax rate (%)	22.9	26.0	21.8	25.2	25.2
<b>NOPLAT (pre-IndAS)</b>	<b>1,116</b>	<b>1,536</b>	<b>1,906</b>	<b>2,059</b>	<b>2,532</b>
Shares outstanding (mn)	193	193	193	193	193

Source: Company, Emkay Research

## Cash flows

Y/E Mar (Rs mn)	FY24	FY25	FY26	FY27E	FY28E
PBT (ex-other income)	1,285	2,207	2,193	3,008	3,769
Others (non-cash items)	493	275	642	0	0
Taxes paid	(14)	52	(7)	(758)	(950)
Change in NWC	(418)	(607)	(879)	(1,098)	109
<b>Operating cash flow</b>	<b>1,945</b>	<b>2,460</b>	<b>2,502</b>	<b>1,975</b>	<b>3,847</b>
Capital expenditure	(250)	(556)	(873)	(605)	(918)
Acquisition of business	-	-	-	-	-
Interest & dividend income	-	-	-	-	-
<b>Investing cash flow</b>	<b>(316)</b>	<b>(1,684)</b>	<b>(1,977)</b>	<b>(605)</b>	<b>(918)</b>
Equity raised/(repaid)	0	0	0	0	0
Debt raised/(repaid)	(1,105)	(409)	(178)	(66)	(15)
Payment of lease liabilities	-	-	-	-	-
Interest paid	(95)	(25)	(44)	(77)	(65)
Dividend paid (incl tax)	-	-	-	(225)	(564)
Others	-	-	-	-	-
<b>Financing cash flow</b>	<b>(1,201)</b>	<b>(434)</b>	<b>(221)</b>	<b>(368)</b>	<b>(644)</b>
Net chg in Cash	428	342	304	1,002	2,285
OCF	1,945	2,460	2,502	1,975	3,847
Adj. OCF (w/o NWC chg.)	2,362	3,067	3,381	3,073	3,738
FCFF	1,695	1,904	1,629	1,369	2,929
FCFE	1,597	1,848	1,551	1,293	2,864
OCF/EBITDA (%)	97.9	92.6	79.9	56.4	90.7
FCFE/PAT (%)	166.9	112.4	95.4	57.5	101.6
<b>FCFF/NOPLAT (%)</b>	<b>151.9</b>	<b>124.0</b>	<b>85.5</b>	<b>66.5</b>	<b>115.7</b>

Source: Company, Emkay Research

## Balance Sheet

Y/E Mar (Rs mn)	FY24	FY25	FY26	FY27E	FY28E
Share capital	1,935	1,935	1,935	1,935	1,935
Reserves & Surplus	40,322	42,152	44,057	46,082	48,337
<b>Net worth</b>	<b>42,256</b>	<b>44,087</b>	<b>45,992</b>	<b>48,017</b>	<b>50,272</b>
Minority interests	12	12	12	12	12
Non-current liab. & prov.	8,114	8,085	8,072	8,072	8,072
<b>Total debt</b>	<b>387</b>	<b>256</b>	<b>289</b>	<b>223</b>	<b>208</b>
<b>Total liabilities &amp; equity</b>	<b>52,085</b>	<b>53,949</b>	<b>56,411</b>	<b>58,197</b>	<b>60,678</b>
Net tangible fixed assets	2,736	2,852	3,230	3,625	3,988
Net intangible assets	31,146	31,007	30,734	30,461	30,187
Net ROU assets	159	266	307	356	330
Capital WIP	12	19	73	18	18
Goodwill	20,588	20,588	20,588	20,588	20,588
Investments [JV/Associates]	-	-	-	-	-
<b>Cash &amp; equivalents</b>	<b>1,525</b>	<b>3,106</b>	<b>4,762</b>	<b>5,763</b>	<b>8,048</b>
Current Liab. & Prov.	9,209	9,430	10,940	11,043	12,088
<b>NWC (ex-cash)</b>	<b>(4,534)</b>	<b>(4,399)</b>	<b>(3,963)</b>	<b>(3,246)</b>	<b>(3,195)</b>
<b>Total assets</b>	<b>52,085</b>	<b>53,949</b>	<b>56,411</b>	<b>58,197</b>	<b>60,678</b>
Net debt	(1,138)	(2,851)	(4,472)	(5,540)	(7,840)
Capital employed	52,085	53,949	56,411	58,197	60,678
<b>Invested capital</b>	<b>50,095</b>	<b>50,314</b>	<b>51,153</b>	<b>51,784</b>	<b>51,899</b>
BVPS (Rs)	218.4	227.9	237.7	248.2	259.8
Net Debt/Equity (x)	-	(0.1)	(0.1)	(0.1)	(0.2)
Net Debt/EBITDA (x)	(0.6)	(1.1)	(1.4)	(1.6)	(1.8)
Interest coverage (x)	15.7	39.5	34.2	40.1	59.2
<b>RoCE (%)</b>	<b>3.0</b>	<b>4.3</b>	<b>5.0</b>	<b>5.6</b>	<b>6.7</b>

Source: Company, Emkay Research

## Valuations and key Ratios

Y/E Mar	FY24	FY25	FY26	FY27E	FY28E
P/E (x)	95.3	55.4	56.0	40.5	32.3
EV/CE(x)	1.8	1.7	1.7	1.6	1.5
P/B (x)	2.2	2.1	2.0	1.9	1.8
EV/Sales (x)	4.1	3.7	3.3	3.0	2.6
EV/EBITDA (x)	45.3	33.9	28.7	25.7	21.2
EV/EBIT(x)	62.2	43.4	36.9	32.7	26.6
EV/IC (x)	1.8	1.8	1.8	1.7	1.7
FCFF yield (%)	1.9	2.1	1.8	1.5	3.3
FCFE yield (%)	1.8	2.0	1.7	1.4	3.1
Dividend yield (%)	0	0	0	0.2	0.6
<b>DuPont-RoE split</b>					
Net profit margin (%)	5.1	6.6	7.5	7.4	8.3
Total asset turnover (x)	0.4	0.5	0.5	0.5	0.6
Assets/Equity (x)	1.2	1.2	1.2	1.2	1.2
<b>RoE (%)</b>	<b>2.7</b>	<b>3.7</b>	<b>4.5</b>	<b>4.8</b>	<b>5.7</b>
<b>DuPont-RoIC</b>					
NOPLAT margin (%)	5.1	6.3	7.0	6.8	7.4
IC turnover (x)	0.4	0.5	0.5	0.6	0.7
<b>RoIC (%)</b>	<b>2.2</b>	<b>3.1</b>	<b>3.8</b>	<b>4.0</b>	<b>4.9</b>
<b>Operating metrics</b>					
Core NWC days	29.6	34.1	47.3	49.5	51.3
<b>Total NWC days</b>	<b>29.6</b>	<b>34.1</b>	<b>47.3</b>	<b>49.5</b>	<b>51.3</b>
Fixed asset turnover	0.4	0.4	0.5	0.5	0.6
Opex-to-revenue (%)	50.3	47.8	47.7	47.3	46.6

Source: Company, Emkay Research

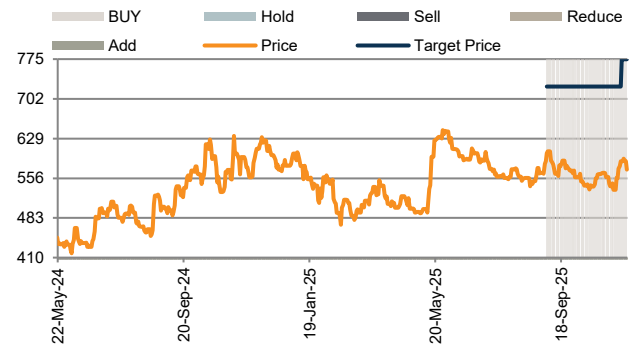
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## RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
06-Feb-26	515	700	Buy	Chirag Jain
06-Feb-26	515	700	Buy	Chirag Jain
28-Nov-25	651	775	Buy	Chirag Jain
28-Nov-25	651	775	Buy	Chirag Jain
15-Nov-25	587	775	Buy	Chirag Jain
15-Nov-25	587	775	Buy	Chirag Jain
04-Sep-25	602	725	Buy	Chirag Jain
04-Sep-25	602	725	Buy	Chirag Jain

Source: Company, Emkay Research

## RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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<b>SELL</b>	>15% downside

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